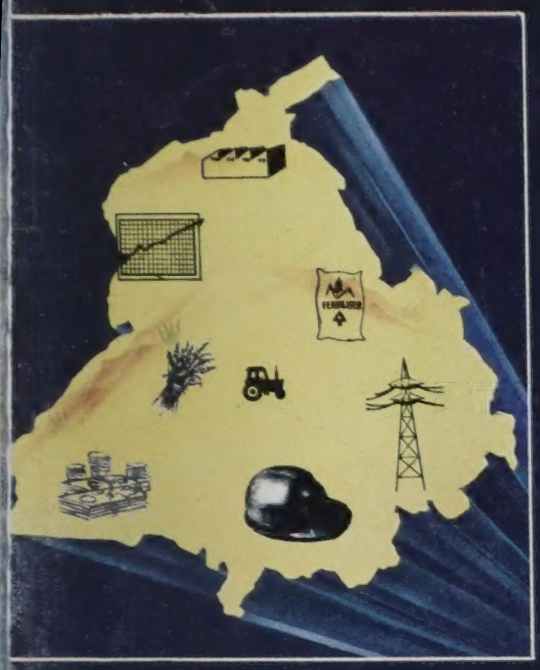
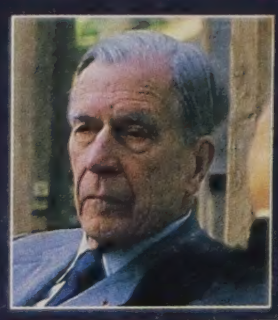
Business India

magazine of the corporate world | October 3 to 16, 1988 | Rs. 6



BUSINESS IN PUNJAB



TALKING TO JOHN KENNETH GALBRAITH

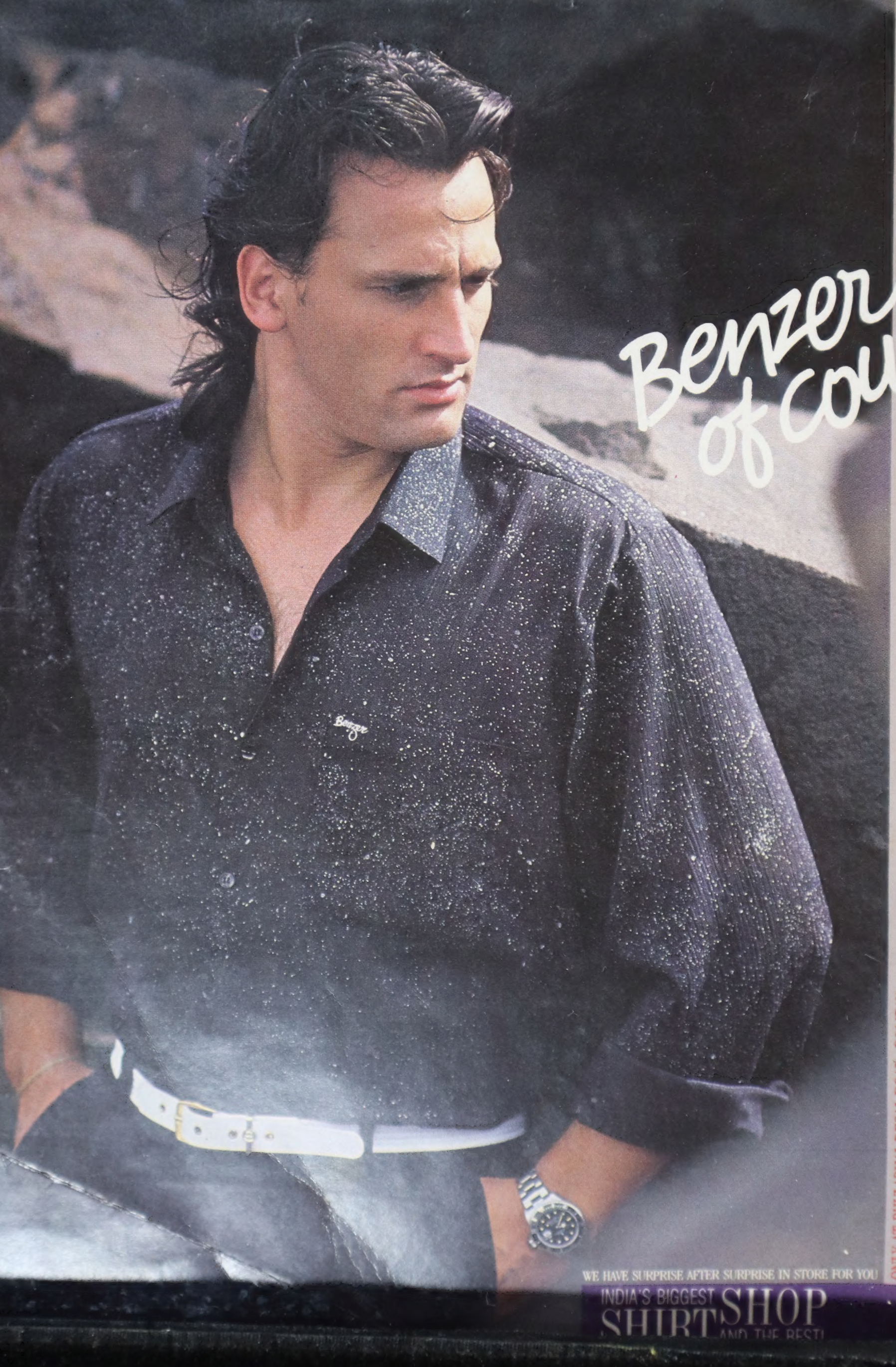
RPG ENTERPRISES BACK IN THE TAKEOVER GAME

SWASTIK SURFACTANTS

LAKSHMI MACHINE WORKS

GODREJ & BOYCE

HIGHEST NUMBER OF TRACTORS OWNED BY AGRICULTURISTS IN THE STATE ★ **HIGHEST** PER CAPITA INCOME ★ **HIGHEST** PER HECTARE YIELD OF RICE ★ **HIGHEST** CONTRIBUTION OF WHEAT TO THE CENTRAL POOL ★ **HIGHEST** CONTRIBUTION OF RICE TO THE CENTRAL POOL ★ **HIGHEST** PER HECTARE CONSUMPTION OF CHEMICAL FERTILISERS ★ **HIGHEST** PER CAPITA CONSUMPTION OF ELECTRICITY ★ **HIGHEST** NUMBER OF TUBEWELLS ★ **AMAZING RESILIENCE**


Benzer
Benzer of course?
NOW A
WHOLE N
FLOOR
FOR MEN
UPSTAIRS
ONLY AT BHULABHAI DESAI ROAD, BOMBAY
WE HAVE SURPRISE AFTER SURPRISE IN STORE FOR YOU
INDIA'S BIGGEST SHOP
SHIRT

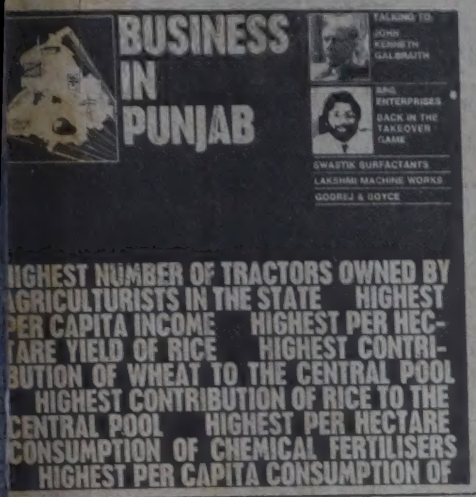
CONTENTS

3 to 16 October 1988

UNIT 276

13 OCT 1988

C.F.T.R.I., MYSORE


BUSINESS IN PUNJAB
TALKING TO JOHN KENNETH GALBRAITH
RPG ENTERPRISES BACK IN THE TAKEOVER GAME
SWASTIK SURFACTANTS
LAKSHMI MACHINE WORKS
GODREJ & BOYCE
HIGHEST NUMBER OF TRACTORS OWNED BY AGRICULTURISTS IN THE STATE HIGHEST PER CAPITA INCOME HIGHEST PER HECTARE YIELD OF RICE HIGHEST CONTRIBUTION OF WHEAT TO THE CENTRAL POOL HIGHEST CONTRIBUTION OF RICE TO THE CENTRAL POOL HIGHEST PER HECTARE CONSUMPTION OF CHEMICAL FERTILISERS HIGHEST PER CAPITA CONSUMPTION OF

COVER FEATURE

46 Business in Punjab
Amazing resilience
In the midst of political uncertainties and uneasy peace, it may not be 'business as usual', for the businessman in Punjab. But trade and industry in the troubled state have managed to show amazing resilience
ANOOP SAXENA

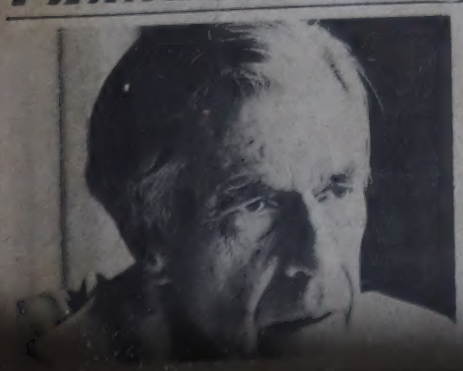
CORPORATE REPORTS

60 RPG Enterprises
Back in the takeover game
With Dunlop India slipping out of the fold, the RPG Enterprises group acted quickly when it formed "strategic alliances" with the foreign equity holders of ICIM and Harrisons Malayalam last month
MUKARRAM BHAGAT

63 Swastik Surfactants
Staking its claim
After a three-year chase, two relatively unknown Bombay businessmen outbid giants when they took over the ailing Swastik Surfactants in August
SHANKAR P.

69 Lakshmi Machine Works
An unrivalled run
The company is today one among five textile machinery manufacturers in the world to make the entire range of spinning machinery
SUSHILA RAVINDRANATH

72 Godrej & Boyce
In the excise net
Extensive excise raids last year on Godrej & Boyce, leading manufacturer of consumer durables and office equipment, led to the slapping of two show cause notices on the company for alleged duty evasions of over Rs.14 crores on sales of refrigerators and typewriters
SHANKAR P.



83 Talking to John Kenneth Galbraith
John Kenneth Galbraith, noted economist, author and diplomat was in New Delhi last fortnight. He spoke to *Business India's* Dilip Cherian and to M.V. Doshi.

16 BUSINESS NOTES
35 ECONOMY
Take it or leave it
A RANGANATHAN

39 CENTRE
Post Pepsi fizz
When's the poll?
Situations vacant

43 SPEAKING OUT
Ship building
Making it cost-effective
REAR ADMIRAL G.T. WADHWANI

85 FOCUS
Bombay Sewerage Project
Down the drain
SHEKHAR GHOSH

90 FINANCE
Top of the pack rating
BASUDEV DASS

92 COLUMN
NRI Investment
Housing could be the answer
JERRY RAO

95 PUBLIC SECTOR
ELCOT
Fresh energies for electronics
DHARANI K. PANI

99 STATES
Kerala
Andhra Pradesh

103 BANKING
41st Summer School
India plays host
KEYA SARKAR

107 LABOUR
Moving to green fields
E.A. RAMASWAMY

109 ADVERTISING
The foreign hand
SHANKAR P.

113 MARKETING
Toothpaste tactics
ALOYSIUS FERNANDEZ

121 ENTERPRISE
The Menons of Kolhapur
From strength to strength
DILIP MAITRA

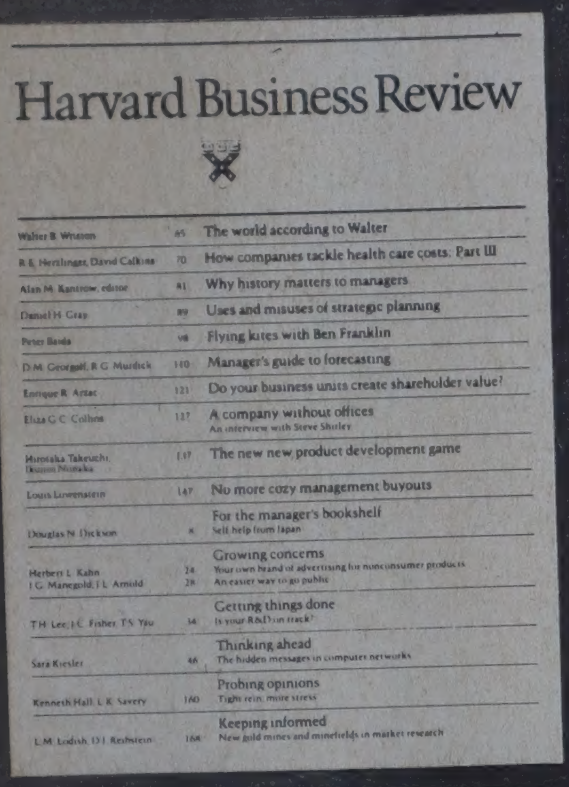
124 INTERNATIONAL

200 INTERVIEW
Dr. Hiroshi Nakajima, director-general, WHO

109 Advertising
103 Banking
155 Books
14 Businessmen in the News
16 Business Notes
39 Centre
92 Column
60 Corporate Reports
129 Corporate Monitor
46 Cover Feature
144 Development
31 Economic Indices
33 Economic Outlook
35 Economy
121 Enterprise
159 Executive Ladder
90 Finance
85 Focus
6 For Your Information
47 Guest Column
200 Interview
149 Investor Contest
124 International
157 Job Watch
107 Labour
3 Letter from the Publisher
4 Letters to the Editor
9 Listening Post
137 Market News
113 Marketing
10 News and Events
153 People
151 Professional Profile
95 Public Sector
160 Reader Service
99 States
43 Speaking Out
140 Stockmarkets
79 Talking to John K. Galbraith
117 Taxation

Published and printed by
A.H. Advani
of BUSINESS INDIA
Wadia Building
17/19 Dalal Street, Bombay
400 001, at the Tata Press
Limited, Bombay 400 025
& Phototypeset by
Business India Photosetters.

Subscribe To Excellence



Harvard Business Review

Walter B. Wriston	65	The world according to Walter
R.E. Hershinger, David Calkins	70	How companies tackle health care costs: Part III
Alan M. Kantrow, editor	81	Why history matters to managers
Daniel H. Gray	89	Uses and misuses of strategic planning
Peter Banda	98	Flying kites with Ben Franklin
D.M. Georgoff, R.G. Murdick	110	Manager's guide to forecasting
Enrique R. Arzac	121	Do your business units create shareholder value?
Eliza G.C. Collins	127	A company without offices An interview with Steve Shirley
Hirotaka Takeuchi, Ikujiro Nonaka	137	The new new product development game
Louis Lowenstein	147	No more cozy management buyouts
Douglas N. Dickson	8	For the manager's bookshelf Self-help from Japan
Herbert L. Kahn J.G. Manegold, J.L. Arnold	24 28	Growing concerns Your own brand of advertising for nonconsumer products An easier way to go public
T.H. Lee, J.C. Fisher, T.S. Yu	34	Getting things done Is your R&D on track?
Sara Kiesler	46	Thinking ahead The hidden messages in computer networks
Kenneth Hall, L.K. Savery	160	Probing opinions Tight rein, more stress
L.M. Lodish, I.J. Reibstein	168	Keeping informed New gold mines and minefields in market research

A magazine written for decision makers worldwide. Published by Harvard Business School.

50 Recent Articles from the Harvard Business Review...

Read them and consider: a single article—if it's the right article—could make all the difference in your business and your career!

CORPORATE STRATEGY

Get Leverage from Logistics
Line Staff Is Obsolete
Management in The 1980s
The Risky Business of Diversification
Task Teams for Rapid Growth
How to Acquire a Company
Management of Objectives

GENERAL MANAGEMENT

Patterns of Delegation
Making Sense of Management Theory
Power and the Ambitious Executive
The Effective Decision
Problems of a New Executive
How to Meet the Press
Thriving in a Recession

PRODUCTION & OPERATIONS

Simple Truths of Japanese Manufacturing
Every Factory Has a Life Cycle
Sweeping Changes in Distribution
Demand Better Results—And Get Them
Guides to Inventory Pricing
Productivity Management
What Happens When Our Oil and Gas Run Out?

FINANCE

New Balance Sheet for Managing Liquidity and Growth
The Folly of Stock Market Timing
Cashing in on the Checkless Society
The Psychology of Pricing
Using Your Hidden Cash Resources
Investment Policies That Pay Off
Using Credit for Profit Making

MARKETING & SALES

After the Sale Is Over...
Get More Out of Your Trade Shows
How to Segment Industrial Markets
Making Your Marketing Strategy Work
Squeezing the Waste Out of Advertising
Clues for Advertising Strategists
What Makes Advertising Effective?
Making the Major Sale

PLANNING & CONTROL

How to Get a Better Forecast
Making Cost Controls Work
Steps in Long Range Planning
Zero Base Budgeting
Sharpen Your Number Sense
Improve Your Profits Day by Day
Make Overhead Cuts That Last

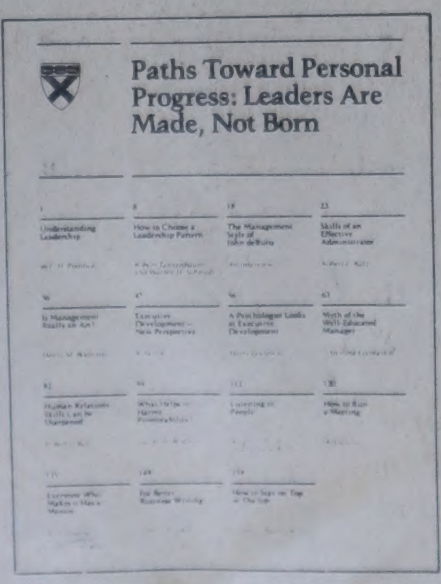
INTERNATIONAL

You're the Best Judge of Foreign Risks
Be Prepared for Political Changes Abroad
Doorstep for Free Trade
Succeeding in Saudi Arabia
Negotiating with 3rd World Governments
Critical Factors in Worldwide Purchasing
Managing the Risks of International Exchange

...And Receive A Free Gift!

PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN is yours free as soon as your subscription order is received!

Skills of an Effective Administrator
Is Management Really an Art?
Myth of the Well-Educated Manager
What Helps or Harms Promotability
Listening to People
How to Run a Meeting
Everyone Who Makes it Has a Mentor
For Better Business Writing
How to Stay on Top of The Job
A Psychologist Looks at Executive Development



Paths Toward Personal Progress: Leaders Are Made, Not Born

SUBSCRIPTION INVITATION

Send my free copy of PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN, start my 1-year subscription (6 issues) to Harvard Business Review and bill me for only Rs. 1,350/-

(Please add Rs. 15.00 for outstation cheques)

NAME _____
POSITION _____
COMPANY _____
STREET _____
CITY _____ PIN _____

ADVANCED MANAGEMENT SERVICES

Harvard Business Review YES

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Editor	Rusi Engineer
Deputy Editors	Dilip Cherian (Delhi) Vijayan Kannampilly (Bombay) Mukarram Bhagat (Bombay)
Assistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Sr. Correspondent	S. N. Vasuki
Correspondents	Shankar P. (Bombay) K. G. Kumar (Trivandrum) N. Radhakrishnan (Bombay) Dilip Maitra (Bombay) Siddharth Dube (Delhi) Eapen Thomas (Bombay) Keya Sarkar (Bombay)
Staff Writers	Madhumita Bose (Calcutta) Dharani K. Pani (Madras)
Chief Sub-editor *Sub-editors*	F. S. Pinto, Gouri Dange, Tushar K. Das
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Cama 2041974/2253
Asst. Advt. Manager (Madras)	Vimal Shivdasani 474964
Sr. Advt. Executives	
(Bombay)	Ferzine Esmail 2041974/2253
(Calcutta)	P. L. Baluja 448455
(Hyderabad)	Minal Jagtiani
Advt. Executives	
(Bombay)	Elizabeth Jason, Himanshu Chitnis 2041974/2253
(Delhi)	Prabha Nair, Archana Pillai 350135/350253
(Madras)	Annapurna Vancheswaran 474964
(Bangalore)	Purnima Shah 74149
Marketing Manager Sales & Planning	Pheroza Sutaria 2041974/2253
Subscription Manager	Anita Mehta 274161
Regional Sales Representatives	
(Bombay)	S. Ravi N. Iyer 274161
(Delhi)	Sumati Bedi 350135/350253
(Madras)	S. Kannan 474964
(Hyderabad)	Minal Jagtiani
(Bangalore)	Purnima Shah 74149
Design	Trilokesh Mukherjee
Layout *Artists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
Madras Office	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

SUBSCRIPTION RATES

INDIA: ANNUAL SUBSCRIPTION Rs. 125

Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)

Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58, West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of ***Business India***

Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage

LETTER FROM THE PUBLISHER

A little over five years ago, we did a cover story on the then growing troubles in Punjab. But rather than look at the political aspects, which even then made headlines daily, we looked at the situation from an economic and business point of view.

It is now well accepted that initially the problems stemmed from essentially economic grievances. The Jat Sikhs, who are the landed farmers, demanded more power, water and other agricultural inputs at cheaper rates. They also wanted higher procurement prices for wheat and rice, and in these demands they were naturally supported by the middle and even marginal farmers. This was the backbone of the Akali support. And while Punjab had a fair share of small and medium industries, it sorely lacked investments in heavy industry, large projects and the newer industries such as petrochemicals and electronics.

Undoubtedly, after Operation Bluestar, the assassination of Mrs. Gandhi, the killing of Sikhs in Delhi and elsewhere in the aftermath and the killing of Longowal, political considerations have come to the fore. But behind the political issues there are also the economic realities which persist.

With the success of agriculture, mechanisation and prosperity, large numbers of Sikh youths are not really required on the farm. More than a million youths have been added to the workforce in the last 5 years, but have not been truly absorbed. While Punjab continues to supply wheat and rice to the nation, there is little investment in higher value agricultural products, such as fruits and vegetables. There is also still little emphasis on industry.

For this time's cover story, our correspondent Anoop Saxena travelled to different parts of Punjab and reported on day-to-day life in the state. The people of Punjab, both Hindus and Sikhs, have faced these troubled times with their usual courage.

Undoubtedly, business has been badly hit, particularly in the northern-most districts of the state, namely Amritsar, Gurdaspur and Faridkot. The southern districts have been affected much less so by terrorist activities. Without going into the politics, clearly an honourable settlement will have to be worked out.

But, at the same time the Punjab economy continues to grow strongly. Reportedly, in this last year, it grew by 7.5 per cent, compared with the estimate of a little under 9 per cent for the national economy. In fact, most outsiders are surprised to learn, that in spite of the strife, agriculture, trade and industry, with some necessary adjustments, continue to function and grow.

It is truly a story of amazing resilience.

Ashok H. Advani

• Incorrect picture of Nagarjuna

The article on the Nagarjuna group (22 August) presents a wholly incorrect picture. As your correspondent has repeatedly stated that most or all of the companies in the group are performing poorly, we would like to state the factual position regarding each company so that your readers may judge for themselves.

The group's flagship company, Nagarjuna Steels Limited (NSL) which went on stream in 1977-78 with the production of cold rolled steel strips was able to exceed the rated capacity in the tenth month of its operations and declare a dividend in the second year itself.

In the last five years, the company's turnover rose from Rs.12.66 crores to Rs.43.28 crores and the profit before tax (PBT) for the same period showed a compounded annual growth rate of 28 per cent. Nagarjuna Finance Limited (NFL) which commenced operations in 1983-84 with disbursals of Rs.8.63 crores has registered an annual compounded growth rate of 33 per cent.

Nagarjuna Investment Trust Limited (NIT) and its wholly-owned subsidiary, Nagarjuna Hire Purchase Limited, commenced operations in 1983-84. The gross disbursals increased from Rs.5.13 crores in 1985 (the first full year of operations) to Rs.7.59 crores in 1987 and PBT during the same period from Rs.94 lakhs to Rs.1.16 crores.

Nagarjuna Signode Limited (NSG) which accounted for a turnover of only Rs.4.26 crores (in its first full year of operations) has touched Rs.14.98 crores in 1987-88, ie, an annual compounded growth rate of 52 per cent.

From an operating loss of Rs.1.27 crores in the first year, NSG has done well to turn the corner and report a PBT of Rs.99 lakhs in 1987-88.

Nagarjuna Coated Tubes Limited (NCT) which specialises in the manufacture of high-strength on-line coated tubes is one company in the group which is yet to make profits. A rehabilitation plan was approved by the financial institutions in April 1987 and this had an immediate impact. The turnover doubled from Rs.4.98 crores in 1986-87 to Rs.9.56 crores in 1987-88.

The group had in 1979 set for itself a target of Rs.100 crores turnover to be achieved in ten years, ie, by 1989. This target was, in fact, exceeded in the eighth year itself. It is, therefore, not at all correct to say: "So a group which had projected total sales of Rs.200 crores by 1989 has limped along to touch Rs.75 crores."

The group bid for the fertiliser project at Kakinada because it was confident of raising the funds required as promoter's contribution. It may be worth mentioning here that ventures promoted by the group in the past had received favourable investor response. The group is well on target for raising the funds required for the fertiliser project. The statement attributed to K.S. Raju — "raising cash has been a nightmare" — was never made by him.

With the long-awaited clearances and financial sanctions having been received, NFCL is now set to implement the project and make up at least a part of the lost time. NFCL's success is bound to inspire first-generation entrepreneurs to shoot high.

K.V.K. RAJU
Nagarjuna Fertilizers and Chemicals Ltd
Hyderabad

Our correspondent replies:

The statistics provided by K.V.K. Raju are interesting, but they do not tell the entire story. Since 1984, Nagarjuna Steel's net profit has followed an erratic trend — Rs.47 lakhs (1984), Rs.59 lakhs (1985), Rs.2.28 crores (1986) and Rs.1.61 crores (1987). No dividend was paid in 1985. The dividend paid in 1986 was 16 per cent. It was 12 per cent in 1987.

Nagarjuna Signode and Nagarjuna Coated Tubes may be performing well today but both companies are very much in the red; Nagarjuna Signode has accumulated losses of Rs.2 crores and expects to pay a dividend only in 1991. The accumulated losses of Nagarjuna Coated Tubes are Rs.8 crore and a dividend date is not in sight. So are these companies performing well, as Raju suggests, or poorly? When K.S. Raju was asked whether raising funds for the promoters contribution of Nagarjuna Fertilisers was difficult, he did say: "It has been a nightmare".

• The Nagarjuna group's losses quoted by you do not tell the whole story. The figures put out are the result of the practice of capitalising interest on long term loans, not providing full depreciation as per the law, and deferring revenue expenditure. For instance, in the case of Nagarjuna Coated Tubes (NCT) the actual loss as on 31 March 1988 was a staggering Rs.13.5 crores, as per the auditors' report, compared with Rs.10.4 crores given in the published accounts, while you have quoted a figure of only Rs.7.08 crores.

Thus the diversification even into the familiar business of steel has proved to

LIKE FATHER, UNLIKE SON

by Jorai

Daddy. I've decided to set up my own business!
I don't need your money!
I don't need your house!
I don't need your car!
... err...
... how about being a major shareholder in it?!

a failure.
With such a poor track record, it
ould be wishful to expect the fertiliser
oject to be completed within the time
id cost parameters. Nor can a
vidend be expected within two years
going into production.

S. RAO
yderabad

Listen, Manu Chhabria!

refer to your corporate report on L&T
5 September) wherein you mention
eports that Manu Chhabria, NRI
orporate raider, has acquired a 1.5 per
ent stake in L&T. Chhabria's golden
ouch seems to be confined to cash-rich
ompanies like Shaw Wallace, Mather &
latt, Hindustan Dorr Oliver, Dunlop,
tc. If these companies are reporting
xcellent results it is not on account of
ny entrepreneurial skills of Manu
hhabria but because they are
rofessionally managed and function on
sound financial principles.

To win a niche in the Indian
corporate world he should take over
loss-making companies like LML or
companies like Delton Cables which
have not paid their shareholders any
dividend since their inception or
companies like Modern Insulators
which are yet to start viable
commercial production. If he can
manage these companies successfully,
he deserves not only bouquets for his
managerial competence but also thanks
from the unfortunate small investors
who have invested their hard-earned
savings in these companies.

The Nihon Electronics scrip was
quoted at Rs.44 last year; it has now
touched rock bottom at Rs.14. So, may I
request Manu Chhabria to concentrate
on Nihon Electronics? Are you listening,
Manu Chhabria?

R.G. SESHACHALAM
Bangalore

• The mega issue

This refers to the cover feature on the Reliance debenture issue (8 August). It is too early to say anything about the performance of Reliance Petrochemicals. The various plus points mentioned by the authors are those that the company's management has been talking about. We expect a more unbiased and studied view from *Business India*. Let the projects be implemented; we can then — and only then — evaluate the performance of the company.

There is no mention of the fact that investors can be taken for a ride because the upper limits for premium payable on conversion of parts A and B of the debenture certificate have not been specified. The Bombay Shareholders' Association has already cautioned investors about this.

Lastly a word about the most outlandish guesswork about the dividend the company may pay from the very first year! The interest earned on investments made out of surplus funds cannot be used for dividend but will have to be adjusted against interest paid (payable) on debentures (which will in all probability be capitalised).

NARENDRA M. APTE
Bombay

•Unjustified statement by Makers

This refers to your recent report on Iran and Iraq, "Good prospects for project exports" (Overseas, 5 Sept).

The statement by K.G. Shenoy, President, corporate division, of Makers Development Services is quite vague and unjustified. It is well known that construction companies do not show profits until the construction work is completed; until completion, the net project expenditure is treated as "work in progress". The statement that the company had to carry an additional interest burden of Rs.35 crores is a grossly exaggerated one. It is well known that the interest differential which is only 6 per cent on rupee loans and 1 per cent on US dollar loans, is to be borne by the company; on an outstanding figure of Rs.60 crores, this interest differential can in no way be Rs.35 crores.

It is also well known that a net loss may arise in a variety of ways. How can a company make a statement of this kind when:

The total amount receivable from the client has not been determined as the bills and claims have not yet been approved and certified.

Variation orders from the contractor still remain to be completed.

War claims have not been settled.

The loss has not yet been determined in the financial statements which show "work in progress" to the tune of Rs.196 crores.

The financial statements of 1986 show that Makers had received interest of Rs.5 crores on surplus funds. This would indicate that the surplus funds are approximately Rs.30 crores. The company has also got fixed assets directly used in the project which were worth approximately Rs.15 crores by way of plant and machineries, computer systems, caravans, etc.

It is need foolhardy to say that Makers Development Services burnt their fingers in Iraq and would never go back.

B.J. MISTRY
Intertrade and Developers Ltd,
London

• Insult to women

You claim to be a magazine for the corporate world. Does this corporate world consist only of men? If not, why is there a section entitled "Businessmen in the News". Is it because there are no businesswomen worth reporting about or is your magazine only for men?

As it happens, you have a write-up on Gnanamgari Sakunthala in your 22 August issue under the title "Businessmen in the News", thereby insulting not only Sakunthala, but all of us businesswomen.

I know the majority of your readers are men, but you need not insult or alienate your women readers by such a blatant display of sexism.

CHANDA NARANG
New Delhi

• First things first

This is with reference to your Focus item "Pawar's Perestroika" (5 September) in which mention was made of implementing the West Island Freeway Project to ease Bombay's traffic problem.

While it may be implemented in time to come, will it not be appropriate to first look at the exit points of major stations of suburban trains and redesign them with overbridges and subways? This will considerably smooth the flow of vehicular and pedestrian traffic.

DINESH MEHTA
Bombay

• Correction

In our last issue we inadvertently misspelt the name of the new in-charge of Peico India as J. Bergrett. It should read J. Bergvelt. The error is regretted.

A pragmatic approach

The recent railway tragedy at the Perumon bridge near Quilon in Kerala drew the sympathy of not only the people of the state, but also the rest of the country. True to the best of style, the state government decided to give cash awards of Rs.1,000 each to the individuals who had helped during the rescue operations. For this, the state government officials prepared a list of 450 persons. However, they were compelled to revise the list by adding another 165 names due to political pressure. Subsequently, the awards were given in secrecy. Opposition parties also not to be left behind, submitted another list of 1,071 more names. As is to be expected, many of the people recommended for the award, by both the ruling party and the opposition are not even remotely connected with the rescue operations. Such are our political parties, who are supposedly wedded to public cause!

Meanwhile, the people at Perumon, who had actually done the job, have told government officials that they would rather have a footpath parallel to the rail bridge than the cash awards.

M. HARIDASAN, *Ahmedabad*

The other, please!

Nothing, may make Indian Airlines change its ways. Service, it seems, is anathema to the country's domestic airline. Recently, Field Marshal K.M. Cariappa had a taste of this — or rather of the bitter beverage that is served on board. A sip, it is reported, left him spluttering in despair at the hostess. "My dear, if it is coffee, get me some tea. And if it is tea, get me some coffee!"

MENA BHARANIA, *Porbunder*

Selling to ET?

Clavcosmos, the space organisation which is responsible for Soviet space launches, has decided to allow foreign and Soviet firms to place advertisement messages on rockets and space vessels "at reasonable prices". The names of two non-Soviet metal companies, Vesta Alpine from Austria and Danielli from Italy, appeared on the proton rocket which sent an interplanetary searcher, Probos, to Mars. So what does that make the ETs out there? An unexplored target audience?

V. THIAGARAJAN, *Bangalore*

Suggestions and personal attacks

In the Karnataka government enterprise where I work, the secretary of the union was promoted to purchase officer (PO). He is in charge of stores and purchases.

As a sales officer, I had frequent dealings with the PO. In time, I found that there was considerable delay in dispatching materials due to shortage of packing materials. So I wrote to the general manager and suggested an inventory control system that would fix stock levels of packing materials. The GM passed the note on to the PO for necessary action.

The PO, however, took the matter to heart and asked me, "Do you think we don't know anything?" I said that I had only made a suggestion and that it was up to him to consider or ignore it. His reply was, "It is a remark on me. What about my position? If I had the money, I would purchase and store materials lasting for 10 years." He also warned me not to write such notes in future.

If a union leader, whose leadership is based on consensus and the wishes of other people, can't accept a suggestion without considering it a personal attack, I wonder who can.

KURUBAR RAMACHANDRA, *Bangalore*

Lawful transport

The Dharwar Bar Association volunteers are setting an example in social work. Around six of them, lawyers all, go to the station every morning to meet the Bangalore-Miraj-Kittur Express and help passengers who have difficulty in getting autorikshaws. These lawyers come on their two-wheelers but a car is also kept handy, to transport luggage. This free service was triggered off by the frequent refusal of autorikshaw drivers to ply on certain routes or their demands for exorbitant fares. The campaign was launched to teach rude auto drivers a lesson.

There had been many complaints and, after a meeting between the Road Transport Office, the police chief and the commissioner, auto fares were revised and the installation of meters was made compulsory. Initially, the auto drivers' union accepted the new rates and other norms but later reneged on the agreement and went on strike.

In response to an appeal for public co-operation, the Dharwar Bar offered free transport to hapless passengers. The campaign, originally slated for a week, met with resistance on the first day when a group of the lawyers went to the station. Two auto drivers — said to be leaders — abused the lawyers and manhandled one of them. The lawyers stood firm, made a written complaint to the police and the drivers were arrested.

The free transport service was extended beyond the original one week and has attracted much gratitude and support from the public.

ARUN BHATIA, *Bangalore*

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs.50 paid for each published contribution.

Filing fit

Our materials manager is known for his wit and tact in putting down his men when they seek a favour. A filing clerk once approached him with a request for leave to attend his cousin's marriage. The manager began narrating the story of Tanaji, whose son was getting married during a crucial battle. The manager said, "You know, what Tanaji said when called upon by Shivaji to recapture a Maratha fort? Tanaji said, 'The wedding of my son can wait; fighting for my country comes first'."

The clerk listened in silence and then replied, "In that case, sir, give me fighting work, not filing."

L.M. DIXIT, *Bombay*

Smoking is deleterious to your career

If you are a non-smoker, your chances of getting certain jobs in New Zealand are better than a smoker's. Job ads in newspapers in that country often state categorically that "applications from non-smokers only will be entertained", or "the group has a preference for a non-smoker", or "we provide you a smoke-free environment".

With things being carried this far in other countries, the Indian government too has initiated programmes to curb tobacco habits. The Maharashtra government, in a path-breaking ruling, has banned cigarette smoking in all government establishments. Other states, like West Bengal, are expected to follow suit soon. As a part of the programme, the government will, among other steps, ban advertisements of cigarettes, *bidis*, tobacco-based *paan masala*, etc.

In fact, there is no need to ban advertisements of cigarettes, etc. The existing statutory warning on cigarette packets, advertisements, hoardings — "Cigarette Smoking Is Injurious To Health" — is more than enough. What is actually needed is a grassroots handling of the problem, with emphasis on dissuading young people from smoking.

SUTAPA CHATTERJEE, *New Delhi*, and PRAVIR SHAH, *Calcutta*

Bullock carts — the old reliable

Sub-contractors who supply fabricated items to the seamless steel tube plant of BHEL Trichy unit, were having a lot of trouble moving steel pipes in and out of the factory. They were at the mercy of the company's fork lift carrier operators and found it very difficult to get things done by them. Finally, they made a representation to the factory administration to bring their own bullock carts into the factory premises for loading and unloading the pipes!

It seems we can't write off the bullock carts even as we enter the twentyfirst century.

V. THIAGARAJAN, *Bangalore*

Road fatality on the rise in India

Perhaps the most recent addition to the long list of dubious distinctions registered by India is the largest number of road accidents and casualties in the world — around 200,000 accidents occurring on a 1.6 million km network of roads resulting in 40,000 deaths and injuries to more than 170,000 people a year. According to N.S. Srinivasan, executive director of the National Transportation Planning and Research Centre (NATPAC), the number of road accidents in India is three times higher than that prevailing in developed countries. The number of accidents per 1,000 vehicle population is as high as 35 in India, while the figure ranges from four to ten in developed countries. For instance, in Japan, the number of fatalities have been reduced to 12,919 in 1983 from a high of 21,535 in 1970. This is notwithstanding the increase in vehicle population by 133 per cent during the corresponding period. The number of vehicles in India have increased from 186,000 in the early seventies to about 450,000 now. Subsequently, road crash fatalities have increased by 300 per cent — from around 10,000 in 1970 to over 40,000 today.

At the current rate of road accidents and consequent fatalities, it is calculated that road mishaps would claim one life every minute in the country by the turn of the century. No wonder, along with industrial fatalities, road accidents have become the third largest killer in the country, after heart diseases and cancer. Accidents also cause an estimated loss of Rs.350 crores every year to the country's economy.

According to Srinivasan, about 75 per cent of the accidents occur on urban roads which account for only 6 per cent of the total road network of the country. What's more, ten big cities account for about 40 per cent of the road accidents.

Major accidents in big cities invariably involve pedestrians. For instance, in Bangalore, indisciplined pedestrians were responsible for around 200 accidents last year. A study of the high accident frequency locations in New Delhi has revealed that at these locations 88 per cent of the fatal and severe injury occurred due to driving error. New Delhi, in fact, has the highest rate of road accidents in the country. Other major causes of road accidents are: poorly maintained roads, defective vehicles and unpleasant environment.

In India, not only is the accident rate high, but also the resulting damage to people, especially fatalities, when compared with the figures in other countries. India averages 5.5 deaths per 1,000 vehicles as against 0.36 in UK, 0.432 in the US and 0.40 in France. The congestion of population, the concentration of industries and workspots, increasing vehicular density and erratic pedestrian rules conspire to make India a highly accident prone country.

RADHAKRISHNA RAO, *Bangalore*

IDBI Capital Bonds
A new instrument for exemption from Capital Gains Tax.

IDBI offers for sale a new series of 3 year bonds. Amounts invested in the bonds are eligible for claiming exemption from capital gains tax under section 54 E of the Income Tax Act, 1961.

Other benefits available for investments in the Bonds are **non-deduction of tax at source** on interest paid on the bonds; **exemption from Wealth Tax** (under section 5(1) xvie of the Wealth Tax Act, 1957) and **Income Tax benefit under Section 80L.**

Individuals, HUFs, Firms and Companies are eligible to invest in the bonds. The bonds can be applied for at any time and are available throughout the year. Applications have to be for a minimum amount of Rs. 1000 and in multiples thereof. (Outstation cheques are also accepted and cost of collection of the cheques will be borne by IDBI.)

The bonds carry interest at **9% p.a. payable half yearly.** Interest coupons for the entire 3 year period of investment will be given at the time of investment itself.

At the investor's option, **interest for the full period of 3 years could be paid in advance on discounted basis.** Under this option, the investor will receive for every Rs. 1000 invested, an amount of Rs. 235 by way of interest payment soon after investment.

Subhagya-B:87

For further details contact the nearest IDBI office or write to Manager.
INDUSTRIAL DEVELOPMENT BANK OF INDIA
Jolly Maker Chambers No. 2 225, Vinay K. Shah Marg, Nariman Point, Bombay 400 021.

Phadnis quits Nirlon board

The rehabilitation of the sick Nirlon Synthetic Fibres & Chemicals Ltd has suffered a fresh setback, with the resignation last fortnight of C.B. Phadnis, the company's finance director who represented the lead bankers, the State Bank of India. Phadnis, who took charge in May this year and tightened up the finance function to the discomfort of many in the company, is believed to have developed serious differences with Nirlon's chairman, M.R.B. Punja.

Phadnis' withdrawal from Nirlon may impact the scope of the latter's relationship with the SBI, say sources. All eyes, however, are on the crucial meeting of the Board for Financial and Industrial Reconstruction scheduled for 3 October.

Canara Bank to manage NRI bank

Canara Bank is planning to manage the services of an NRI bank both in India and the rest of the world. Though the Reserve Bank has been chary about allowing branches of foreign banks to operate in India, they are taking a more liberal approach to this particular bank, because of the possibility of using it to garner non-resident Indian deposits.

New products from Xerox

The undisputed leader of the copiers business, Modi Xerox Ltd, is all set to launch three new products. These are a low priced personal copier, a fax machine and a blueprint copier. The company which is managed by B.K. Modi is expected to announce its diversification plans in a couple of weeks.

After a troublesome start in the first year of operations, the company has never had to look back. The last two years have seen a quantum jump in sales and market share. Last year ended April 1988, the company posted sales of Rs.78.5 crores and a net profit of Rs.5.1 crores. This year, sales are expected to be close to Rs.100 crores. All accumulated losses will also be wiped out and a maiden dividend is very likely. Already, out of every three copiers sold in the country,

Modi: all set to launch new products

one is a Modi Xerox machine.

Given such a scenario, the launching of new products with a large demand potential means an even more exciting future for the companay. And for the country's fledgling office automation industry too.

Dark house

Major changes are in the offing in the sports shoes industry. While Bata and Carona take their time acting on their long planned tie-up with the German giants Addidas and Puma, it now appears that Lotto, the reputed Italian manufacturer, might sneak into the country much before them, in fact in the next few months.

Bhor Industries, one of the largest synthetic leather manufacturers in the country — the kind used in making sport shoes — will make Lotto shoes in India. And close on the heels of the Italians, market sources say, are the Americans. Reebok is said to be looking at the Indian market closely although it is not yet known as to who their local partner will be. Among names being mentioned is that of Lupin Laboratories, which recently set up a fully owned synthetic leather manufacturing subsidiary in Goa.

After the recent mega star rock concert in Delhi, Reebok, which underwrote the expenditure for the worldwide tour, earned quite a lot of goodwill in India.

Sale and lease DAP

The public sector Mangalore Chemicals and Fertilisers has entered into a unique Rs.25 crore sale and lease back arrangement on its ageing di-ammonium phosphate (DAP) plant. Due to technical problems the DAP plant has consistently functioned at barely 40 per cent capacity. So MCF decided to acquire a new DAP plant from the same suppliers, Toyo Engineering of Japan, on the condition that the existing plant would be revamped.

Last year the company faced a cash crunch and approached several leasing companies for a sale and lease back arrangement on its old DAP plant, valued at Rs.25 crores. The package which was recently cleared was put together by the Bangalore based International Leasing (and participating in the lease consortium are Canbank Financial Services and several private sector leasing companies).

Under the terms MCF would receive Rs.25 crores and in turn pay the leasing companies a rental of Rs.26 per Rs.1000 per month. The leasing consortium has also secured bank guarantees of Rs.20 crores for realisation of their rentals. This is not the first time that a sale and lease back arrangement has taken place in the country, but it is definitely one of the largest.

Unworthy victims

Public sector banks are in a sorry plight. Once again they are victims of a decision thrust on them. Recently, a Reserve Bank committee consisting of representatives from RBI, CMC, the Department of Electronics and State Bank of India identified two manufacturers who will supply computer mainframes for installation in each of the head offices of 20 public sector banks.

What is galling, say bankers, is that the decision, which will mean an investment of Rs.2 crores plus per bank, was taken without the banks themselves being consulted.

Curiously, both RBI and SBI have installed IBM machines and imported software, but the committee has recommended that the public sector banks must buy locally — ie, either ECIL or ICIM. Being in the dark about the criteria, bankers wonder whether either of the machines can take care of their specific needs, and whether either CDC or ICL, the collaborators for ECIL and ICIM respectively, have a proven track record in developing banking software.

Taking advantage of the bankers' confusion, CMC (ironically a member of the committee) is reportedly independently bidding to import CDC machines and supply them to banks with 'value added' software.

Rapid environmental clearance

The union government has decided to clear projects simultaneously from the point of view of the environment and forestry, by using a single window concept. A press release issued by the ministry of environment and forests said that project clearance would be given within six weeks of the receipt of a proposal if all details are included. Hereafter, project proposals will be rejected if project authorities do not provide missing information about the environment within three months and regarding forest within six weeks of a request of the ministry. However, cases rejected because of inadequate information can be reopened if a suitable explanation is offered.

Additional CCS for textiles

Union government has decided to grant additional cash compensatory support (CCS) of 5 per cent on exports to quota countries on non-quota textile items and garments, including handloom. It has also decided to give 8 per cent CCS on exports of blended yarn for both quota and non-quota countries.

These rates will be applicable to orders or contracts received after 22 September 1988 and the rates will remain in force till 31 December 1988.

Indo-French mining protocol

India and France have signed a protocol for co-operation in the field of mineral exploration and development. It was concluded at the end of the first meeting of the Indo-French working group on mineral exploration and development in New Delhi recently. The protocol was signed by P.K. Lahiri, additional secretary, department of mines, on behalf of the Indian government while André Ribeiere, additional secretary, ministry of industry, signed for the French government.

Progress has been made so far in planning projects for the exploration and development of tin and tungsten in India. If the projects are successfully implemented they could succeed in augmentation of off scarce resources in the country.

Credit relief to Punjab

Reserve Bank of India (RBI) has announced a series of measures amounting to a relaxation of credit policies relating to industries in the state of Punjab. RBI has authorised bank officials to sanction additional limits to the extent of 50 per cent of the required working capital, upto a ceiling of Rs.20 lakhs. The earlier ceiling was Rs.10 lakhs.

The RBI has also specified that for limits in excess of Rs.20 lakhs, clearance should be obtained from higher authorities within a period of two weeks. In addition, the RBI has also reduced the margin on advances to mills and processing units against purchases of wheat from the existing 45 per cent to 30 per cent.

Envirotech '88 held in Bombay

The third exhibition and international conference on industrial pollution control and safety, Envirotech '88, sponsored by the Central Pollution Control Board and organised by the Chemtech Foundation was held at the Nehru Centre in Bombay between 21 and 26 September 1988.

At the exhibition, there were 46 stalls and a pavillion sponsored by the Maharashtra Small Scale Industries Development Corporation, which contained 20 individual exhibitors. A wide range of pollution control equipment was displayed. Among the major exhibitors were Empire Instrumentation, which is an agent for a range of stack, ambient air and gas analysers, and displayed area quality monitors and particle size analysers; Indian Oxygen Ltd, which displayed photographs of its waste water treatment process; Flakt India Ltd, manufacturers of pollution control equipment like electrostratic precipitating fans and blowers; and L.G. Balakrishnan and Bros, which displayed oxygen analysers and capacity monitors.

Besides the exhibition, workshops and seminars were held on a variety of subjects relating to pollution control. The major symposium were on air and water pollution and on disaster prevention and crisis management.

S.S. Morakhia resigns from BSE board

Shreepal S. Morakhia is understood to have resigned from the governing board of the Bombay Stock Exchange (BSE) for reasons he has described as personal. It is also understood that he was critical of the sudden shifting of trading in Reliance shares to spot delivery basis. It may be recalled that Morakhia was a candidate sponsored by a group of operators at the last annual elections.

Seeds import policy eased

In an effort to boost farm yield and ensure a higher income for the grower, the government has announced a "new seed policy", liberalising procedures for import of seeds and manufacturing equipment.

The new seed policy, which comes into effect from 1 October 1988, drastically reduces the import duty on seeds for sowing to 15 per cent, from the existing 90 to 95 per cent. The policy will prevent companies from importing seeds to make a "fast buck" and thus leaving the farmer out in the cold. Instead, now there will be a commitment on the part of the company to ensure steady seeds supply to farmers.

The new seeds policy takes further the strategy formulated by the prime minister, for organising cropping pattern suitable for each agro climatic zone, taking into consideration soil type, climate and water resources.

Panel to review category I drugs

An eight member committee has been constituted by the union health and family welfare ministry to review the list of drugs which come under category I of the Drugs Price Control Order (DPCO) 1987. H.H. Siddiqui, who is an associate professor of pharmacology at the All India Institute of Medical Sciences (AIIMS) and heads the committee, said they will review the list of drugs included under category I of DPCO 1987 and examine any other representations and suggestions for inclusion of essential drugs under this category. The committee will submit its report in one month's time.

More spinning machinery on OGL

In a move to bring about modernisation, the government has permitted textile mills to import three more machinery items at a concessional duty of 25 per cent. These imports will be subject to an export obligation.

The export obligation will be equivalent to 75 per cent of the total production on the machinery items for 5 years. On the other hand, the obligation can be fulfilled by exporting five times the value of machinery for five years.

Already, 118 items of machinery are allowed to be imported by garment exporters at a concessional duty, which are not subject to an export obligation.

Exchange risk cover widened

The Export Credit Guarantee

Corporation of India (ECGC), has now expanded the scheme of exchange fluctuation risk, floated in August 1980, to cover risks in respect of export receivables over a period not exceeding 12 months. It will now include two more types of transactions; payment for import of raw materials or components, for use in manufacture of goods for export, the import being effected on deferred terms of payment or on cash terms spread over a period longer than 12 months; and advance payment received from a foreign party, on condition that it should be repaid over a period longer than 12 months by way of export of goods.

The scheme, it may be noted, provided cover within certain limits. The first loss or gain upto 5 per cent shall be to the account of the Indian exporter. Loss or gain in excess of five per cent but not exceeding 35 per cent will be covered by the ECGC, and thereafter any loss or gain shall go against the account of the exporter. Besides, exchange fluctuation risk cover will be available if the payment for import or the advance payment for export was designated in any of the seven currencies: the US dollar, pound sterling, deutschmark, French franc, Swiss franc, yen and the Australian dollar.

With this, certain export linked import transactions and advance payments received from foreign buyers could now be covered with the ECGC, against exchange fluctuation risk.

Indian electronics fair at Hannover

The Hannover Trade Fair Corporation and the Trade Fair Authority of India (TFAI), who are jointly organising an International CeBIT Forum-Business with India, at Hannover in FRG between 8 and 15 March 1989, say that the response from Indian companies has been good. The CeBIT fair is the world's largest for the office automation, information and telecommunications technology business. And the international CeBIT Forum with India as a partner), which will be launched for the first time, has firm participation from 50 Indian companies.

They include private sector hardware and software companies, C-Dot, and the department of electronics and telecommunications. In all, over 2,900 companies are expected to display their products at the fair and attract a record 500,000 visitors. Thirty six per cent of these exhibitors will be from outside West Germany.

Salt for priority sector

The government has decided to include the salt industry under the classification of priority sector for financial assistance. This is in response to a long standing demand from the industry. It is expected to provide a boost to an industry, which employs thousands of people in rural areas.

HPCL poised for major expansion

Hindustan Petroleum Corporation Ltd (HPCL) is co-promoting a new joint venture company, Mangalore Refinery and Petrochemicals Ltd (MRPL), with 26 per cent equity participation, with Indian Rayon and Industries (also 26 per cent equity participation). The company, incorporated in March 1988, is expected to be completed by early 1989. Apart from refining 3 million tonnes of indigenous/imported crude oil, the proposed MRPL envisages a naphtha cracker to produce base blocks for petrochemicals.

HPCL has Rs.506 crores worth of projects under implementation or consideration which includes a Rs.227 crore project for additional crude oil and product tankage.

In the Eight Plan, the projects which are to be reviewed by the government include a grass roots refinery at Hazira with 6 million tonnes per annum (MTPA) capacity expandable to 12 MTPA at an estimated cost of Rs.9,500 crores. The other projects are estimated at Rs.9,400 crores.

For the year 1987-88, HPCL has registerd an impressive performance and earned a net profit of Rs.101.57 crores (110 per cent increase over the previous year). In January 1988, HPCL was presented the prestigious "Award for Excellence" in performance for the year 1985-86 in the oil sector. It has also earned the distinction of making an entry into the "Fortune International 500" list of the largest non-US industrial corporations in the world, ranked at 291.

Canfina inaugurates issue house

In its six years of involvement with the capital markets, Canbank Financial Services Ltd (Canfina) has acquainted itself with the numerous problems faced by issuers as well as investors at the post-issue stage. This acquaintance brought about the realisation that a number of critical areas in the post-issue management do not get the priority of attention they deserve. This realisation prompted Canfina to set up a separate independent Issue House Group as soon as it was incorporated as a separate company in mid-1987.

The group, located at Bombay and headed by K.C. Poulose, senior vice-president, went about the task of setting up the "Issue House and In-house Data Processing Centre" in two stages. In the first stage, the group handled the registrars to the issue services upto the stage of allotment and refund, utilising the computer facilities of certain established issue houses. This provided hands-on experience, apart from co-ordination of critical areas in post-issue management.

At the second stage, by inducting experts headed by N. Satish, chief consultant, an experienced engineer in computers, in-house data processing capability was built up. This group will function from Bombay for the present.

The city office, from where the Issue House Group has been functioning, will continue to be the front office within the reach of companies and the stock exchange. The office, located at Mahim in Bombay, and housing the computer systems, will provide the necessary back-up.

New DBMS to be released

INGRES, a new relations database management system (DBMS), will soon be entering the Indian market. A product of Relational Technology Inc (RTI), a US company working primarily with databases, it will be marketed and supported by MASTEK, a software house based in Bombay.

Alan Jervis, managing director of RTI for the Asia-Pacific region, was in India recently to announce the release of INGRES's new high throughput On-Line-Transaction Processing version. This version can be used in application are as such as reservation systems, banking, and trading, where the number of transactions per second are high.

In India, INGRES will be competing with ORACLE, another relations DBMS. ORACLE is marketed by Tata Consultancy Services which recently announced its own high throughput product, the ORACLE TPS.

According to Jervis, INGRES has been proved technologically superior to ORACLE. MASTEK has already secured a order from Reliance and are expecting a couple of big contracts.

INGRES runs on a wide range of machines, including IBM, UNIX-based and VAX machines. Its compatibility and networking features makes it easier to work with even geographically distributed databases and dissimilar systems. It offers sophisiticated integrated tools for application development and decision support tools for the end user.

Indo-German software contract signed

Nixdorf Computer AG of West Germany have placed their first software development order for the banking industry in the Asian market worth US $ 200,000 with Kale Consultants Pvt Ltd (KCPL), of India. An integrated branch level banking package will be developed by KCPL, covering all vital functions of both front and back offices. KCPL will develop the package on the UNIX-based Targon family of Nixdorf machines.

According to B. Kannapee, Nixdorf vice-president, overseas region, this order is a follow-up of the recently announced tie-up for computer software between Nixdorf and KCPL. The current US $ 200,000 project order is expected to be delivered in phases as per the priorities assigned, with the first phase due in 8 to 10 months' time.

Narendra Kale of KCPL disclosed that the two companies are planning to use the latter's hospitals' system for their Asian markets which, according to Nixdorf, have a great potential. Technical discussions with Nixdorf in Germany and Singapore are under way for the planned development of the package. KCPL is already the market leader in healthcare software in the country with installations at Breach Candy Hospital, Cumballa Hill Hospital, Hurkisondas Nurrotamdas Hospital and Kothari Hospital, all at Bombay.

Venture fund backs Jay Bharat Maruti

India Investment Fund Ltd, the NRI venture capital fund advised by Grindlays Bank, has announced its intention to participate in the NRI public issue of Jay Bharat Maruti Ltd (JBML). JMBL is a joint venture project being promoted by Maruti Udyog at Gurgaon for the manufacture of sheet metal components, assemblies and sub-assemblies. The project has been set up at a cost of Rs.14.09 crores and has commenced commercial production.

The Fund has already invested in the equity of Samtel Color, Maharashtra Weldaids and India Glycols. Several other potential investments are in the pipeline.

SBI gets an MD

After nine months of speculation, V. Atal, has finally been appointed managing director at the State Bank of India. Having joined the Imperial Bank in 1952, Atal has held many important positions in SBI, including being incharge of the bank's Frankfurt office. After his return from overseas, Atal has been, till now, the deputy managing director in charge of personnel and systems.

Canara Bank, had also been without a chairman and managing director ever since B. Ratnakar's term ended in June this year. N.D. Prabhu, executive director of the bank, who was holding charge as CMD, has also been officially appointed.

Meanwhile, at the time of going to press, it is learnt that B. Ratnakar has been appointed part time joint chairman of STC and MMTC, although an official announcement is awaited.

State Bank's SBINET inaugurated

Eduardo Faleiro, minister of state for finance, inaugurated last month the Integrated Telecommunication Network (SBINET) of the State Bank of India (SBI) for voice, FAX and text transmission. On commissioning the network, Faleiro spoke to Sharad Pawar, chief minister of Maharashtra at Bombay and Pratap Sinh Rane, chief minister of Goa, at Panaji and with bank officials located in other centres.

Addressing a press conference later during the day, D.N.

Ghosh, chairman of SBI, indicated that by utilising the capabilities of this network, the bank would be able to implement a rapid remittance facility for its customers located in 64 cities, for transfer of funds within a day. The network would also facilitate faster realisation of outstation cheques and exchange of other financial messages such as letters of credit. It would also help improve the bank's internal operations in the areas of funds management and in exchange of administrative messages. Collection of management information would also be speeded up.

SBINET will enable the bank to participate in the SWIFT (global inter-bank network) operations far more effectively. Interface with the proposed BANKNET (RBI network) will also be greatly facilitated by the establishment of this network.

While the network will be initially based on voice grade lines leased from the department of telecommunications (DoT), arrangments are already in hand to avail of satellite communications as soon as they become available and to link up into the public switched data network the moment it commences operations. It is also planned to have international gateways for communication with the bank's branches overseas and also with correspondent banks.

Award for Mudra

Mudra Communications' televison commercial for Vimal Fabrics has won an award at the prestigious 1988 PATERS. The PATERS are world media awards, held this year in conjunction with the State of Queensland's Bicentennial Celebrations.

This year, for the seventh PATERS, a total of 1,660 entries were submitted from radio, television, film networks and advertising agencies from over 40 countries. They were judged by a panel of judges from 14 countries. At the Awards ceremony on September 10, 1988 Mudra Communications was represented by their international associate, DDB Needham Worldwide.

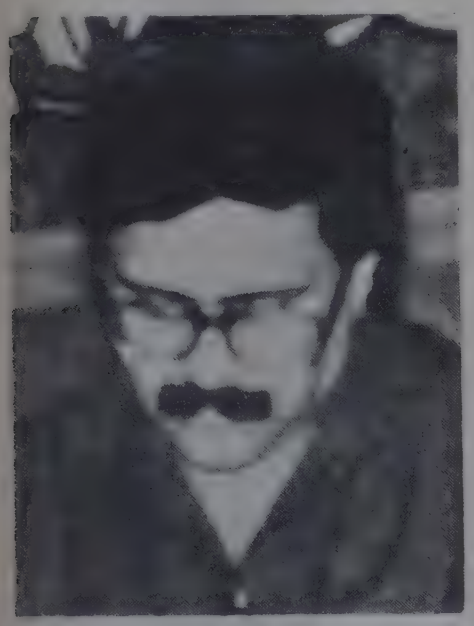
DIARY

DATES	SUBJECT	ORGANISER	VENUE
3-6 Oct	**Quantitative Risk Management**	National Productivity Council, Novelty Chambers, Grant Road, Bombay 400 007 Tel: 371322/23	Bombay
3-8 Oct	**Leadership and Decision Making**	Tata Management Training Centre Pune 411 001 Tel: 665472/665381/660141	Tata Management Training Centre, Pune
3-12 Oct	**Programme on Managing Creativity in Organisation**	Administrative Staff College of India, Bella Vista, Hyderabad 500 049 Tel: 36952/36956	Bella Vista, Hyderabad
5-8 Oct	**Power India '88**	Industrial and Trade Fairs International Ltd, Radcliff House, Blenheim Court, Solihull West, Midlands B91 2 BG, U.K. Tel: 01-9406065	Pragati Maidan, New Delhi
6-8 Oct	**Company-wide Quality Control — A programme for Management Development**	Quality Management Institute, C/o. Consys Electronics, 45, Vikaspuri, P.O. Vengalrao Nagar, Hyderabad 500 890 Tel: 26245	Hotel Krishna Oberoi, Hyderabad
9-10 Oct	**Technology Transfer and Industrial Licensing**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay 400 023 Tel: 273006	Hotel Executive Ashok, Pune
12-14 Oct	**Microsoft Windows Software Development**	Tata Unisys Ltd, Manish Commercial Centre, 216-A, Dr. Annie Besant Road, Worli, Bombay 400 025 Tel: 4933560	Hyatt Regency, New Delhi
13-15 Oct	**Artificial Intelligence and Expert Systems in Engineering and Management**	Promag Consultancy Services, 967, 1st Floor, E&F Block, Kuvempunagar, Mysore 570 023 Tel: 32683	Hotel Taj Residency, Bangalore
25-29 Oct	**Second National Convention on Quality Circles**	Quality Circle Forum of India, C/o. Modi Rubber Ltd, 6th Floor, Hemkunt Tower, 98, Nehru Place, New Delhi 110 019	Siri Fort Auditorium and Taj Palace Hotel, New Delhi
30-31 Oct	**Managing the Nineties**	Symbiosis Institute of Business Management, Senapati Bapat Marg, Pune 411 004	Sea Rock Sheraton, Bombay

SANJIV NARAYAN

"The production target of Rs.2,000 crores for electronic components will be reached by the end of the Seventh Plan period," asserts Sanjiv Narayan, president, Electronic Component Industries Association (ELCINA).

"However, a strong component base can only be created with economies of scale in production," he observes. There is an urgent need to allow existing



companies to expand production facilities by removing stipulations regarding the location of new capacity. "Component manufacturing activity should also be delinked from demand arising only from the indigenous equipment industry. Incentives should be provided to make Indian components competitive in the world market," he adds.

ELCINA also wants changes in the export-import policy. "Under the existing system, the actual user condition has been dispensed with," complains Narayan. The resultant large-scale import of components under replenishment licences will damage the indigenous industry. "Such imports will amount to Rs.150 crores per year," he maintains. "Export realisation will also be affected due to the fall in premium on replenishment licences from 150 per cent to 20 per cent," he adds

ELCINA is keen on encouraging the design of electronic equipment indigenously. We anticipate an investment of Rs.10,000 crores in this sector over the next 12 years," says Narayan.

RAJESH VACHHER

In the single largest order of its kind, the Mining and Allied Machinery Corporation of India (MAMC) has signed an agreement with the Soviet Union to export conveyors valued at Rs.11 crores. "Once we show that we can execute it successfully, we hope that the order will be repeated annually," says Rajesh Vachher, director (marketing) of the MAMC.

Though exports to Russia are a routine affair for MAMC and other government organisations Vachher points out that no similar organisation has signed such a large order before. The order is for 15 sets of conveyors, each one kilometre long. The conveyors will be used to transport coal in underground mines; they are required to be manufactured under stringent specifications for Siberian conditions.

With this, MAMC's export or-

ders are expected to jump to Rs.34 crores. Currently its total orders are valued at Rs.200 crores. The organisation's turnover target for 1988-89 is Rs.100 crores, as against Rs.76 crores achieved last year.

MAMC has just completed 25 years of manufacturing and enjoys the distinction of being the largest exporter of engineering goods in the eastern region. For the fifth consecutive time, the company bagged the EEPC trophy for the largest exporter.

J.M. RAJAN PILLAI

"Nabisco Brands views India as one of its key opportunities," says J.M. Rajan Pillai, area president, Africa/Asia/ Pacific of International Nabisco Brands Inc, and chairman and chief executive officer of Nabisco Commodities Ltd, both of London.

As a dynamic multinational, the US-based RJR Nabisco (turnover: US $ 17 billion) views India as a great potential market. According to Pillai, Nabisco Brands is pleased with the progress it has made in India and is aiming for more. "For Nabisco Brands, participating in the growth of the Indian economy is a commitment," says Pillai. As an example, he points to how Britannia Industries, already the market leader in branded biscuits and cakes, is rapidly expanding into snacks, confectionery products and protein foods. And why not, when the Indian middle class market is over 80 million, more than the entire population of most European nations. Pillai stresses that by letting more Indian consumer goods companies collaborate with foreign firms and allowing import of foreign technologies, India is seeing a drop in prices and a general strengthening of the consumer markets.

Pillai believes that India's potential can carry it into the ranks of the world's great industrial powers. "As a businessman, I openly applaud the steps our government has taken, particularly in improving the climate for foreign investment," adds Pillai. He thinks that India is marching more or less in step with the rest of the world.

V.K. JAIN

Gujarat Fluorochemicals, a company promoted by Industrial Oxygen Company Ltd (INOX) and Gujarat Industrial Investment Corporation, will be entering the capital market on 12 October with a public issue of 3.92 million equity shares of Rs.10 each for cash at par. Of this 1.57 million equity shares are reserved for preferential allotment to NRIs and 40,000 shares for employees and working directors.

According to Vivek Kumar Jain, managing director, the company will manufacture 5,000 tpa of chlorofluorocarbon refrigerant gases and 2,200 tpa of anhydrous hydrofluoric acid.

The company has entered into a collaboration with Stearns Catalytic Corporation of USA for incorporating the latest technology. Process know-how to be used for the manufacture of refrigerant gases will be developed by Pennwalt Corporation, USA. The process know-how to manufacture anhydrous hydrofluoric acid will be developed by Stauffer Chemical Company, USA.

Says Jain, "Taking into account the fast pace of industrialisation and applications in several key growth areas the demand for refrigerant gases is expected to maintain a high growth rate."

INOX's experience in the field of manufacture and distribution of industrial gases will greatly benefit GFL. Another advantage the new company has is its proximity to major raw material suppliers.

FRANCIS LORENTZ

While giant US computer makers tend to dominate collaboration agreements in India, the French giant Bull is making a quiet entry. Francis Lorentz, president of Bull, was in New Delhi last week to tie-up with PSI Computers to set up an R&D operation in Bangalore.

Though the R & D centre begins with a modest Rs.1-crore funding, PSI expects that in three years over 500 specialists will undertake state of the art research in mainframe computing at the centre. Over Rs.45 crores of research projects are likely to be subcontracted to PSI in the next 5 years. The logic, says Lorentz, "is to transfer to India the systems that Bull uses and to utilise Indian scientists to get further ahead." Given that Bull spends over Rs.550 crores annually on R&D, for PSI the opportunities are immense.

Besides research, the Bull link-up will result in PSI having a new range of computers that Lorentz hopes will "transform the shape of the Indian mainframe market".

BO SVENTE SANDQVIST

ESAB AB, the Swedish world leader of welding and cutting equipment, has promoted a new company, ESAB India Ltd, through its subsidiary ESAB Holdings UK. Also, a few years ago ESAB AB had bought over the welding operations of Philips in Europe. In turn ESAB India acquired the only welding unit of Peico Electricals & Electronics' (formerly Philips India) in a north-east Bombay suburb in June 1987.

"We are seriously thinking of expanding our operations outside Europe," says Sandqvist, who was in Bombay recently. "In the next few years, we hope to see south east Asia emerge as a major part of our worldwide operations," he says.

Sandqvist is confident that ESAB India will soon enter the export market: "With the strong trading ties that India has with Russia we hope to capture a large part of that market."

ESAB India (turnover in 1987: Rs.10 crores) is going public in October 1988. ESAB Holdings Ltd, UK will participate in the equity of the new company to the extent of Rs.1.99 crores (39.9 per cent). It will also transfer the requisite technology on an ongoing basis. Says Sandqvist, "The big advantage we have is that the project has no gestation period since the company is already in business."

SVEN RISKAER

"We, by and large, participate in high risk ventures, even if it is at the cost of a relatively low return on our investment," explains Sven Riskaer, managing director of Investment Fund for Developing Countries (IFU),

who was in Bombay last week. The Danish fund was established in 1967 by an act of Parliament, and is a self-governing institution which forms a part of Denmark's efforts in promoting development in the Third World. The IFU acts as a catalyst for the establishment of new ventures between Danish companies and their counterparts in developing nations by contributing to the equity and providing loans

The fund was started with US $ 50 million and had grown to US $ 200 million by 1987. Riskaer says that most of this appreciation has accrued from investments made in Danish bonds and not from those made in companies in developing countries. "We don't make too much money in the latter because we invariably pull out once the company starts doing well. We are very active during the initial periods of small or no profits, when the joint venture needs our help most," says Riskaer.

The IFU has participated in 130 projects in 45 countries and is very keen to come to India. Of his first formal visit to India, Riskaer says "The awareness among small and middle size Danish companies of investment opportunities in India and other developing countries is almost non-existent; their perception of the world market is largely restricted to Europe and North America. We hope to rectify this and mobilise Danish investment in developing countries where the potential for growth is tremendous."

ROBERTO ZANIBONI

The SM group is diversifying into food products after doing rather well in speciality chemicals. An agreement was signed with Mapimpianti of Italy, Western Europe's leading supplier of food-processing equipment and technology. "The plant and equipment we have supplied the SM group incorporate state-of-the-art technology and is highly automated," says Roberto Zaniboni, a director of Mapimpianti Spa.

The automation of the plant will ensure a high level of consistency and hygiene. Electronic sensors continuously monitor the various stages — mixing, extrusion drying, frying, roasting and packaging. Says Zaniboni, "The metallised polyester packaging is designed to instil longer shelf-life in the product without any loss of crispness, flavour and taste."

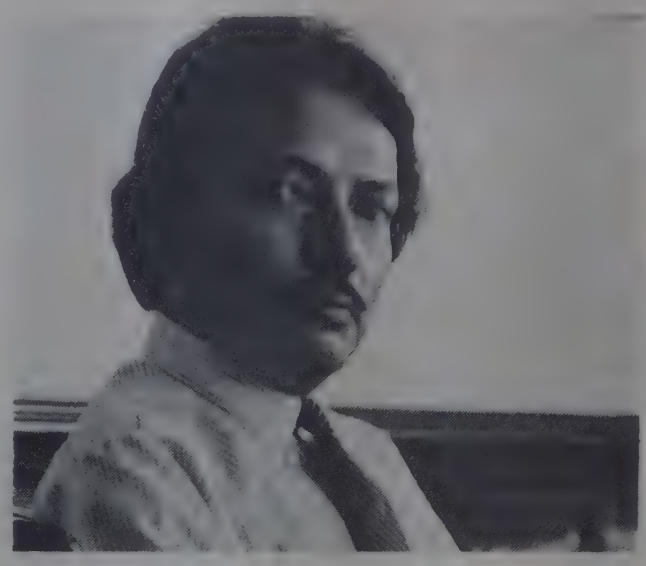
Mapimpianti is a medium size company with sales of about US$ 100 million. It produces machinery for instant soups, baby foods, etc.

According to Zaniboni, Mapimpianti has already supplied a number of machines to different companies in India. Some of the better known ones are TTK Pharma, and Shree Foods.

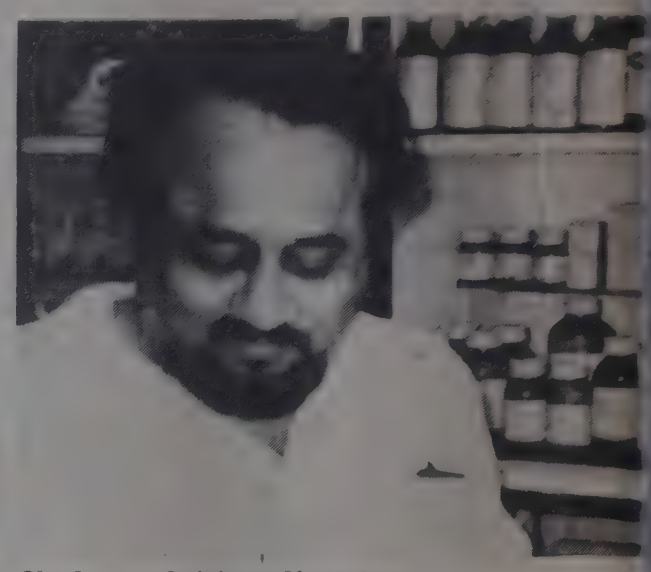
Zaniboni is of the opinion that the potential for ready-to eat foods in India is enormous; he is looking forward to doing more business with Indian companies in future.

BURROUGHS WELLCOME

Next AIOCD target?



Bose: "ridiculous allegations"



Shah: exploiting disunity

The All India Organisation of Chemists and Druggists (AIOCD) is about to flex its muscles once again. And Burroughs Wellcome (BW) could be the next target of a nationwide boycott by pharmaceutical wholesalers and retailers. In that event the Rs.70-crore (estimated sales for 1987-88) multinational's products could start disappearing from traders' shelves as early as next month, according to Kishore Shah, the powerful vice-president of the AIOCD. Shah had earlier masterminded the four-month-long trade boycott of the pharmaceutical giant Glindia, which was called off recently after the company agreed to raise its wholesaler margin by 1 per cent.

But Shah's reasons for the proposed boycott of BW products are far from convincing. The company already pays its wholesalers a margin of around 10 per cent on most of its products which is much higher than the industry average. In comparison Glindia pays around 6 per cent, Pfizer 5.5 per cent and Alembic around 8 per cent. According to Shah, Burroughs needs to be taught a lesson because its president D.K. Bose "tried to use his influence in the West Bengal government and break the Glindia boycott in Calcutta". "He tried to bring about disunity in our organisation and he will have to suffer the consequences," Shah adds.

Unreasonable boycott. Bose, however, says that this is a "ridiculous allegation". "I held some informal discussions with the Bengal chemists' association in my capacity as the vice-president of the Organisation of Pharmaceutical Producers of India," he says, "and not as a representative of Burroughs Wellcome. Since our company margins are higher than the industry average, it would be unreasonable for the chemists to boycott our products." Shah, however, is adamant. "We will demand that they increase their margin from 10 to 12 per cent and if they don't they will have to bear the consequences."

Shah says it won't be long before Burroughs capitulates. In his opinion, Burroughs, being a smaller company, lacks the kind of sustaining power that helped Glindia withstand the trade boycott for four months. "But more important," according to Shah, "Burroughs will buckle down because of the disunity that prevails among the manufacturers. Nobody came to help Glindia during its crisis. In fact others took advantage of the boycott; nobody is going to help Burroughs."

The Glindia boycott was sparked off after a government amendment in April this year to the 1987 DPCO; as a result the 16 per cent retail trade margin for controlled category drugs was made exclusive of excise duty. The traders said that this was unfair since it brought down their revenues substantially. Since the original DPCO does not mention anything about the excise duty they had taken for granted that the margins were inclusive of the excise duty. The traders were piqued by the fact that the new DPCO had not raised wholesalers margins.

Selective attack. Glindia was chosen by the traders as their first victim because it is the largest pharmaceutical company in the country. Shah knew that there was no way he could force the government to change its decision; all he could do was plead and make representations. The alternative was to force the manufacturers themselves to give higher margins. He was also aware that if he launched a general boycott against all the pharmaceutical companies he would lose public sympathy on account of non-availability of drugs. On the other hand, if he would boycott only Glindia products, it would badly affect the company, but would not really bother the consumers since most of the drugs manufactured by the company are also manufactured by competitors.

The Glindia boycott began in West Bengal in June, and in the course of the next few weeks spread across the country. But despite mounting inventories and reduced sales, the company stood its ground and refused to give in to the traders' demand. "It was a question of standing by your principles," Glindia's deputy managing director Humayun Dhanrajgir had said, "and we were not prepared to give in on that." But four months into the boycott Glindia found that all was not fair in this war.

Isolated. It opened up negotiations with the traders apparently after realising that the company's competitors were taking unfair advantage of the situation and pushing their products in areas where Glindia products were being boycotted. The oft-projected facade of unity among manufacturers was just a farce, Glindia found out. While it suffered because of something that concerned the entire industry, fellow manufacturers had no qualms about harvesting the benefits flowing from its misery. "We felt isolated," Dhanrajgir says bitterly.

But despite Shah's claims of having brought Glindia "to its knees", it is clear that he has managed to achieve virtually nothing for his main constituency of disgruntled boycotters — the retail chemists. Their margins have remained unchanged. In fact, despite speculations to the contrary, Glindia refused to concede the traders' demand for higher retailers' margin on even decontrolled products which constitute about 30 per cent of all drugs sold in the country.

Glindia's firm position on the retailers' margin was a big relief to the industry as a whole. "If they had raised the retailer margin everyone else would have been forced to follow," says Arvind Nair, a spokesman of the Organisation of Pharmaceutical Producers of India. And as for Glindia agreeing to raise its wholesaler margin, Nair maintains that it would have no effect on the other companies since most of them are anyway paying higher margins. But the proposed boycott may disprove this contention.

■ N. RADHAKRISHNAN

Meditate on how world travellers seek bliss on their way westward or eastward.

The answer becomes obvious once you know the pulse of the world opinion on airlines. For six years in succession, business travellers everywhere have voted the same carrier as the best airline worldwide in the Business Traveller magazine's global survey. This airline flies to over 100 destinations, is universally admired for exceptional punctuality and hospitality and consistently offers a choice of three classes on all its aircraft.

swissair

For details call your IATA travel agent or the nearest Swissair office
AHMEDABAD 449149 • BANGALORE 571983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 224244 • KATHMANDU 222452 • MADRAS 861583

Grindlays. Such a pleasure!

Banking, Grindlays believes, should be one of life's conveniences.

Which is why, while Grindlays offers every major service the best international banks offer, there are some specialised services only Grindlays offers.

Each designed to make banking a pleasure.

Because by improving the quality of banking, we believe, we could ultimately improve the quality of the way you live.

Grindlays Bank

Member ANZ Group

Contract.GB.91.88

EC-TV introduces a mini theatre for your office, home or anywhere.

The EC-TV Spectravision Series is a new concept in televiewing. It projects TV pictures to giant size.

Pictures of perfect clarity and brilliant resolution. For your family or even an audience of over 500 people.

EC-TV Spectravision incorporates its superior technology in two models. The EC T-3000 and EC T-3015.

Apart from giving a clear reception of Doordarshan, they can be integrated with your video camera, VCR and video disk.

The EC T-3015 can also be linked up to your computer.

Compact and mobile, both these models are easy to set up and use.

Little wonder the EC-TV Spectravision Series is ideal for use anywhere.

At home, education institutes, exhibitions. At conferences and video parlours. Even in rural communities.

In addition, the EC-TV Spectravision Series comes to you with the EC assurance of reliable and efficient after- sales service.

However, to get the complete picture of the EC-TV Spectravision Series, come across for a live demonstration. It's worth more than a thousand words.

SPECTRAVISION
PROJECTION TV SERIES

Name: _____
Position: _____
Company: _____
Address: _____
_____
Phone: _____

Post this coupon today for a free booklet on the EC-TV Spectravision Series, to:

Consumer Electronics Group
Electronics Corporation of India Limited
Hyderabad 500 762

ECtv

Electronics Corporation of India Limited (A Government of India Enterprise) **Hyderabad 500 762.**

Karishma/EC/40/2317

BANK EMPLOYEES

Points of discord

When Eduardo Faleiro, minister of state for finance, failed to resolve the deadlock between the bank employees and the Indian Bank Association (IBA) on 22 September, the unions confirmed their decision to strike work for a day. The two unions, All India Bank Employees' Association (AIBEA) and the National Confederation of Bank Employees (NCBE) — which according to the IBA, represent 95 per cent of the bank workers — have jointly called the strike on 28 September to press for their wage revision demands at the fifth bipartite negotiations.

New equations. Besides these two 'recognised' unions there are three more clerical or award staff unions in the banking sector. Of these, the Congress(I) affiliated INBEF and the BJP affiliated NOBW may not support the strike. The CPI(M) affiliated BEFI is reported to have sunk its differences with the recognised unions temporarily to support the strike.

The term of the fourth bipartite agreement ended in July 1987 and, ever since, the IBA has been negotiating with the unions to come to a new settlement. The delay has been due to court injunctions brought by the unrecognised unions in order to get IBA to include them in the fifth bipartite.

Over the last 14 months, both the recognised unions and IBA have revised their initial proposals but even now differences remain. The unions had originally demanded a package of Rs.500 crores but have now pegged down the figure at Rs.306 crores. Against this, the IBA has offered a package of Rs.200 crores. "However the chapter is not closed as far as IBA is concerned," says R. Srinivasan, chairman of IBA.

In terms of specifics, the points of mismatch are:

● **Scales of pay.** The unions are demanding a maximum increment of Rs.140 (revised from Rs.165) for the clerical staff while the IBA is unwilling to give them more than Rs.110 (revised from Rs.100). This, Srinivasan feels, is a substantial increase from the previous maximum increment of Rs.95 given at the fourth bipartite.

● **Graduation allowance.** The IBA has proposed the withdrawal of the two-increment graduation incentives which it thinks is outdated since most of the clerical staff today are graduates. However, to ensure that the stafrf does not lose salary, it has suggested a higher starting salary. The unions have rejected this offer, says Srinivasan.

● **Dearness allowance.** The IBA has offered a DA package which it feels is much better than the existing DA formula. Besides, it has suggested the introduction of a six point cycle for computing the payment of DA instead of the present four point cycle, taking into consideration easier calculations and faster movement of the consumer price index (CPI).

The union leaders, however, feel that Srinivasan is trying distort the issues. It is not merely the question of the maximum increment but of drawing up of an entire pay scale and the introduction of what they see as a retrogade DA scheme.

The unions explain that, after the fourth bipartite, the basic pay scale for the award staff ranged from Rs.560 to Rs.1,660 (calculated on the basis of merging 332 points of the CPI). For the fifth bipartite, the unions had asked for a merger of 660 points but, after negotiations, had agreed to 600 points. On the basis of this, the pay scale would range from Rs.896 to Rs.2,861 over a period of 20 years. But this would necessarily imply a maximum increment of Rs.140 somewhere in the next 20 years. So, if the IBA agrees to a 600 point merger, then it has to also agree to a maximum increment of Rs.140. However, the IBA proposes to increase the slab from 20 to 22 years so that the maximum increment will be Rs.110.

With the CPI at 772 points in the second quarter of this year, taken as the basis for the negotiations, the merger of 600 points leaves 172 points. These, according to the present system of DA calculation, will be divided into 43 slabs of four points each. Thus, the staff will get compensated for 43 slabs instead of just 28 slabs if the six point cycle is introduced, the union leaders feel.

"Cannot surrender". Regarding the graduation allowance, the employees find the IBA's offer to replace the two increments by a higher starting salary unacceptable, if it insists on extending the span of the scale by two years. This will mean a reduction in total salaries in real terms, as the number of new recruits is fast dwindling due to computerisation. "We have reduced the span from 25 years to the present 20 after a great struggle during the second bipartite negotiations," says S.D. Bhopeshwarker, general secretary of the Maharashtra wing of AIBEA. "We can't surrender this benefit."

The employees feel that the IBA is seeking to reduce the staff salary bill even as the expenditure of banks is reducing and the profits are increasing.

What Srinivasan fears, however, is the cascading effect an increase in staff salaries will have on those of the officers. The bank officers' organisations are already waiting in the wings to begin their wage negotiations as soon as the staff demands are settled.

■ ALOYSIUS FERNANDEZ

CAUVERY WATER DISPUTE

No give and no take

When the talks between the Karnataka chief minister, S.R. Bommai, and the Tamil Nadu governor, P.C. Alexander, on the sharing of the Cauvery waters broke down recently, nobody was very surprised. The dispute, which has been going on for almost two decades, does not seem anywhere near an amicable solution. According to Alexander, there was no meeting ground on any of the points raised. But Bommai is still optimistic about a solution. Like most issues of this sort the situation appears to be inextricably politicised. But the failure to come to an agreement has clear economic and human consequences.

Alexander: no meeting point

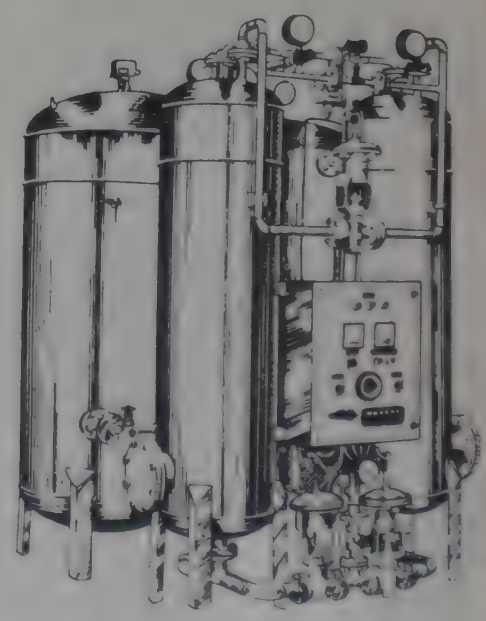
Oxygen/Nitrogen
Gas plants from
INDCON

Molecular Sieves based Packaged Units to produce High Purity Oxygen/Nitrogen Gases at less than Rs. 2.00 per cu. meter.

Capacity: Upto 1500 NM^3/hr.

Applications:

- Steel Furnace Lancing
- Heat Treatment Furnaces
- Inert Atmosphere in Chemical Plants
- For Glass making/Brazing applications
- Enrichment of Combustion Air
- Delignification/Bleaching of Pulp



INDCON

INDCON POLYMECH LTD.

311, Mansarovar, 90 Nehru Place, New Delhi-110019 **Phones:** 6431908, 6438365, 6436869 **Telex:** 031-61678

Branches: **Calcutta ▪ Bombay ▪ Madras ▪ Hyderabad ▪ Bangalore ▪ Baroda**

Heavy losses. According to the Cauvery Delta Farmers' Association, between 1974 and 1987 the total loss of production of foodgrains in the region amounted to Rs.150 crores and the loss of wages to Rs.50 crores. Over one million landless labourers in the region have been hit badly. Agriculture in the delta has become a gamble given the vagaries of the monsoon.

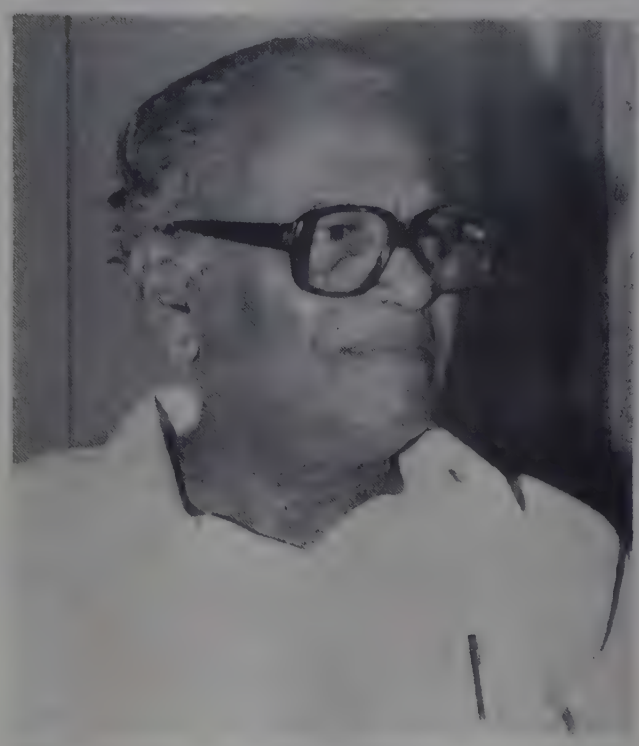
The Cauvery originates in Karnataka. The Cauvery basin extending over an area of 88,000 sq km is shared among Tamil Nadu (49,000 sq km), Karnataka (36,000 sq km), and Kerala (3,000 sq km). After splitting into several branches in Tamil Nadu, the branch which retains the name Cauvery eventually joins the sea in Kerala. The Cauvery basin is especially important for Tamil Nadu because it accounts for nearly 64 per cent of the gross irrigated area in the state.

It is Karnataka's contention that though the river originates in the state it has never received its proper share of water. The way the waters of the Cauvery were to be used was decided in agreements in 1892 and in 1924 between the government of the old Madras presidency and the former princely state of Mysore.

Karnataka, however, says that the 1924 agreement has not only run its 50-year tenure but is also heavily tilted against the state. It insists on a "fair and equitable" distribution of water without reference to the agreement.

Karnataka's argument is that though it contributes 52.5 per cent of the available water, its share of irrigation water has been pegged at only 24 per cent of the total availability of 740 tmc ft. While Tamil Nadu's contribution to availability was only 29.3 per cent it receives 66 per cent. Karnataka has been demanding an assessment of the yield on the basis of 50 per cent dependability of flow over an 80-year period. This is against Tamil Nadu's demand for 75 per cent dependability over 36 years. Tamil Nadu wants its present share protected in any fresh scheme. Tamil Nadu feels that Karnataka is pitching its demands at a level that would leave only surplus flows to it.

Reduced inflow. Tamil Nadu's contention has been that Karnataka has been going ahead with its Cauvery basin irrigation projects much to Tamil Nadu's detriment. The construction of a series of dams in Karnataka has doubled the storage capacity of the Cauvery water in the state, and rainfall in the catchment areas has declined. This has greatly reduced



Bommai: sharing headaches

inflows of water into the Mettur dam in Tamil Nadu which is critical to the irrigation of the Cauvery delta in Thanjavur district, the rice bowl of Tamil Nadu. During the past decade the Mettur reservoir could be opened for irrigation on the scheduled date only twice and today Tamil Nadu is totally dependent on Karnataka to make *ad hoc* releases from its reservoirs for its irrigation needs.

It was in 1970 that Tamil Nadu first approached the centre with a request to set up a tribunal under the Interstate Water Disputes Act of 1956. A year later it filed a suit in the Supreme Court seeking that the centre be directed to constitute a tribunal. Eventually the case was withdrawn on the centre's persuasion. Instead of a tribunal the centre constituted a committee to collect comprehensive data on utilisation and irrigation practices. But both the findings as well as the assessment of the savings that could be effected in the existing use of water were unacceptable to both states.

A couple of years ago Tamil Nadu again put forth a demand for the setting up of a tribunal to sort the matter out once and for all. Karnataka is against this as it feels that it will be a time-consuming process. There have been innumerable technical discussions and 20 official level meetings in the last 15 years.

Earlier this month the Supreme Court directed the two state governments to begin a dialogue to try and narrow the gaps. Predictably the talks went the way of all earlier talks. Now all eyes are on the Supreme Court to see what it will suggest next.

■ SUSHILA RAVINDRANATH

ALUMINIUM USER INDUSTRY

Hamstrung by raw material shortage

This year, private manufacturers of aluminium goods in the eastern region face a shortage of 50,000 tonnes of commercial grade aluminium ingots. Especially hard hit are the small-scale utensil manufacturers. The Eastern Aluminium Rollers and Fabricators Association (EARFA) has made a representation to the government highlighting this problem. It has warned that if the shortfall is not met, they will have to close down.

Imports stopped. Earlier, when the international price was low, aluminium used to be imported through the MMTC as a canalised item and supplied to domestic manufacturers at the local price. Later, after Nalco was commissioned, imports were stopped as it was felt that Nalco would be able to take care of domestic demand. However, demand has risen phenomenally since then and the gap between supply and demand has steadily widened.

Imports could be a solution. The government now permits import of aluminium under OGL. But the high cost of imported aluminium makes imports unviable. The international price is about Rs.42,000 per tonne whereas the price of indigenous aluminium is about Rs.31,000 per tonne.

EARFA suggested a solution — administered pool pricing. Under this, both domestic and imported aluminium will be sold at a common price that will allow the government to reimburse MMTC the difference between the prices of imported and indigenous aluminium. Besides price equalisation, manufacturers have suggested the waiver of all duties on aluminium scrap imports by actual users.

But why did the shortage arise at all? Judging by the country's installed capacity for aluminium, India should have a surplus of aluminium. But 50 per cent of production is reserved for the electrical conductor or EC grade sector as it is commonly known. And several manufacturers of aluminium require some for captive consumption. Thus, Hindalco, the largest producer, contributes only 60,000 tonnes of its annual production of 120,000 tonnes to private manufacturers of aluminium goods.

Power shortage. Severe power cuts are another problem. Indal, because of mas-

sive power cuts at its three units, has been able to produce only 30,000 tonnes whereas it has an installed capacity of 117,000 tonnes. Its smelters at Hirakud in Orissa and at Belgaum in Karnataka are operating at less than half their capacity. Says R. Das, corporate planning manager, Indal, "If these smelters had been operating at full capacity, there would have been a surplus instead of a shortage. It was on this premise that the central government stopped imports through MMTC." The teething problems faced by Nalco have also been an important reason for the shortage. There have been several delays; as a result, the company is still in its first phase, producing 65,000 metric tonnes annually against an ultimate installed capacity of 218,000 tonnes. Only 32,000 tonnes are available to private manufacturers.

The shortage of aluminium does not affect everyone equally. The large scale users — the automotive, extrusion and packaging industries — manage to obtain priority allocation. Private manufacturers of aluminium goods in India require 370,000 tonnes of aluminium every year; domestic aluminium companies can supply only 60,000 tonnes or 16 per cent of the demand. And when the larger consumers have taken their share, there's not much left for the small ones.

Over the years, in the eastern region, the number of small manufacturers has been decreasing. One reason is that as the price gap between steel and aluminium narrows, the demand for aluminium falls. But this does not mean a fall in overall demand for aluminium. As traditional aluminium-using industries fade out, newer ones come up. The most important one today is the packaging industry. Tetra packs, in which a variety of foods are now marketed, use aluminium foil. And as the middle-class grows and the consumer boom continues, no slackening of demand seems in sight.

The aluminium user industry is today growing at a rate of 7 per cent a year. What is more, it has tremendous potential. If this potential is not to be strangled, the government needs to ensure that the industry receives adequate supplies of raw material. The supply this year may improve after the good monsoon and the consequent improvement in the power situation. But this alone is not enough. More active steps by the government are required.

AVIATION

Meenambakkam to Heathrow

Last year, when Mike Kately, manager for India, Nepal and Sri Lanka of British Airways was in Madras for a visit he had declared that the airline would not give up its efforts to operate a direct flight from Madras to London. The efforts have now borne fruit. "We will be operating the first-ever direct flight from Madras to London on 4 November," he announced in Madras.

It was a welcome announcement for many regular travelllers to London from Madras. "This was really long overdue," says A.L. Mudaliar, chairman, India Cements Ltd, a frequent visitor to London. "This flight will not only help Madras but also attract passengers from the other southern metros like Bangalore, Hyderabad and Cochin," says one travel agent.

New connection. The flights will leave Madras airport every Friday and Sunday night (so that travellers from the other southern states can catch the flight comfortably) and land at London's Heathrow airport at 6 o'clock local time the next morning after a stop-over in Kuwait. From here the traveller can take any of the dozens of connecting British Airways flights leaving London throughout the day for every major city in Europe and the United States. The incoming flight will leave Heathrow on Thursdays and Saturdays to land in Madras on Fridays and Sundays. British Airways certainly has its eyes on south Indian immigrants to the US who account for about 40 per cent of the more than one million immigrants of Indian origin in that country.

The airline has been trying ha many years to get this route. And fo reason. The international air ticket from south Indian centres grew by cent in 1987 over 1986, twice the na average. This upward trend is conti through 1988, mainly in commerci vacation travel. The cargo revenue went up by 8 per cent from 1986 to Also, Madras today is the third-mos ferred destination in India.

K. Shivaraman, manager for Nadu, Air-India, refutes the argu that Air-India will be hit by this de ment and that it tried to stall it welcome this development. This is for the aviation industry. Nobody is to get affected when the cake is g bigger," he says. The airline's source point out that the British goverr has agreed to allow it increased freq on the London-Canada route, as a k quid pro quo arrangement. And April next year the airline will in all ability introduce the new 747 Comb operate the Madras-London route t

SUSHILA RAVINDRA

DEEP-SEA FISHING

A poor catch

Press reports say that the union go ment plans to stop approving prop for setting up deep-sea fishing ven under the scheme for 100 per cent ex oriented units for fear of overcrow However, the crush of proposals has only for small shrimp-fishing vessel

Proposals for joint ventures invo foreign companies and large dee vessels have not been forthcoming a The government's target for the Sev

British Airways aircraft, option for Indian immigrants

MAURITIUS

More than just a tropical island paradise!

Water Sports and casinos

Mauritius has something for everyone! Swimming, sunbathing, surfing, snorkelling, water-skiing, deep sea diving..., Mauritius also offers golfers, punters, gamblers, gourmets and spirited night lifers a chance to pursue what gives them most pleasure.

Shopping

If shopping is what interests you, there are sparkling, duty free diamonds and textiles, electronic goods, garments and souvenirs, at prices lower than you imagined.

Perfect for a honeymoon

If you wish to relax, sightsee and soak in the atmosphere, Mauritius is just the right place with its blinding white beaches, crystal clear coral lagoons, jagged volcanic mountains, lush rain forests, waterfalls, exotic flowers, bustling bazaars, colonial architecture and the intoxicating mixtures of people — Indian, French, Creole, African and Chinese. It's the most cosmopolitan island under the sun!

Group Return Fare Rs. 4950

Return fare from Bom./Del. for 7 to 14 days. April to November. Minimum of 4 passengers. ❖ Departures: Ex Bombay — Fridays, Ex Mauritius — Thursdays, in the comfort of AIR MAURITIUS wide bodied 747 SP/767 ER ❖ Stay: Self catering, fully furnished, 2 to 3 bedroom bungalows/apartments facing the sea, to accommodate 4 to 6 persons. Prices range from Rs. 390 to 1000 per day, or Beach Hotels: 6 nights, Rs. 2200 to Rs. 4400 or Town Hotels: Rs. 1260 to 2500 Twin sharing inclusive of breakfast, dinner and transfers. ❖ N.T.S. US $ 250. ❖ No Visas. ❖ *For details contact: AIR MAURITIUS, AIR INDIA, TCI, Raj Travels, East West Travels or any I.A.T.A. Travel Agent.* ❖ ***Fly Air Mauritius, And your holiday's already begun!***

AIR MAURITIUS

▲ Triangular fare Rs. 8880 ▲
Bombay-Mauritius-Singapore-Bombay
Minimum 10 days/Maximum 6 months, valid only on Air Mauritius, Air India and Singapore Airlines Services.

Air India Bldg., Ground floor, Nariman Point, Bombay 400 021. Phones: 2028474, 2026430, 2024142 Ext 6673

ESAB INDIA LIMITED

Regd. Office: Bank of Baroda Building,
Bombay Samachar Marg,
Bombay 400 023.

Public Issue of 30,04,993 Equity Shares of Rs. 10 each for cash at par.

ESAB INDIA – In Brief

- Promoted by ESAB Holdings Limited, U.K., a wholly owned subsidiary of ESAB AB, Sweden, the world's largest manufacturers of welding and cutting equipment, consumables and accessories.
- Equity participation by ESAB HOLDINGS Limited, U.K.,to the extent of 39.90%.
- No gestation period.
- Import substitution products for application in High Priority growth sectors, like Off-Shore Drilling, Aeronautics, Energy, Petrochemicals, Ship Building, etc.
- World leaders in welding technology, coming to India for the first time as manufacturers.
- Easy liquidity – listing on Bombay and Calcutta Stock Exchanges.
- 80L, 80M, Wealth Tax exemptions and other tax benefits.
- Eligible Issue under Section 80 CC.

ISSUE OPENS ON OCT. 3, '88

ESAB

MANAGERS TO THE ISSUE

SBI Capital Markets Limited

SBI CAPITAL MARKETS LTD.
Merchant Banking Division,
202,Maker Tower 'E'
Cuffe Parade
Bombay 400 005

The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division,
163, Backbay Reclamation,
Bombay 400 020

Grindlays Bank p.l.c.
Member ANZ Group
Merchant Banking Division,
270, Dr. D.N. Road,
Bombay 400 001

Soon, ESAB India can be yours.

Plan is 500 such vessels. This was announced in 1986. Yet, almost two years on, the incentives have not proved powerful enough to attract entrepreneurs.

Only two ventures have materialised so far. One, with an investment of about Rs.1 crore, is between the Japanese group Shimizu and the Madras-based KSK Fisheries. The other is between Hyderabad's Indus Foods Ltd, promoted by NRIs, and the reputed American company van Camp Seafoods. This venture involves a sophisticated vessel intended mainly for tuna fishing, which is worth about Rs.4.5 crores, with a helicopter and helipad thrown in. Three more applications are awaiting clearance — one for a collaboration with a Greek company, and two others with Australian companies.

Incentive schemes. Under the incentive scheme no duty needs to be paid on import of capital goods, raw materials and consumables. Second-hand vessels, not more than eight years old, can be brought in too. The *pari passu* condition (ie, the obligation to order one vessel from an Indian yard for every two vessels imported) is not applicable to the EOU scheme. To ease things further, the government promises faster clearance of licences for such units.

Why then are there so few takers? Financial aid from banks or institutions like the Risk Capital Foundation or the Technology Development Corporation is virtually non-existent. They regard deep-sea fishing as too risky. Banks, in particular, fight shy because of their bad experience with the seafood processing industry.

The government too offers no subsidies — mainly because deep-sea fishing is not classified as an industry. Were that to happen — and the Marine Products Export Development Agency (MPEDA) is pushing towards that — the incentives offered to an industrially backward area (eg, a 25 per cent investment subsidy) would follow.

Inputs are costly too. In India the cost of high-speed diesel is twice the international price — about Rs.3,900 per tonne, compared to Rs.2,000 in the foreign market. The government allows Indian companies a drawback of Rs.300 per tonne, but there are so many conditions attached to the scheme that it effectively bars several fishing companies. Even the subsidy on diesel announced recently applies only to generating sets of land-based processing factories.

Lack of infrastructure. Yet another problem is poor infrastructure. Most of the country's fishing harbours have not been developed to suit deep-sea vessels. Only Visakhapatnam has been developed fully — it currently sustains most of India's 148 deep-sea vessels.

On the west coast, the important centre of Cochin presents a pathetic picture. Its fishing harbour can still accommodate only the smaller vessels. This is despite promises by the government to dredge and equip the Cochin harbour for deep-sea vessels. An even more glaring disincentive is the rate that the Cochin Port Trust charges for wharfage. At 1.5 per cent of the total value of the catch, it amounts to a penalty for the more efficient fishing units. No other port pegs its rates to the value of catch. It is always related to vessel size and the number of days of berthing.

Seafood exports have traditionally concentrated on shrimp. Overfishing has seriously affected shrimp resources. An estimated 4.47 million tonnes of other varieties of seafood is exploitable every year in India's 200-mile Exclusive Economic Zone. About half of this is within the coastal area upto a depth of 50 metres. Yet only 1.5 million tonnes or 35 per cent of the total potential is currently being exploited. To reorient fishing activity to go for tuna, squid, cuttlefish and deep-sea lobsters more deep-sea vessels are needed.

■ K.G. KUMAR

MOLASSES EXPORTS

Short of storage space at ports

The government's decision last year to allow, in principle, the export of molasses has created problems which the sugar industry had not envisaged when it welcomed the move.

While the industry's export agency, the Indian Sugar Import and Export Corporation (ISIEC), has been given the mandate to export 400,000 tonnes of molasses, it lacks adequate storage capacity at the major ports. The bulk of storage capacity is controlled by Indian Molasses Company Private Ltd (IMCPL).

The IMCPL has reportedly lobbied actively with the government to either declare it as the sole exporter, or place molasses export under OGL, release some quantity to be exported by the IMCPL, leaving the remainder to the ISIEC and other parties. The industry is firmly against such an arrangement. "Unfortunately, IMCPL controls 93 per cent of the storage capacity for molasses at the country's 11 major ports," says a sugar industry spokesman. Therefore the ISIEC has been hard-pressed to make alternative storage arrangements at the ports to ensure lifting of the excess molasses from the mills in view of the ensuing crushing season in October.

Storage capacity. The ISIEC maintains that IMCPL has empty capacity which it refuses to make available. The IMCPL has 35,000 tonnes capacity at Madras, 15,000 tonnes at Kandla, 15,000 tonnes at Calcutta, and 5,000 tonnes at Mangalore. According to sugar industry sources, all this capacity was created exclusively for the storage of molasses, when the IMCPL was acting as an STC agent, and was given the necessary land by the respective port trusts. The result is that today the ISIEC has not been able to hire storage space at Bombay. Also molasses from Tamil Nadu will have to be routed through Mangalore since IMCPL reportedly has a monopoly of molasses storage space at Madras, thereby resulting in an additional transport cost of Rs.300 per tonne.

"While the ISIEC has made alternative arrangements at Goa, Mangalore, Haldia and Calcutta, a permanent solution has to be found to the storage problem," comments S.L. Jain, secretary-general, Indian Sugar Mills Association (ISMA).

The ISIEC is also making arrangements to build storage tanks at Kandla, Mangalore and Haldia with a total capacity of 50,000 tonnes, which will be ready in a few months. So the problem will be alleviated to some extent. However, the sugar industry's main worry seems to be that in the interim the IMCPL may move the authorities to either grant it sole exporter status or have molasses exports placed under OGL.

Sugar production touched a record 9.15 million tonnes in 1987-88 and is expected to reach 10 million tonnes next year. The surplus molasses, according to the government's estimates was 1.5 million tonnes, and is expected to remain at this level next year. Says Ram V. Tyagarajan, president, Indian Sugar Mills Association (ISMA), "A solution has to be found, since the export of molasses is likely to be an ongoing exercise with the continuing rise in production of sugar".

■ DHARANI K. PANI

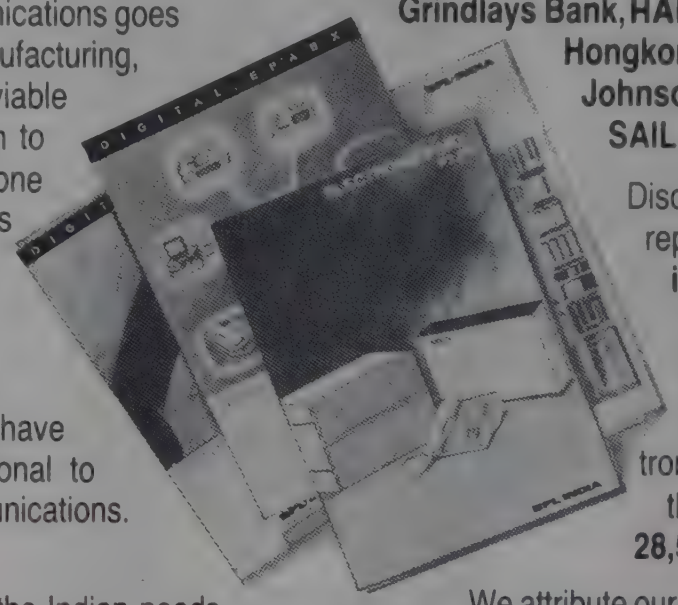
IF YOUR QUESTION IS A 4-LINE EPABX, OR A 4000-LINE EPABX, THE ANSWER IS...

CENTRAL MARKETING ORGANISATION: BPL Centre, 14, Church Street, Bangalore 560 001 Phone: 572321/2/6, Telex: 0845-2511, Cable: PHISILAB

SALES OFFICES: * BANGALORE [illegible] 98/574787, Telex 0845-2511, Cable PHISILAB * BHOPAL 282 [illegible] * BOMBAY [illegible] Cable PHISILAB * CALCUTTA 248 [illegible] Phone 4316[illegible] 445566 [illegible] Cable PHISILAB * COCHIN [illegible] * COIMBATORE [illegible]

Without an extensive product range, your needs are often only half-met. That's why, at BPL, we strongly believe that what you need in telecommunications and what you get should be one and the same. No compromise. So when you buy an EPABX, we make sure you get just the one you need. From a 4-line EPABX to a 4000-line EPABX. And everything in between. We make them all. And coming up soon are the Key Telephones. All customized to suit your needs and budget. We also offer you over a dozen EPABX models. Plus, special packages for hotels and banks. And networking solutions for private business communications over leased P&T channels.

We can. Because our experience in telecommunications goes back a long, long way. More than 16 rich years. Manufacturing, installing and maintaining. Shining with many an enviable precedent. From Power Line Carrier Communication to PAXs and EPAXs to EPABXs to Networking. Each one a telling proof of our ability to understand user needs and come through with cost-effective solutions.



Electronics: Our Only Business

We could. Because electronics is our business. Our only business. Since 1963. And in 25 years, we have covered quite a wide territory in it. From professional to consumer electronics. Computers to telecommunications. And equipped to excel in all.

Like a mature R&D to identify and respond to the Indian needs, especially in telecommunications. Coupled with integrated manufacturing facilities that make all the critical components in-house. So exceptional quality is ensured all the way. And a large, modern plant that guarantees excellence through an incomparable range of the best in hi-tech machinery.

Like a Multi-layer Professional Grade PCB plant with Through-hole Plating facilities. Plastic Injection Moulding. Genrad In-circuit Component Tester. Ageing Chambers. And many more.

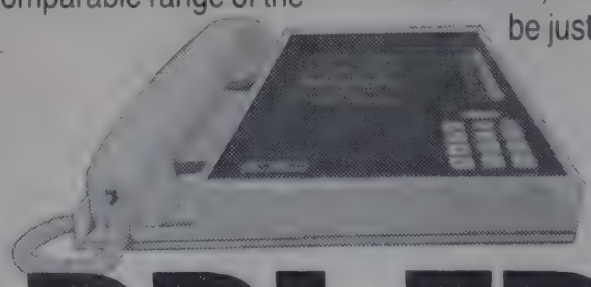
The Best Prefer The Best

So at BPL, we manufacture the best communication equipment. From 4 to 4000-line EPABXs to Push Button Telephones. **The best in the Indian business have settled for our range. American Express, Bank of Tokyo, Berger Paints, BHPV, Blue Dart, Canara Bank, CMC, Colgate Palmolive, Deccan Herald, FICCI, FSL, Grindlays Bank, HAL, Hindustan Cocoa, Hindustan Lever, Hongkong Bank, Indian Bank, Ion Exchange, Johnson & Johnson, Lipton, Madura Coats, SAIL, The Hindu... just to name a few.**

Discerning clients satisfied enough to place repeat orders. In fact, **1 in every 3 orders is a repeat order.** All relying only on BPL when the market place is awash with innumerable brands.

Naturally, today we have more electronic exchange installations countrywide than any other. **Over 650. With over 28,500 lines.**

We attribute our growing goodwill in the EPABX market to our comprehensive approach. R&D, in-house manufacturing, extensive product range and countrywide maintenance. An approach time-tested and refined by our long years in telecommunications. So, to all your questions in telecommunications, there can be just one reliable answer: The BPL Answer.



...A BPL-EPABX

everest / S88 / 150

BPL-INDIA

In pursuit of perfection

Computers ● Communication ● Components
Instrumentation (Industrial, Medical & Measurement) ● Office Automation ● Consumer Electronics

Siddapuddur 641 004. Phone 31052 * **HYDERABAD** 3 6-155 1 Urdu Hall Lane Hurayalnagar 500 029 Phone 231091 Telex 0155-6064 Cable PHISILAB * **MADRAS** A Block, 1st Floor, 190, Shivalaya Building, Commander in-Chief Road 600 105 Phone 471378 474420 474509 Telex 041 6507 Cable PHISILAB * **NEW DELHI** 304, Ashok Bhawan, 93, Nehru Place, 110 019, Phone: 6431886 6433689/6433865, Telex: 031-2692, Cable:PHISILAB * **PALGHAT** Kerala-BPL Works, Palghat-Coimbatore Road 678 007. Phone 3241 2 Telex 0852-213 Cable PHISILAB

AN ELECTRONIC TYPEWRITEI SO ADVANCED, IT CAN EVEN CHECK YOUR SPELLINGS

ACN. INDIA'S ONLY ELECTRONIC TYPEWRITER WITH THE SPELL CHECK.

Buy an ACN Electronic Typewriter and you will never make a spelling mistake again. Because the moment you do, the ACN Spell Check will stop you. Then refer to its mammoth, over 80,000 word dictionary and, before you know it, correct the mistake.

Now imagine how it can improve the efficiency of your office. Give you clean, crisp, flawlessly typed documents. Even when you're rushed for time.

After all, it's technology from Nakajima All, Japan. The world's largest electronic typewriter manufacturer. The technology behind the success of best-sellers like Triumph Adler, Smith Corona, Sears, Olympia and now ACN.

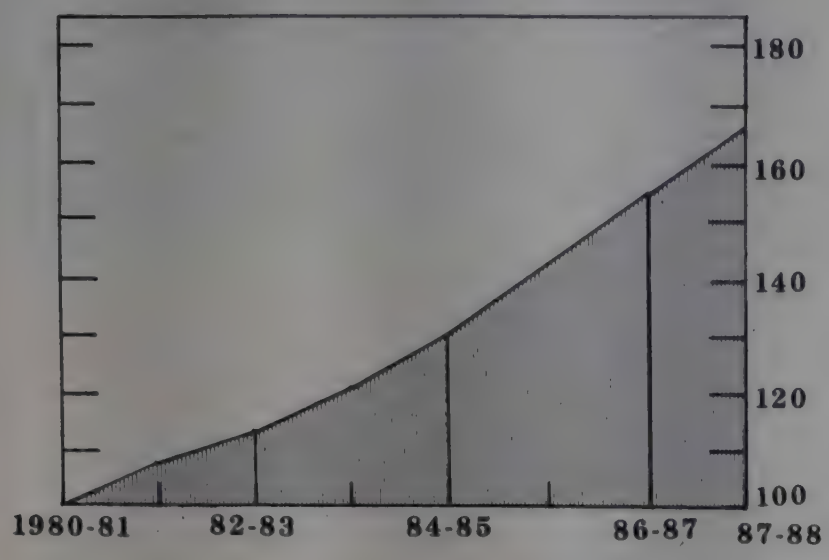
ACN
FROM
NAKAJIMA ALL. JAPAN.

ANUTAL

INTERNATIONALLY, THE BEST.

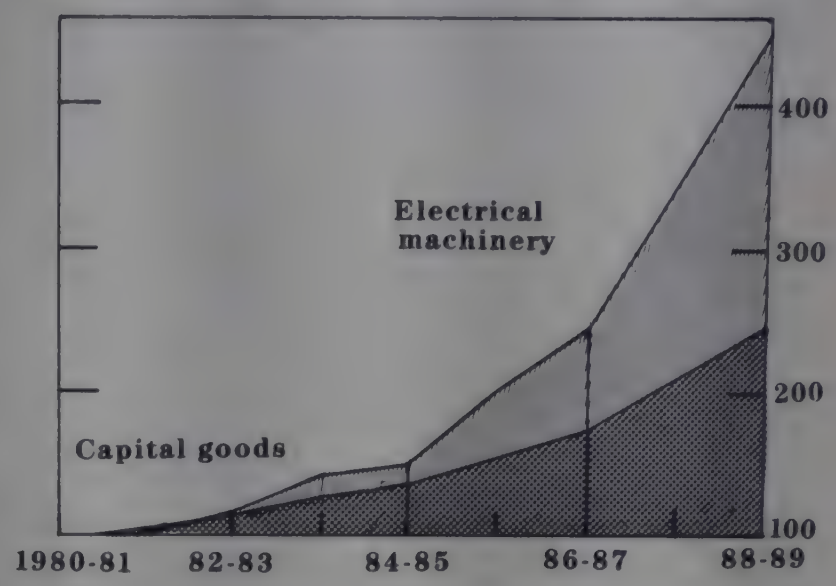
For further information contact: Auto Controls Private Limited, 414, New Delhi House, Barakhamba Road, New Delhi-1. Tel.-331 0137, 331 6464. No. 12, Fenkasa Centre, Nariman Point, Bombay 13. Tel.: 23 4424, 492 7125. S-1, Stephen Court, Park Street, Calcutta-16 Tel.: 29 1725. 7, Pycroft Mansion, 502, Anna Salai, Madras-6. Tel.: 47 6723. Natraj Complex, 9, Residency Road, Bangalore-25. Tel.-57 8846. 110, Sector 22C, Chandigarh-1.

Index of industrial production



The index of industrial production — all industries — has risen from 109.3 in 1981-82 to 166.7 in 1987-88, which works out to a compound annual rate of growth of 7.6 per cent. The projected growth rate for 1988-89 is about 10 per cent. The laggard in industrial production is manufacturing, which grew at around 7 per cent per annum. Mining and quarrying registered the highest growth rate of 9.4 per cent.

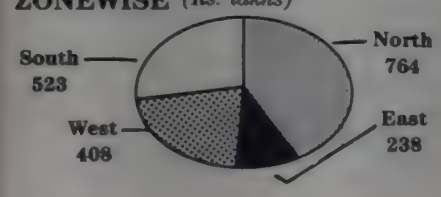
Index of capital goods (year ending March)



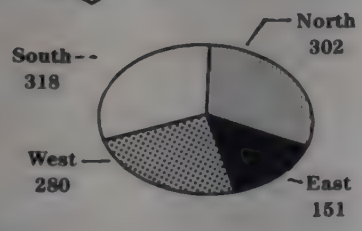
The capital goods index has grown by a factor of two between 1980-81 and 1987-88. It is expected that this sector will grow by 22 per cent in 1988-89. This high growth in the capital goods sector is due to the phenomenal growth in the electrical machinery sector, which has grown by 40 per cent in 1987-88 and is expected to grow by 35 per cent in 1988-89.

View of analgesic (pain killer) market

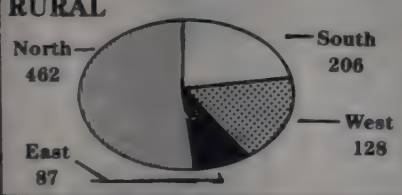
ZONEWISE *(Rs. lakhs)*



URBAN

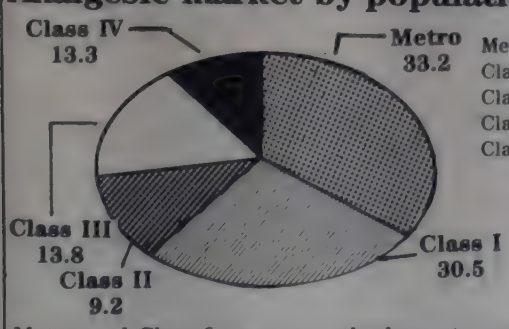


RURAL



The total market for analgesics (pain killers) has been estimated at 11,593 lakhs tablets valued at Rs.1,934 lakhs. The urban sector accounts for 54 per cent by value and 51 per cent by volume. Thus showing the significant contribution of the rural sector. North zone is the leader in the all India market.

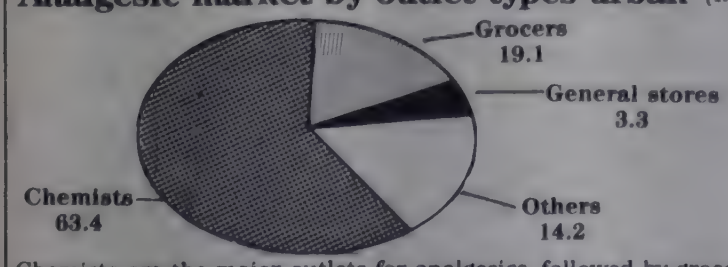
Analgesic market by population strata *(Rs. lakhs)*



Metro	Above 10 lakhs
Class-I	Between 1 lakh & 10 lakhs
Class-II	Between 50,000 & 1 lakh
Class-III	Between 20,000 & 50,000
Class-IV	Between 20,000

Metro and Class-I towns are the largest contributors to the analgesics market. They together account for 63.7 per cent of total sales by value.

Analgesic market by outlet types urban *(Rs lakhs)*



Chemists are the major outlets for analgesics, followed by grocers. Together they account for 82.5 per cent of total sales by value.

Courtesy: Operations Research Group

Wholesale price index: the WPI-all commodities was stable in the month to 27 August. Among primary articles fibres and oilseeds increased by 2.4 per cent and 1.9 per cent respectively. There was a sharp increase in the price of jute hemp and mesta textiles (by 11 per cent) among manufactured products.

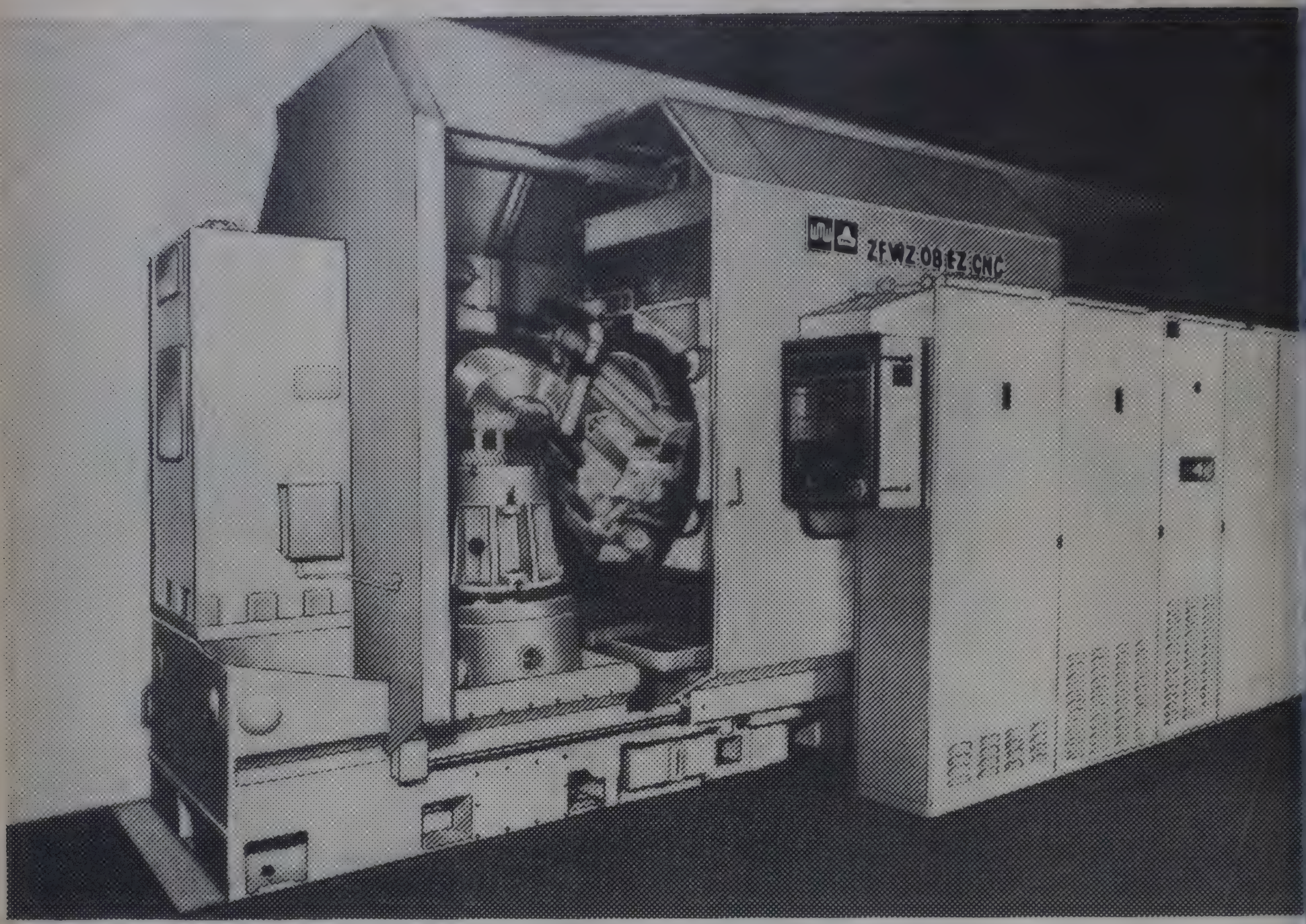
(1970-71=100)

	27 Aug 1988	30 Jul 1988	29 Aug 1987	% change over month	% change over year
All commodities	435.4	433.8	412.7	0.36	5.5
Primary articles	411.5	408.1	395.0	0.83	4.2
Mfg. products	415.5	415.2	389.8	—	6.6

Money and banking (scheduled commercial banks): Broad money (M3) and aggregate deposits were relatively stable during the month to 9 September 1988. Bank credit declined marginally but there was a sharp drop of 12.5 per cent in food credit.

(Rs. crores)

	9 Sept 1988	12 Aug 1988	11 Sept 1987	% change over month	% change over year
Broad money (M3)	173,958	173,467	148,341	0.26	17.3
Agg. deposits	128,312	127,401	108,016	0.71	18.8
Bank credit	72,509	72,659	64,148	− 0.21	13.0
Food credit	1,437	1,642	4,49	− 12.5	− 64.5
Cred/dep. ratio	56.51	57.03	58.95		



ZFWZ 08 EZ CNC

Latest technology Gear Hobbing Machine

The machine cuts cylindrical parts of up to 800 mm diameter by the hobbing method.

The all-CNC control — without indexing and differential change gears — also permits specific gear cutting technologies to be applied including the single indexing method.

Because of very short change-over times, the ZFWZ 08 is ideal for service in small and medium-batch productions.

The SFWZ range also includes machines for hobbing of spur gears of up to 10000 mm diameter.

for efficient production

VEB Zahnschneidemaschinenfabrik MODUL Karl-Marx-Stadt
VEB Werkzeugmaschinenkombinat "7. Oktober" Berlin

Easun Engineering Company Ltd.
Head Office
Nos. 1 - 3, de Monte Colony
Mowbrays Road, Alwarpet
Madras 600 018

Phones:
Madras: 454759, 454793,
Bombay 241512, 241561.

WMW-Export-Import
Volkseigener Außenhandelsbetrieb
der Deutschen Demokratischen Republik
Chausseestraße 111/112
Berlin, DDR-1040

Machine Tool and Tool Industry of the German Democratic Republic

ICICI study: sales and profits dip

There was a slowdown in growth of sales and value of production in 1986-87, virtually no increase in gross profits and a decline in profits both before and after tax as well as in retained profits. This was revealed in an analysis done by ICICI on its 417 assisted companies. However, capital formation, especially in plant and machinery, continued at an accelerated pace, despite the decline in profitability. Sales increased by 8.6 per cent against 15 per cent in the previous year. Growth in sales during 1986-87 was the slowest in the five year period 1982-83 to 1986-87.

The increase in expenditure at a rate faster than income put pressure on profit margins. The increase in total expenditure was mainly due to higher costs of raw materials and power and fuel. The gross profit margin (gross profits as a percentage of net sales), which rose steadily over the last three years to 10.5 per cent in 1985-86, fell to 9.7 per cent in 1986-87. In absolute terms profits before tax, profits after tax and retained profits declined significantly in 1986-87 over the previous year. There was a decline in operating profits because of higher interest burden. Profit after tax declined by as much as 19.3 per cent in 1986-87. This steep fall in margins had an impact on retained profits, which fell to Rs. 588 crore in 1986-87, a decline of 30.4 per cent during the year. Interestingly, retained profits had almost doubled from Rs. 464 crores in 1983-84 to Rs. 846 crores in 1985-86.

Due to the fall in profitability, the return on capital of the 417 companies, the report points out, fell to a year low of 13.6 per cent in 1986-87. The maximum number of companies (299) showed a return of between one and 20 per cent.

However, surprisingly dividends as a percentage of profit after tax increased marginally to 40.1 per cent from 38.9 per cent in 1985-86.

From the sample of 417 companies 113 companies skipped dividend as against 109 in 1985-86. But the number of companies that declared a dividend between 10 and 20 per cent increased by nine to 195. Therefore, in a year when profits declined, dividend was either maintained or hiked by many companies. This is a clear indication that with the increased reliance on capital markets, companies need to keep their investors happy even in bad years.

The tempo of capital formation was maintained in spite of the decline in profitability. The bulk of the increase was in gross fixed assets formation, which accounted for 83.5 per cent of the gross capital formation. Plant and machinery accounted for 80 per cent of the increase in gross fixed assets formation and 83.5 per cent of the gross capital formation. Plant and machinery accounted for 80 per cent of the increase in gross fixed assets. In contrast, the rising trend in the growth of inventories over the last three years was curtailed and inventories rose by only 8.5 per cent, as against 18.4 per cent in the previous year. With the decline in the growth of inventories, its proportion in current assets also declined and that of cash and bank balances increased.

The all-industry average of growth in net sales and gross profit in 1986-87 was 8.6 per cent and 0.6 per cent respectively. Going by this benchmark the industry groups power generation and distribution, rubber products, automobiles and cycles, glass and pottery and electrical equipment manufacturers performed rather well.

Capacity utilisation during 1986-87 was about the same as last year (about 75 per cent). However, rubber products and the sugar industry registered a significant increase during the year. The number of companies with less than 50 per cent capacity utilisation increased to 53, as against 44 in 1985-86.

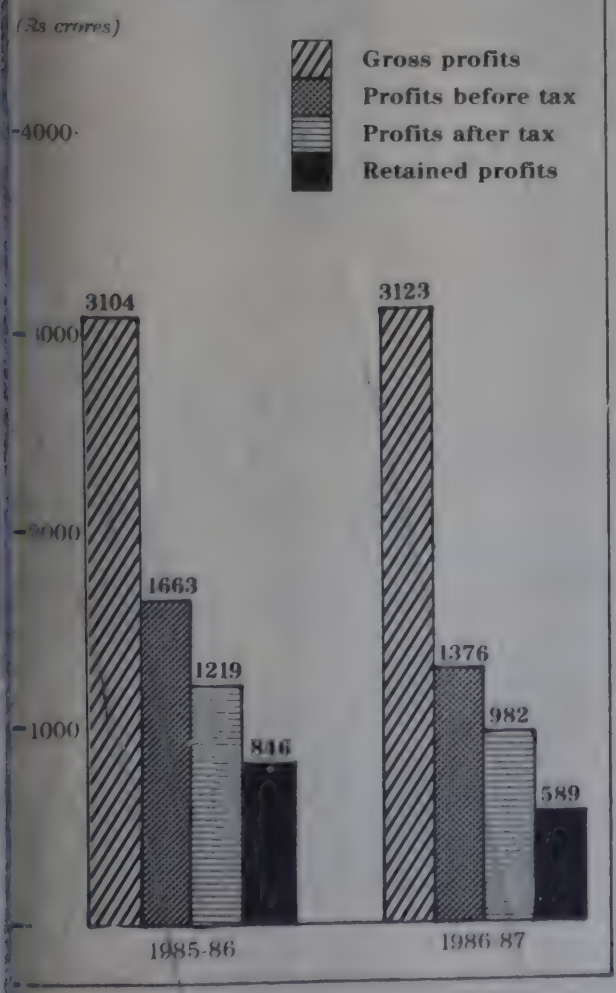
Considering that the need to export is becoming an urgent necessity the 264 exporting companies did not perform very well. Exports increased by only 2 per cent to Rs. 1,242 crores in 1986-87.

If current trends in corporate performance are anything to go by 1987-88 should once again see a revival in sales and profitability.

■

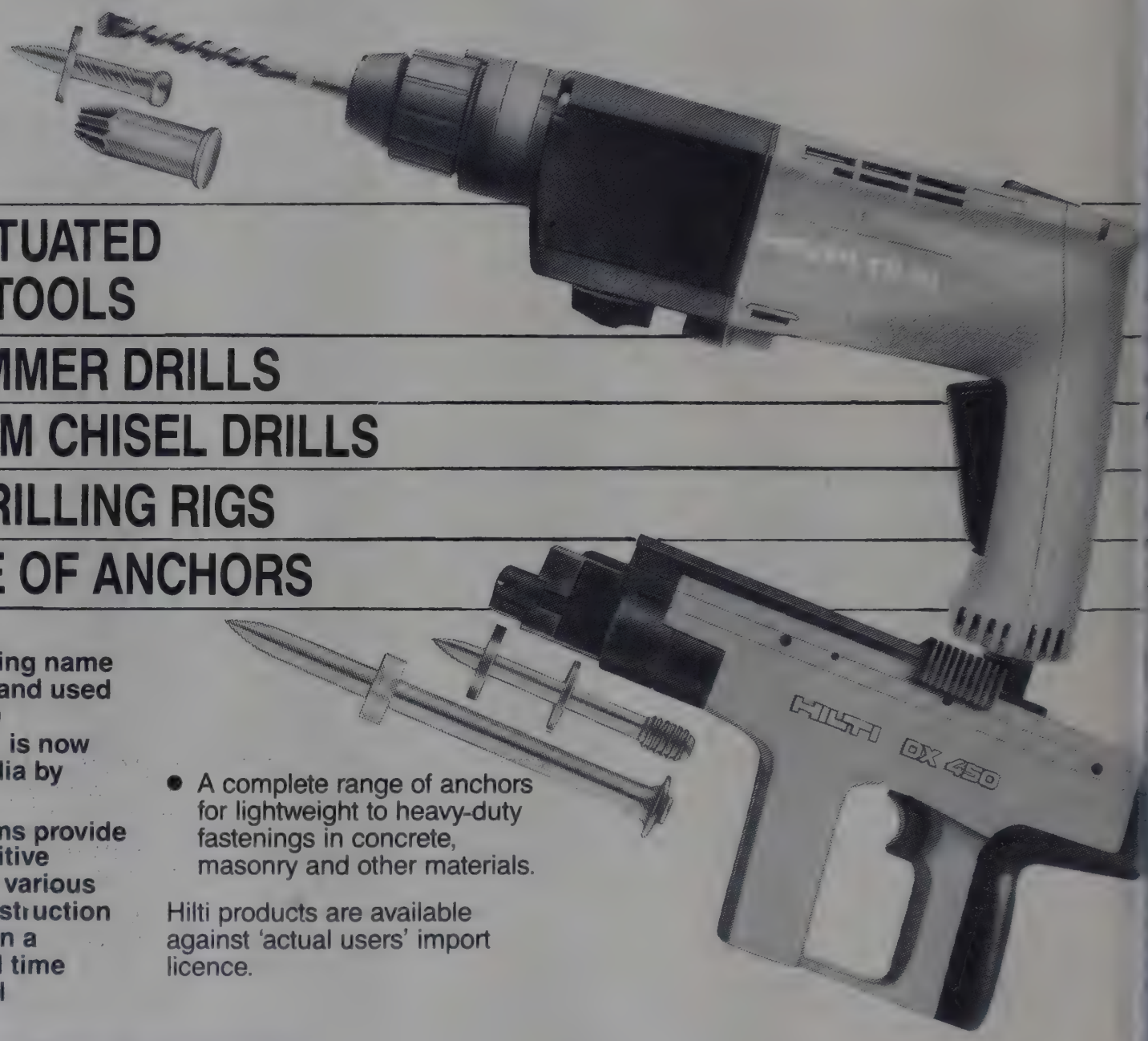
ASPI CONTRACTOR

Corporate sector profits



FROM THE WORLD'S MARKET LEADEI

HILTI



POWDER ACTUATED FASTENING TOOLS

ROTARY HAMMER DRILLS

HAMMER CUM CHISEL DRILLS

DIAMOND DRILLING RIGS

FULL-RANGE OF ANCHORS

Hilti, the world's leading name in fastening systems and used extensively in over 80 countries world-wide, is now being marketed in India by Greaves.

Hilti Fastening Systems provide extremely rapid repetitive fastening resulting in various operations in the construction industry being done in a fraction of the normal time taken by conventional methods.

Hilti Fastening Systems consist of:

- Powder actuated fastening tools where no external power is required and can be used for fastening on concrete and steel.
- Rotary hammer drills use a rotary and hammering action to drill holes, ideal for concrete and masonry work.
- Combi hammer drills can be used as a rotary hammer drill as well as a chisel for breaking work.
- Diamond drilling rigs for drilling precision holes in heavily reinforced concrete.
- A complete range of anchors for lightweight to heavy-duty fastenings in concrete, masonry and other materials.

Hilti products are available against 'actual users' import licence.

SOLD & SERVICED BY

GREAVES

Greaves Cotton & Co. Ltd.

Construction Equipment Division

1, Dr. V.B. Gandhi Marg, Bombay 400 023

Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, New Delhi 110 002

Thapar House, 25, Brabourne Road, P.O. Box 702, Calcutta 700 001

13, Second Line Beach, P.O. Box No. 207, Madras 600 001

BROUGHT TO YOU BY GREAVES

Take it or leave it

Speaking a few months ago to the Confederation of Indian Engineering Industry the prime minister asked why direct foreign investment into our economy was minuscule compared to inflows into other developing countries. Foreign investment in ASEAN countries, he pointed out, was around Rs.15,000 crores per year. India, on the other hand, received only a paltry Rs.100 crores.

"The level of external borrowings," Rajiv Gandhi said, "has expanded over the past several years reflecting our growing needs and absorptive capability. But the flow of direct investment has remained very small. Yet direct investment has some advantages over loans. Loans have to be repaid whether investments are productive or not. But direct investment leads to outflows only after there is production and then too only when there is a profit." He did not add that repatriation of profits only takes place after a considerable contribution has been made to the exchequer by way of excise duty and taxes nor that direct foreign investment is generally the best form of technology transfer because the investor has a greater stake in making a go of the project than in cases where there is only a one-shot sale of technology.

There are, in fact, several reasons why the inflow of direct foreign investment into India, to use the prime minister's words, is minuscule and it must be readily admitted that not all of these have a bearing on goverment policy.

India over the years has consistently got an undeservedly bad press in the West. The reportage, with rare exceptions, has been confined to riots, natural disasters and epidemics that rock parts of India from time to time but which in themselves are of no great significance when the overall size and stability of the country is taken into account. Most potential investors are aware of the problems in Punjab and the north-eastern states, and of the drought conditions that have prevailed during the last few years, but few know of the millions who have died in not-so-distant famines in China. Secondly, our own raucous free press, essential for other reasons, does little to inspire investor confidence. China and most ASEAN countries, because of the absence of genuine democratic institutions tend to give an impression of greater stability, law and order, and prosperity than actually exists. With India the opposite is true. The Philippines and South Korea are prime examples of countries where foreign investors have in the past been lulled into a false sense of security by sympathetic overseas reporting and the absence of internal critical comment.

These reasons apart, there are deterrents on the policy plane. The most important is our own ambivalence on the whole question of foreign investment. The government in the past has never been certain whether it wants foreign investment or not and this is true even today. While in international forums we repeatedly invite foreign capital, on other occasions we are reminded that the East India Company originally came to India as traders. An irrational suspicion of foreign companies (whether genuine or motivated) still clouds our political thinking. Are we Allende's Chile? Is it conceivable that Hindustan Lever or ITC can influence the results of a municipal election, leave alone toppling the country's government?

Translated into policy this fear has restricted foreign equity to 40 per cent in projects other than hi-tech or export-oriented industries. There is no logic to this restriction. If the rationale is that it will restrict profit remittances, then the extent of commercial borrowings will correspondingly increase. If the aim is to dilute foreign control over the concerned company, experience shows that a 40 per cent holding almost always gives you full control. Most Indian companies have complete management control with holdings of 30 per cent or less. One may ask: if a 40 per cent equity stake gives management control, why does this limitation deter foreign investors from coming in? Unfortunately, it is not the facts of the matter that count, but the perception and in this case, the foreign investor's perception. Many companies, particularly US companies, feel comfortable only if they have a 51 per cent holding. Since in fact it makes little difference to us one way or the other, why not permit a 51 per cent foreign holding in all areas where we wish to have foreign investment? The governments of ASEAN countries and even China actively woo the foreign investor when they are convinced that such investment is needed; we, on the other hand, have always followed a lofty "take it or leave it" approach.

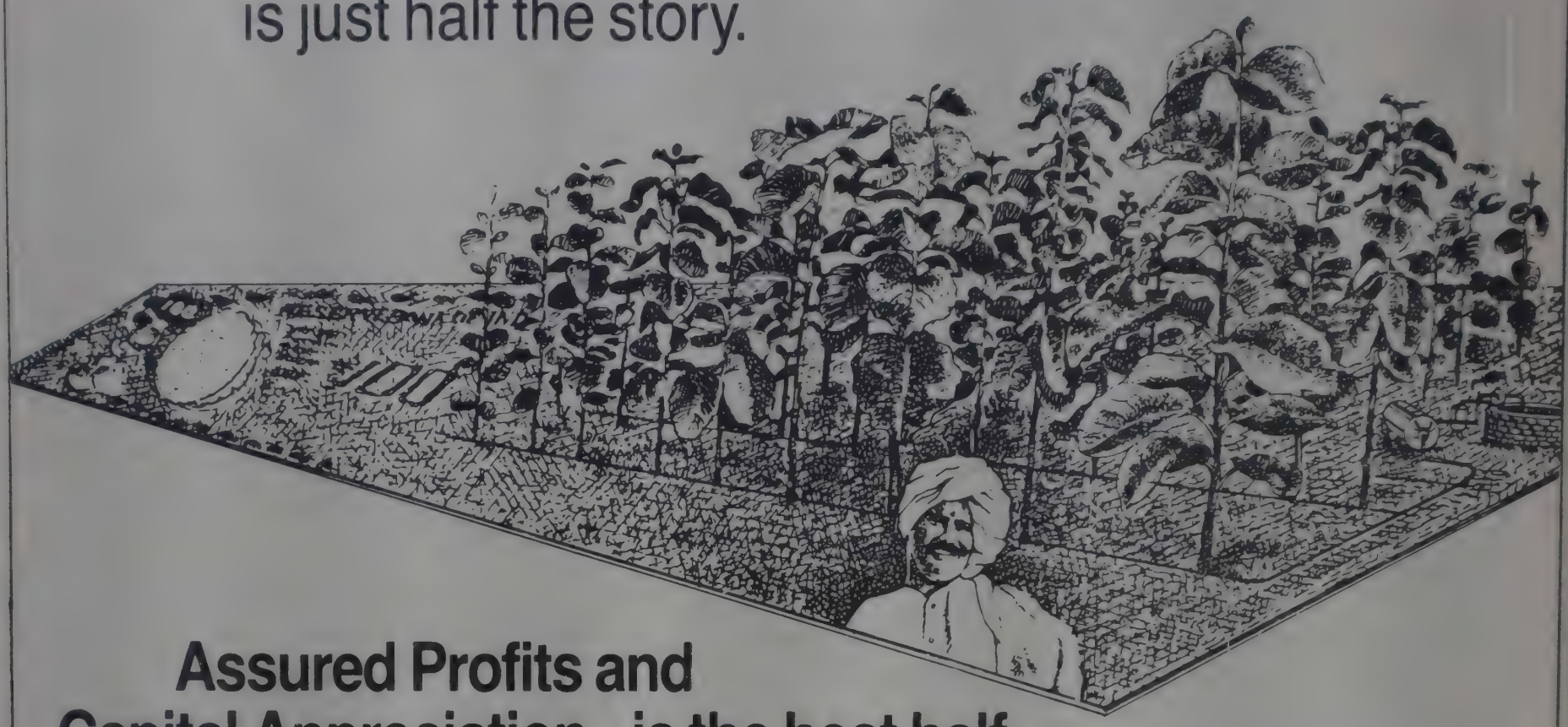
A further obstacle to foreign investment is that the areas of entry are too restricted. It is interesting to note that the Soviet Union under perestroika permits joint ventures in any sector of the national economy: in industry, trade or transport. Joint ventures have already been established to manufacture clothes and a variety of chemicals and to set up restaurants, which would normally not be permitted in India. We do not have to open the doors to any kind of foreign investment, but there is need to considerably widen the area where such investment is permitted from the current 31 sectors and look at individual propositions from two main points of view viz, technological upgradation and exports. Happily a move in this direction is already being made with the addition of food processing to the list. We need to take a second look at export commitments which have, in the past been wholly unrealistic. An export commitment of 25 per cent of turnover will in most cases lead to a reasonable balance of foreign exchange advantage.

Many foreign investors are deterred by the inadequacy of our patent laws, which in general provide a safeguard of 14 years for most industries (usually reduced effectively to ten years because it takes three or four years to get a patent registered) and seven years for the food and drugs industry (reduced to three years for the same reason). Again this is a case of mistaken perception because, in fact, there is hardly any infringement of intellectual property rights in India and in any case such infringement is difficult without the requisite inflow of technology. Though joining the Paris convention may not be the answer, we should consider adding to the life of the patent the time it takes to get the registration without altering the period of duration.

Finally, despite the procedural simplification that has taken place, there is a need to speed up the process of decision-making. The delay of two years in the clearance of the PepsiCo case is perhaps understandable because it got politicised. But even the relatively straightforward Adidas-Bata collaboration was finally approved in an acceptable form a full 26 months after the application.

■ A. RANGANATHAN

Adventing modern technology in agriculture to increase yields and conserve water... is just half the story.



Assured Profits and Capital Appreciation...is the best half.

A part of the dynamic Jain Group of Jalgaon – having deep roots in agriculture and a proven track record of over 25 years – Jain Irrigation is all set to revolutionise irrigation in India

Jain Irrigation has collaborated with Hardie Irrigation of Italy, the world leaders in irrigation systems The Jains are pioneers in promoting scientific and integrated approach and have established an extensive product range

The system facilitates slow but continuous availability of water, so that plants do not suffer from shock or stress and their even growth is guaranteed The result – increase in yields upto 230% and savings in water upto 80% have been recorded.

To date the Company has crossed Sales Turnover of Rs. 325 lacs with Pre-Tax Net Profit of Rs. 11.64 lacs.

Having achieved more than 40% indigenisation the Company expects to be independent of imports by the end of next year. Production has already commenced in rented premises.

The construction of the factory is in progress on the Company owned 10 acre plot at Bambhori Dist . Jalgaon and is expected to be complete in all respects by June,1989.

With a project outlay of Rs. 7 8 crores, the Company is confident of achieving a Sales Turnover of Rs 10 crores in the coming financial year This would only represent 0.01% of the total market potential.

The demand is expected to accelerate with the Central Government contributing 50% of any subsidy declared by a State Government for purchase of this system. Maharashtra, Karnataka, Tamil Nadu and Gujarat have taken the lead by declaring subsidy up to 50%. More States are expected to follow suit.

With an assured and untapped market Jain Irrigation is set to blaze a trail in the annals of agro-based industries. With this market potential – the future promises more than just rich yields

ISSUE HIGHLIGHTS

- ★ **PROMOTERS :** Jains of Jalgaon having deep roots in agriculture & proven track record of over 25 years.
- ★ **PRODUCTS :** A state-of-the-art irrigation system which guarantees increase in yield upto 230% and savings in water upto 80%.
- ★ **PROSPECTS :** Untapped Market – The estimated Turnover of Rs 10 crores in the coming financial year is only 0 01% of the market potential
- ★ **COLLABORATORS :** James Hardie Irrigation (Italy) SRL – World patent holders and the largest manufacturers of Micro Irrigation Systems.
- ★ **Assured Dividend in the very first year.**
- ★ **Eligible for 80CC and Wealth Tax benefits.**
- ★ **Listing on Bombay, Ahmedabad and Pune Stock Exchanges.**

Managers to the Issue

SBI Capital Markets Limited — SBI Capital Markets Ltd.

CANBANK FINANCIAL SERVICES LTD. Capital Markets Group

State Bank of Indore Merchant Banking Division

Equity Issue of Rs.111 lacs
OPENS ON 17TH OCTOBER, 1988

25 YEARS WORKING FOR AGRICULTURE

GROUP

JAIN IRRIGATION SYSTEMS LIMITED

Regd Office Jain Industrial Complex, Nimkhedi Khurd, Jalgaon 425 001, Maharashtra

CLEA

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

Registered Office: Road No 3, Banjara Hills, Hyderabad - 500 034

Dr. A. Besant C. Raj, DBA (Harvard)
Chairman

Chairman's Speech - Fourth Annual General Meeting

It gives me great pleasure to welcome you to the Fourth Annual General Body Meeting of the Institute. During 1987-88, your Institute has made significant progress in terms of academic work, student enrolment and other activities.

The CFA Programme

The CFA Programme launched by the Institute in 1985, with the support of the Institute of Chartered Financial Analysts, USA, has been receiving excellent response. The cumulative enrolments have gone up from 5588 in 1987 to 7975 during this year. The profile of the CFA students indicates that the programme continues to attract professionals from different disciplines and executives employed in banking sector, industry and government.

You will be happy to know that the major All-India Financial Institutions like IDBI, ICICI, IFCI, UTI, and several private and public sector organisations are reimbursing fee (paid to the Institute) to their employees enrolled in the CFA Programme.

The Institute has so far conducted four examinations for Preliminary and Inter Levels, in the last two years. The pass percentage at Preliminary Level varied between 40-50% and at Inter Level it was around 25%.

Development of study material for Inter Level was completed during 1987-88. Study material for the Final Level was partly completed during 1987-88. The remaining material is expected to be completed during early part of this financial year.

The Institute has organised oral coaching classes for the benefit of our students at New Delhi, Bombay, Madras, Hyderabad, and Bangalore during the year.

The DBF Programme

I am happy to report that the Institute has developed The DBF Programme (Diploma in Basic Finance) for the benefit of Corporate Executives, Businessmen and Government Administrators.

This programme will be useful to those in Production, Marketing, Personnel, Materials Management areas to help them to develop a deeper understanding of the financial implications of these operations. The DBF Programme is essentially a short duration correspondence course with four compulsory modules and two optional modules. The Institute is receiving excellent response from all over India, for this programme announced in April 1988.

Seminars/Workshops

In April 1987, a one-day Workshop was organised on Zero Base Budgeting. This Workshop was attended by a large number of participants from Government Departments, Public Sector Undertakings and Private Sector Companies. The workshop was inaugurated by Shri K. Subramanyam, IAS, Principal Secretary, Food and Agriculture Department, Government of Andhra Pradesh.

The Institute invited Prof Marshall E Blume, Director, Rodney L White Center for Financial Research, The Wharton School, University of Pennsylvania, to deliver the Foundation Day Lecture on June 27, 1987. Prof Blume chose 'Recent Trends in US Capital Markets' as the topic for the lecture. CFA students, members of academic community, senior government officials, and managers from the corporate sector attended this lecture.

CFA Annual Number

The Institute has brought out the CFA Annual Number with articles on various topics in Financial Management, contributed by distinguished academicians and practitioners.

Second All India CFA Chapters' Meet

Second All India CFA Chapters' Meeting was organised on December 26, 1987 at Hyderabad. Representatives of students' chapters from various centres attended this meeting. On the same day a Seminar was organised in which technical papers on 'Leasing Industry in India - History, Problems and Prospects' and 'Zero Base Budgeting - The Indian Experience' were presented and discussed.

Global Affiliations

You will be happy to learn that ICFAI has been admitted as a member of the Asian Securities' Analysts Council (ASAC) representing India. ASAC was founded in 1979 to promote a more co-operative relationship among securities analysts, societies in Asia, to develop analytical techniques and promote the social status of securities analysts, and generally to contribute to the role of securities analysts. At the 9th ASAC Conference held during September 1987 at Taipei, I presented a technical paper on 'Venture Capital in India' on behalf of our Institute.

ICFAI has also been admitted as an institutional member of the International Council for Distance Education (ICDE), Norway. ICDE is an association of educators and educational organisation dedicated to furthering the aims and methods of distance education throughout the world. ICDE is affiliated with UNESCO as a Category B Non-Governmental Organisational.

ICFAI has also become a member of The International Coordinating Committee (ICC) consisting of Financial Analysts Federation, USA, European Federation of Financial Analysts and members of Asian Securities Analysts Council. Among other things, ICC is evolving a common curriculum for financial analysts on a world-wide basis.

Future Programmes and Plans

The first batch of CFAs is expected to come out in April/May 1989. As the number of qualified professionals in this new discipline grows, the Institute is contemplating to draw an ambitious plan for academic enrichment and professional advancement for the CFAs. This would include continuous upgradation of the study material and addition of some more subjects to be offered as electives. The Institute is also in the process of developing a Corporate Data Bank to help research in the main thrust areas of the CFA Programme and to provide needed information to Corporate Entities and the Investors.

Acknowledgements

I wish to take this opportunity to thank the members and ICFA, USA, for extending enthusiastic support for the development of our Institute. I would like to particularly thank Mr Alfred C Morley, President, ICFA, USA, for the interest he is taking in developing our Institute and a professional cadre of Financial Analysts in India. I would also like to thank my colleagues on the Board, the members of the Academic Council, the various academic experts who are developing the study material and members of the staff of ICFAI for their continued support and help.

Hyderabad,
September 10, 1988

Dr. A. Besant C. Raj,
Chairman

QUALITY-CONSCIOUS CUSTOMERS BUY MORE V-BELTS FROM FENNER THAN FROM THE NEAREST THREE COMPETITORS PUT TOGETHER.

ACC TISCO L&T KIRLOSKAR MICO GWALIOR RAYON LMW THAPARS BHEL BEL DCM AND OVER 1000 OTHER CUSTOMERS.

BECAUSE THEY BELIEVE IN FENNER PERFORMANCE.

While others talk about unqualified test rig performance figures, Fenner PB V-Belts have proven themselves on our customers' shopfloors.
Proof: Over 50 lakhs PB V-Belts have already been in operation in less than two years.

Why Fenner PB, India's one and only Precision Built V-belt, is also India's No 1 selling V-belt.

- No matching required
- Reduces inventory costs
- Increases productivity

FENNER PB

Fenner

The undisputed leader for over 50 years

You know it's the best, when it's Fenner

Post Pepsi fizz

The excuse of the prime ministerial foray into Punjab helped push the Pepsi proposal through. The final clearances from the Cabinet Committee on Economic Affairs came through with a haste that more significant decisions often deserve but rarely receive. Yet, it would be wrong to call the Pepsi decision "hasty" since the project has been in the governmental wringer for several years now. Tough going for a mere Rs.22-crore investment backed by a pugnacious state government, a business house and an unstoppable multinational. But "hasty" it has been labelled already since the Pepsi decision seemed to scramble through with just a

day to spare before the prime minister arrived in Punjab.

The few reports that are available of what transpired in the final hearings before Pepsi received its seal of approval suggest that the decision was not exactly unanimously welcomed. At least one minister enquired almost innocently why a Pepsi project was not planned for every state if indeed Tytler's claim of Rs.22 crores generating 20,000 jobs was correct. The sarcasm was lost on the other ministers who lapsed into silence after Tytler's impassioned plea for the project that cynics always insisted was the purpose behind creating his new ministry.

Now that the decision has been taken and Tytler has had his moment of glory on Doordarshan, the government seems relieved that the decision seems to have been accepted rather tamely. But going by all indications, after the present lull is over there are likely to be reactions from elsewhere. Already, firebrand George Fernandes has thundered that "the next government will toss Pepsi out".

Under such circumstances and particularly since Voltas chairman Tobaccowala promises to be "free with information", the Pepsi proposal is expected to be in the public eye for a long time.

There are moves underway to cope with the adverse publicity that may arise because Rajiv's government proved accommodating to a multinational. One is to find an acceptable brand name for the cola that Pepsi may bring to the market before the next elections. The prime minister's office, which seems to have suddenly realised the importance of domestic brand names, is understood to have expressed concern on this front. So, if caution finds expression in action, though Pepsi may be in, the opprobrium of being called a Pepsi Cola government may still be averted.

When's the poll?

For the last few weeks there have been those in the capital who have been speculating about the date of the next general elections. Some believed that the Gandhi government would attempt to seek a new lease of life by marching to the hustings at the start of 1989. That, they claimed, would help limit the damage caused by the series of self-inflicted disasters that this giant majority has been irreparably damaged by.

Now however, the moment seems to have passed. Current thinking in Congress circles is that there is no reason to push elections forward substantially. With the Defamation Bill fiasco barely behind them, party strategists have once again begun the lengthy exercise of surveying the mood of the electorate. This new-found penchant for opinion surveys seems to be gradually taking root in the party organisation. While two recent surveys have shown a decline in the prime minister's personal popularity, the more serious surveys being planned now may address new issues.

Be that as it may, the message from New Delhi seems to be that the next elections may be held only a month or two before they are actually due. In the meantime, there seems to be some understandable hesitation about getting over some by-elections which are now due. Since even the party faithful agree that victory is likely in only one of the seven seats, nobody quite wants to take the risk. But, at least for the moment, solace is sought in the psephologists' thesis that by-elections are not necessarily good pointers to the mood of the nation when a general election is held.

Situations vacant

Should S.S. Nadkarni, chairman of the IDBI, be satisfied with a three-month extension of his term? Can Col Wahi, chairman of ONGC, be overjoyed that he has two months left of his extension? Can giant financial institutions and public sector corporations be run by individuals who are kept in constant insecurity? The answer to each of the above is, of course, a resounding no.

But, does anybody care? The answer, if one were to go by the behaviour of the central government, once again seems to be no. The complaints that a large number of public sector companies are starved of a stable top management seem to consistently fall on deaf ears. The most glaring case, which now shows hints of being resolved is, of course, the top posts at STC and MMTC. While there are rumours that a common chairman may now be named, in this case the reasons for such an appointment seem to be expediency rather than deliberate policy.

The debate over whether STC and MMTC ought to be merged gradually after the initial appointment of a common chairman is now sought to be short-circuited by the proposed appointment. From all available indications in the commerce ministry, the issue of merger or even common management for the two giant trading corporations is a subject that is yet to be resolved. And the current proposal, to appoint B. Ratnakar, formerly of Canara Bank, seems merely an expedient means of using available talent to fill as many gaps simultaneously as possible. While it is true that within the administrative ministry, commerce in this case, control is usually exercised on both organisations by one official, the vexatious problems of inter-organisational relations as well as relations with the ministry are unlikely to be eased unless these basic issues are addressed.

Even if such tricky matters are left unresolved, somebody somewhere will have to take quick action to fill the nearly 38 top management posts in the public sector. Today the public enterprises selection board seems to be both ignored in the advice it renders as well as stymied in its attempts to attract talent. All of which bodes ill not just for the public sector but also for the national budget — which last year had piously promised that public sector losses would cease to be a constant drain on national resources. With the increasing length of the "situations vacant" column, all such hopes may well remain just that.

■ DILIP CHERIAN

OFF THE SHELF

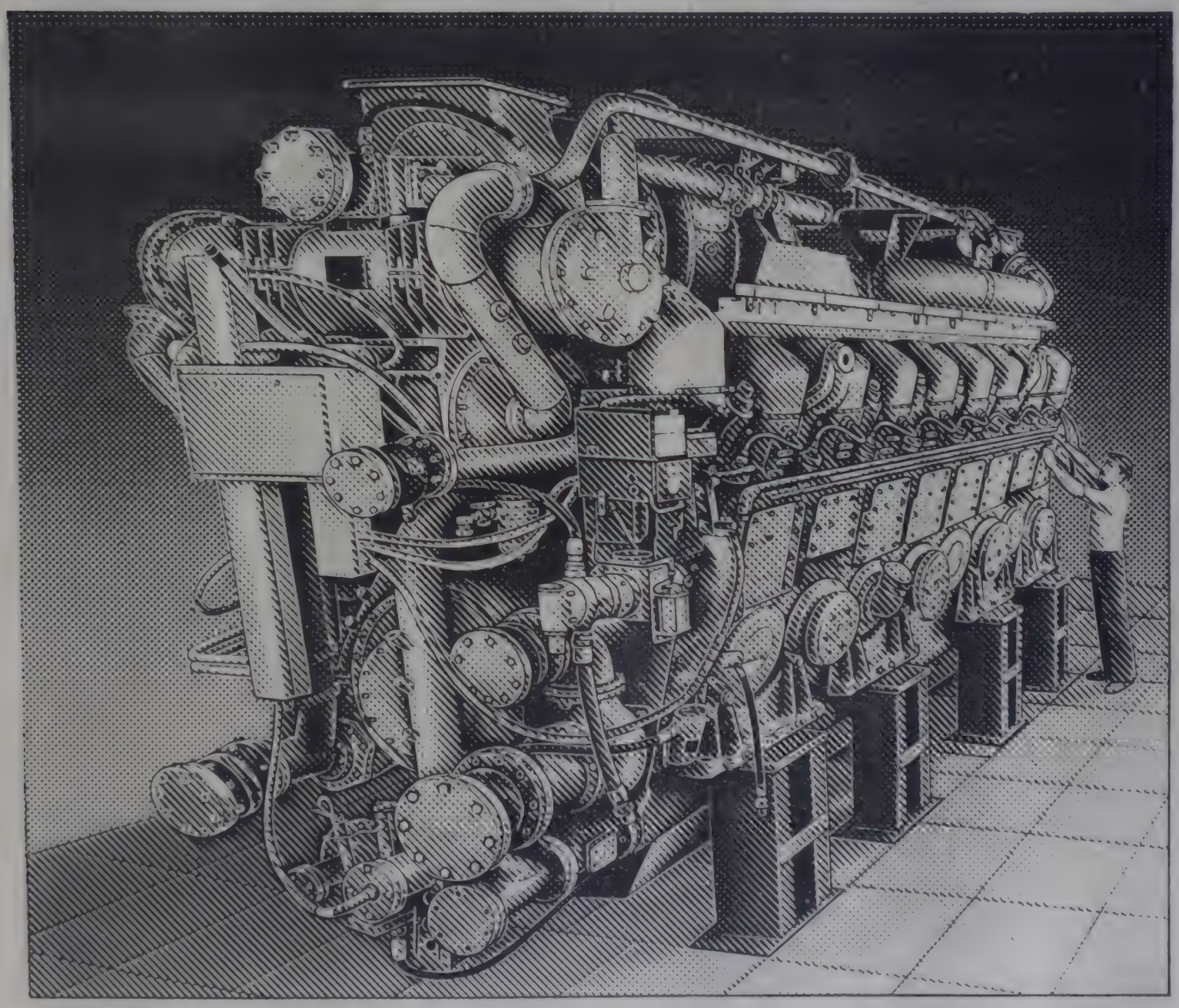
Perhaps a slight advertising overstatement. But truly, you can pick up the 2.2 to 4.5 MW Kirloskar Pielstick, one of the world's finest and most proven continuous duty diesel generating sets as easily as alphonsos in season. Naturally, without an import licence. Not even for spares. And in rupees too. And yes, there's one other continuous thing. Our after-sales service.

The Kirloskar Fielstick. A real warhorse. Ask the Indian Coast Guard. They've been flogging it in six off-shore patrol vessels day and night for years now. And the Indian navy is installing it on several Corvettes and other naval vessels. So have a great number of the most advanced navies in the world. Now tell us, what better proof can you get of continuous duty operations?

And on land? You know what the power situation in the country's like. And it's not likely to improve for a long time to come. So a whole lot of industries like Andhra Cement, Orissa Sponge Iron, BEML, Bihar Sponge Iron

are picking it up as their prime mover. And discovering that they'll never be short of power again. Ever.

Why don't you call Mr. S. Goswami at (0212) 55341/ 56454? Or better still, kill two birds with one stone, have a cup of tea with us at Kirkee, Pune 411 003, and see this magnificent genset? That's if one is still left on the shelf.



Kirloskar Pielstick... you'll never be short of power again.

Kirloskar

KIRLOSKAR OIL ENGINES LIMITED

Pratibha/KOEL-160/88 R M

NOTICE

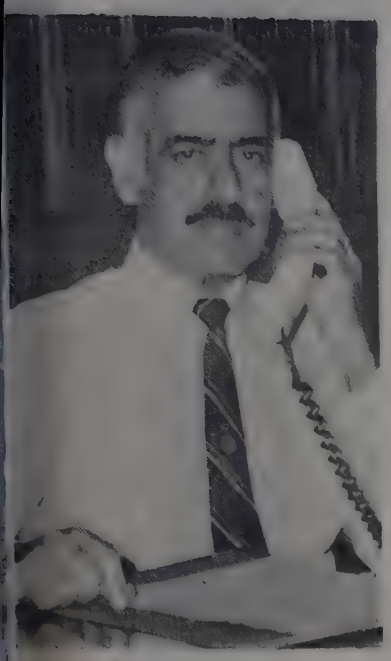
It is hereby notified for the information of the public that Shaw Wallace & Company Limited proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant.	**Shaw Wallace & Company Limited** **4 Bankshall Street** **Calcutta 700 001**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Preference** **Rs. 1,00,00,000** **Ordinary** **Rs. 39,00,00,000** **Subscribed** **Preference** **Rs. 75,00,000** **Ordinary** **Rs. 12,00,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr M R Chhabria, Chairman** **Mr K R Chhabria, Managing Director** **Mr R M Moghe** **Mr A K Das** **Mr B S Mehta** **Dr R S Tarneja** **Mr R S Mama** **Mr M L Bhakta** **Mr B Sanghavi**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**New Undertaking.**
5.	Location of the new undertaking unit division.	**Place/Town** **Bhankerpur** **Tehsil/Taluk** **Dera-Bassi** **District** **Patiala** **STATE: PUNJAB**
6.	Capital structure of the proposed undertaking.	**Same as in item 2.**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or control of any goods/articles, indicate:	
	i) Names of goods/articles	**Potable alcohol from non-molasses based raw materials.**
	ii) Proposal licensed capacity	**50,00,000 Bulk Litres per annum.**
	iii) Estimated Annual Turnover	**Rs. 7,56,30,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value , income, turnover etc.	**NOT APPLICABLE**
9.	Cost of the Project	
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Finance will be arranged partly from internal sources and balance by raising loans.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

S.C. MAJUMDER
SECRETARY &
PRINCIPAL OFFICER

Dated this 6th September, 1988



REAR-ADMIRAL
G.T. WADHWANI
(retd)

SHIPBUILDING

Making it cost-effective

Speaking at a recent seminar organised by the College of Insurance, Vasant J. Sheth, chairman of The Great Eastern Shipping Co. Ltd, said, "A shipyard is a drag on the Indian economy and at best should only serve the purpose of building ships required by the Indian Navy. It would certainly be undesirable either to expand or to continue commercial shipbuilding."

It has been observed that Indian shipowners take every opportunity to publicly decry indigenous shipbuilding efforts, forgetting that their own operational efficiency compared to foreign shipping is also wanting. They have had to repeatedly approach the government to bail them out. An entrenched lobby exists to ensure that ships are acquired from abroad because of the hidden financial advantages in such transactions.

Both the shipping and shipbuilding industries have been a drain on the Indian economy. The net worth of shipping companies as a whole is negative, despite the easy terms loans and fiscal concessions given to develop them. The losses of the shipping industry are much more than those of the shipbuilding industry, and yet the former continues to be given more favoured treatment.

The government of India has sunk over Rs.2,000 crores into mercantile marine shipping with little prospect of earning the necessary returns in the immediate future. The planning group on shipping has estimated that the industry will require Rs.8,000 crores between now and 2000 AD for replacement and expansion. Such outlays can only be accepted in the strategic interest of the country and cannot be justified on economic considerations.

The Industrial Policy Resolutions of 1948 and thereafter have categorised shipbuilding as a Schedule 'A' industry and thus in the priority sector. The founding fathers obviously understood the importance of the shipbuilding industry in the economic and industrial development of a nation. It is not only the direct benefit which accrues from this labour-intensive assembly industry which is important, but also the spinoffs through the development of downstream industries. Unfortunately shipbuilding has been given stepmotherly treatment and the development of shipbuilding ancillaries and supporting industries like power plants, instrumentation, and marine equipment has not been given any attention.

Shipbuilding on the basis of very limited capacity is not cost-effective or practical as it leads to the non-availability of indigenous industrial support. For example, the Cochin Shipyard was set up at a cost of Rs.122 crores for building only one large ship at a time. Further expansion has not been considered and thus the yard's flexibility in shipbuilding has suffered. Such limited capacity also leads to some specialised machines installed at high cost remaining idle for a major portion of the year. In addition, India has practically no design capability for merchant shipbuilding, although a national shipbuilding design centre has been on the anvil since 1972.

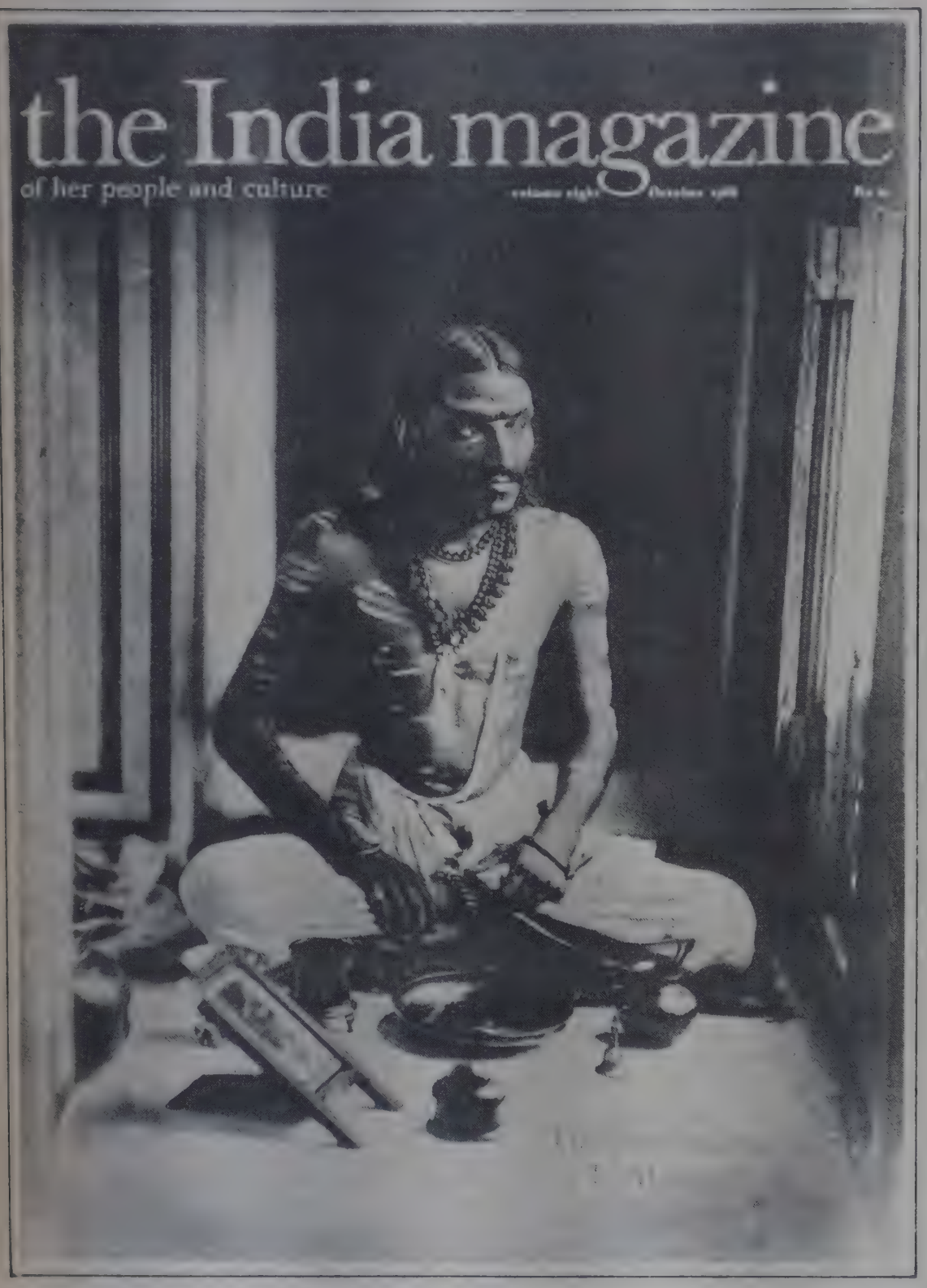
When South Korea set up its shipbuilding industry in the late sixties, it developed very big yards with the capacity to build about 4 million DWT annually and repair 20 ships concurrently in one yard. At the same time it set up related industries for the production of steel plates, main engines, diesel alternators, specialised pumps, marine valves, etc. to support the shipbuilding industry so that it got off the mark quickly and did not have to rely on imports except for a few specialised components. Singapore port, which has concentrated on ship repair rather than shipbuilding, has 13 floating dry docks with the capacity to repair 40 ocean-going ships. Thus its repair yards can support one other by catering to specialised facilities. In such a situation, spares, paints etc are available off the shelf and there is no necessity to import them as in India.

Indian shipyards have been losing money because of our unremunerative pricing formula. Ships have to be sold at the international price plus a subsidy of 30 per cent (20 per cent paid by the government and 10 per cent by the buyer). This does not compensate for the cost/price gap (the cost of inputs is more than the IPP), because the Korean and Japanese shipyards are selling ships at marginal cost, with a covert subsidy from the state. The 30 per cent subsidy cannot take care of the conversion cost in the high-cost Indian economy. When ships in India are sold at a loss, working capital has to be obtained at commercial rates leading to a further loss.

The complaint of shipowners is that they have to pay 10 per cent more than the IPP which itself is not the lowest international price of an efficient yard but is the average of the prices in various countries. In a situation where the value of the rupee is falling compared to international currencies, this may still mean that the price paid to an Indian shipyard is less than that to an efficient Far Eastern yard. For example, the value of the yen more than doubled between March 1985 and March 1988. Thus if a vessel had been ordered from a Japanese yard in 1986

The author is chairman and managing director of the Cochin Shipyard

THE DISCOVERY OF INDIA



the India magazine now gives you India like never before. Well researched, informative articles on India, its people, culture, environment, ecology, wildlife, written by renowned scholars and leaders in their respective disciplines.

Every month, beautifully produced.

the India magazine — October 1988

The Photographer Prince — mid 19th century Jaipur, Sawai Ram Singh II — cover story.

The Leopard — the life, habitat, diet of this solitary, poached upon predator.

Is Ahmedabad Dying? The problems of overpopulation and unsystematic development discussed.

On being a Hindu Pilgrim — Pepita Seth's experience in India's Temple towns.

The Birhor Tribe, near Hazaribagh.

Photographer's Portfolio — Haunting images of children, John K. Isaac.

Aipans — folk painting from the Kumaon Hills.

Birla Academy of Art and Culture, Calcutta.

+ all our regular features.

Subscribe now and save 25% on newsstand prices.

India One Year (12 issues) Rs. 135* Two Years (24 issues) Rs. 250*

Overseas (one year only)

Zone I: Airmail to Pakistan, Bangladesh, Sri Lanka, Afghanistan & Burma Rs. 400 or US$ 33
Zone II: Middle East, Asia, Japan, Europe, Africa & Australia Rs. 625 or US$ 52
Zone III: North & South America Rs. 675 or US$ 56
Surface mail for all countries Rs. 300 or US$ 25

* Plus Rs. 5/- for cheques not drawn on a Bombay bank.

Newsstand price Rs. 15 per copy.

SUBSCRIPTION

I would like to subscribe to/gift **the India magazine** for one year ☐ two years ☐.

The magazine should be sent to the following address:

Name _____

Address _____

_____

Pay (cheque/ draft ☐ PO ☐ for Rs _____

Please let [illegible] a magazine [illegible]

the India magazine

of her people and culture

Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 0

against an SDFC loan at a cost of Rs.20 crores (2,880 million yen), the contract price of a similar vessel in India would have been about Rs.23 crores. The total cost to the shipowner by the time of delivery in 1988 would be about Rs.26.3 crores (2,880 million yen) for the Japanese vessel and a maximum of Rs.24.6 crores for the Indian vessel. Moreover the interest rate for Indian built vessels is lower.

The position becomes worse if the ship is obtained on deferred credit provided by a foreign bank. There is a case where a shipowner took delivery of a vessel from Japan in 1984, with loan repayment in yen still in progress; as a result the total cost in Indian rupees will be more than double that envisaged at the time of signing the contract in 1981. This is not an isolated case. Even earlier many shipping companies had faced similar problems and the government had instituted SAFAUNS, which indirectly subsidises foreign shipyards at our expense.

A grouse of Indian shipowners is that the period of construction in Indian shipyards is two to three times as long as that of Japanese and Korean shipyards. By the time an Indian shipyard delivers the ship there is a built-in obsolescence in the vessel. They have to pay higher interest on the stage payments made during the longer construction cycle, and some equipment has completed its guarantee period by the time the ship is delivered because of the long storage period in the shipyard. Most of these complaints are justified, but the complaint that the workmanship of Indian-built ships is not as good as that of ships obtained from abroad, can be dismissed; the quality is as good if not better. Complaints about quality standards of construction which are not entertained by foreign shipyards have to be taken note of and attended to in India. Disputes on quality control when the shipowner does not want a vessel due to a changed shipping scenario leads to the hold-up of construction and is one of the reasons for slower construction.

Then there is the question of working capital. In foreign yards the state provides funds through the shipyard for financing ship construction, so that a ship can be sold to any shipowner in the world on a deferred credit basis. In India the financial institution directly provides 90-95 per cent of the funds to our shipowners for either an Indian or a foreign-built ship. As the shipowner's personal stake is very limited, he can and does delay stage payments and thus slows down ship construction, particularly when he is in no hurry to take delivery and has placed an order merely to meet a *pari passu* obligation. To overcome these problems, it is essential that Indian deferred credit should only be for Indian-built ships and routed through the shipyard.

Basically Indian shipyards need to become time conscious. Even if all the equipment is available in the yard, we are not able to match the productivity of foreign countries. The work culture is poor, leading to low production. For this we have to blame equally the worker, the supervising officer, and the management. Complacency, job security, indiscipline, bureaucracy and lack of commitment are some of the reasons for the inefficiency of the public sector, of which the shipbuilding industry is a part.

The need of the hour is therefore to remove all bottlenecks which delay ship construction in India. First of all, productivity must improve through better management and greater dedication from the employees. To improve material availability, as a short-term measure, the import of the requisite equipment should be allowed without the DGTD/DOE clearance. However, long-term efficiency can only be achieved through developing ancillaries and supporting industries in the neighbourhood of the shipyards. If we build faster, we will get more orders and if we get more orders, ancilliary development can take place leading to better material availability. Because shipyards are located far from each other, they should have reasonable capacity to generate ancillaries. Thus a shipyard's infrastructure must be increased even if it needs diversion of capital from other sectors.

Prompted by the world recession in shipping and over-capacity in shipbuilding, the economist will naturally seek justification for the recommended increase in investment. The fact is that India now carries less than 25 per cent of its trade in its own bottoms. Ideally, every maritime nation should carry 50 per cent of its overseas trade and 100 per cent of its coastal traffic in its own ships. Even without taking replacement of our aged ships into account or the need to carry 50 per cent of our traffic, our shipping fleet needs to be expanded by 2 million GRT to meet Seventh Plan targets. It must be realised that what is ordered today will be available only in the Eighth Plan period by which time our shipping needs will increase further.

The question is whether such ships will be built in India or abroad? Most European countries have closed down their shipyards. The Japanese are increasingly turning to high technology industries and consequently they will gradually relinquish their interest in heavy industries like shipbuilding which are labour intensive. If India shows the correct determination and leadership, our shipbuilding industry can certainly become cost-effective. Today our shipping companies procure less than 10 per cent of their requirement from Indian shipyards. Thus the world recession in shipping should not affect the long term development of either Indian shipping or the Indian shipbuilding industry.

BUSINESS IN PUNJAB

Amazing resilience

In the midst of the political uncertainties, the uneasy peace, the frequent disruptions of daily life, the businessman in Punjab hangs on tenaciously. It may not be "business as usual", but trade and industry in the troubled state have managed to show an amazing resilience

"Industry in the Punjab is not buoyant, people are making very hard efforts to keep it alive."
S.S. Barnala, former chief minister of Punjab

"People don't want to lose their lives. They have also to live. So they carry on their normal business and avocation."
J.F. Ribeiro, adviser to the governor, Punjab

"People outside have exaggerated notions of the dangers over there. I see Punjab as an attractive scene of business activity as anywhere else."
L.M. Thapar, industrialist

Last week large areas of Punjab lay under flood waters. It is too early to assess the extent of the damage. Yet everyone believes that Punjab's agriculture, its mainstay, is strong enough to withstand this threat. In fact over the last five years in spite of troubled political conditions, agricultural output has continued to grow. Outside Punjab, many people fail to appreciate that industry too has proved to be remarkably resilient. This is true not only in the relatively trouble-free southern districts, but also in the trouble-prone border districts.

Today, the bazaars of all the towns and cities in Punjab are well stocked again. Shops do brisk business. On the surface life is normal. The larger-than-life presence of the police and para-military forces is, however, a constant reminder that things are far from normal with the state. "Local people have to exist. Therefore they buy their daily requirements. So if you go to any bazaar, you will find things normal," says S.P. Virmani, president of the Punjab Federation of Industry and Commerce.

For prominent businessmen and industrialists in the districts of Amritsar, Gurdaspur, Ferozepur, Kapurthala and Faridkot, however, threatening phone calls and extortion by terrorists have been a common experience. Confides Amritsar-based Ashok Sachdeva, president of the district Rice Millers Association, "Nearly 90 per cent of the rice millers have paid extortion money to the terrorists. The amounts have varied between Rs.2 lakhs and Rs.5 lakhs per mill. Often, truck-loads of paddy and rice have been hijacked. Both Hindus and Sikhs have been targets. Nobody has dared to complain to the police for fear of death. We have not even told our family members."

Sachdeva spends about Rs.2 lakhs a year on security. He has 20 security guards in his employ to protect family members and the mill workers. He himself moves about without a bodyguard so as not to attract attention. His only protection is a licensed pistol which, he agrees, has merely psychological value and would be of no use whatsoever against a terrorist attack. He escaped a murderous attack on new year's day.

The situation is, however, not so bad in the southern districts. In fact, Amarinder Singh, the Akali leader, refuses to believe that there has been any extortion at all. "There has not been any direct attack as such on business and industry," he says.

According to a spokesman for Colgate-Palmolive (India) Ltd the country's leading manufacturer of toothpaste it is business as usual in Punjab. The company has not encountered any problems in sending its sales force all over the state or in distribution. Moreover, in the regular meetings the company has with its sales force, selling in Punjab has never been perceived to be a problem. The company's Young India Project, a public service programme for dental care in rural areas has similarly not been affected. These views are echoed by Hindustan Lever, the giant soap and detergent manufacturer. Lever has a factory at Rajpura, Punjab and maintains a large distribution network in the state. Company spokesmen say that sales and distribution have never been affected.

Normal life, business, and industrial activity have been affected badly over the last few years in Amritsar and Batala, which have faced the brunt of extremist violence. Amritsar, known for its boisterous people who loved to keep late nights and eat out, bears a deserted look after 7 pm. But it is not unusual to see families eating out in dhabas late at night. They accept as a matter of fact the BSF patrols on the street.

According to Piara Lal Seth, president, Shastri Market Association, the biggest mart for shawls and blankets in northern India with an estimated turnover of more than Rs.200 crores a year, not only have the traders been badly affected by frequent bandhs and curfews but they have been the main target of terrorist bullets. Says Seth, "The recent bomb explosion at Katra Ahluwalia which was the biggest unofficial stock exchange in

JURAN.

The Mantra That Won Yokogawa Hewlett Packard Japan's Most Coveted Industrial Award – The Deming Prize

The Rags to Riches Story

When Yokogawa Electric Corporation and Hewlett Packard set up their joint venture in Japan, the fledging company languished during its first decade in both product quality and profitability.

Until 1975.

After which the upswing in the performance of Yokogawa Hewlett Packard was dramatic, almost magical. Just 7 years later, in 1982, the company won the Deming Prize.

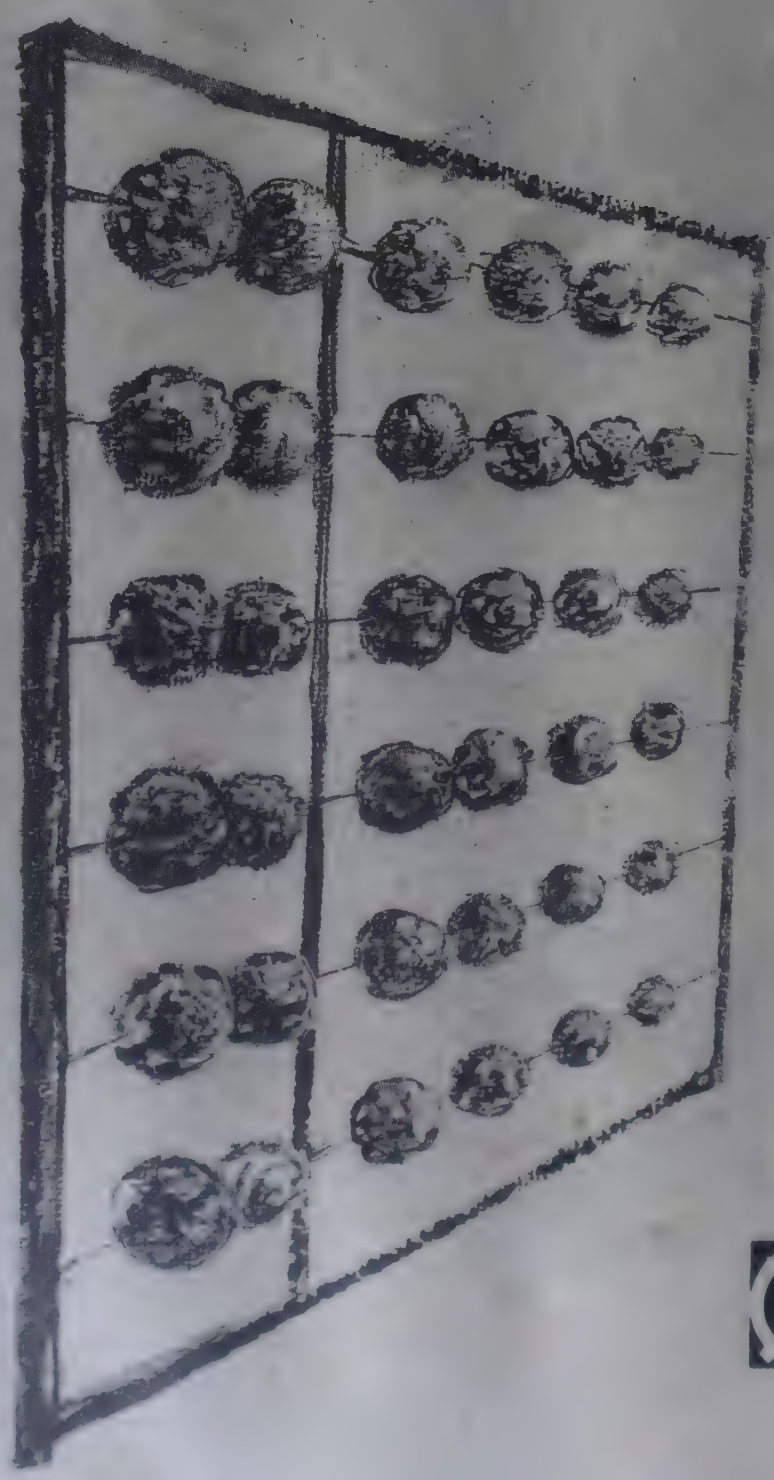
By 1985, profits had soared 244% and market share shot up 195%.

The mantra that brought about the turnaround was no esoteric chant from the Far East but an organized method – TQC (Total Quality Control), developed by Dr. J. M. Juran, the man who taught Japan how to manage for quality.

The Quality Guru

Dr. J. M. JURAN.
A preacher of the virtues of quality. Recepient of an extraordinary honour for a quality consultant:
The Order of the Sacred Treasure awarded by the Emperor of Japan for "...the development of Quality Control in Japan...".

His decades of experience now find expression in a range of management-oriented products and services, based on the principle of the JURAN TRILOGY®
* *Quality Planning*
* *Quality Control*
* *Quality Improvement*



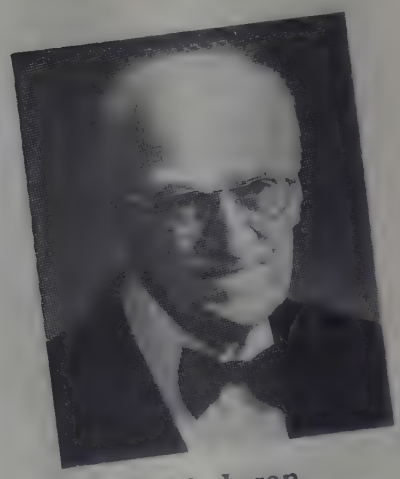
Juran on Quality Improvement

This is a structured process that helps establish annual *improvement* in quality and annual *reduction* in quality-related costs.

Juran on Quality Improvement assures immediate and continuing results that impact favourably on the bottom-line. This programme has had a successful track record at Du Pont, AT&T, IBM, Tata Steel, Volvo, Hindustan Motors and Boeing, to name some.

Let Juran Work for You

Fourteen international affiliates form the global network of the Juran Institute. Qimpro Consultants Private Limited, Bombay, is part of this network which provides access to Dr. Juran's programmes, including Quality Improvement.



Dr. J. M. Juran
The man who taught Japan how to manage for Quality

Make Quality Improvement A Way Of Life

Qimpro Consultants Pvt Ltd

(Indian affiliate of the Juran Institute, Inc.)
1-C Sindhu House
Nanabhai Lane, Bombay 400 001
Tel: 204 4421 • 202 3753

Amritsar really broke our backs. Nearly 50 brokers died in the explosion with their business secrets. Traders from outside, who till recently used to call themselves our brothers, now demand bank drafts, whereas earlier they were only too eager to give us all the credit we desired."

Mohan Mehra, the biggest trader of green leaf tea in Amritsar, says that more than 60 per cent of the business has been lost to Jammu and Kashmir. Green tea trade in Amritsar is worth around Rs.100 crores per annum. Said Mehra: "If you get a buyer, it is very difficult to get a good price and if you get a good price, it is very difficult to get payment in time."

Not only have traders and dealers from outside stopped coming to Punjab but business transactions with villages have been reduced to the absolute minimum. Wholesalers are afraid to go to the village to collect their dues from village traders and shopkeepers. Says Rajesh Bajaj, distributor of Racold Electrical Appliances and Televista TV sets, "Our sales are down by at least 50 per cent. Earlier, we used to give liberal credit to villagers. Now the question does not arise. However, we still give credit to our urban customers," he says.

An immediate effect of extremist violence in Amritsar and other industrial and business centres was that credit disappeared from a market where private finance had always played a critical role. As Seth points out, it was normal for the urban and rural rich to invest in Amritsar's trade, when money went abegging at 1 per cent per month. Today, credit is not available at even two-and-a-half per cent per month. "The normal market channels have got disrupted," concedes A.S. Chatha, industry secretary of the Punjab government. Earlier, outsiders used to sell raw materials to the Punjab industrialists on credit and buy goods in cash. Now raw material has got to be obtained against cash and goods sold on credit. The result is an acute scarcity of working capital.

Says Narinder Kumar Jain, managing partner, Jaykay Fabrics, Amritsar, "At any given time, we used to have Rs.1 crore of advance credit with us. It is now down to zero. Money was easily available at 18 per cent per annum. Today, even at 30 per cent, it is not forthcoming."

INSTITUTIONAL CREDIT

The banks have made some attempt to fill the credit void. The Reserve Bank announced a package of concessions, relating to increases in working capital limits by 50 per cent, reduction in margins and bank charges. However, the experience of some of the industrial units with the banks has been quite frustrating. Says Piara Singh, managing director of Auto Piston Manufacturing Company, Amritsar, "We had applied for a working capital term loan of Rs.25 lakhs in September 1987. Till date, not a single paisa has been forthcoming though the bank has agreed to pay in principle." Piara Singh's production is down by more than 50 per cent. Last year his company suffered a loss — for the first time since its inception in 1958. Says Jain, "It is the duty of the government to provide an environment in which I can exist and, if it fails to do so, it does not have any right to recover any taxes from me." According to him, not more than 20 per cent of the credit gap has been filled by the banks.

Yet, in spite of these unsettled conditions, the total advances of the banks in the state have increased by 14.33 per cent, from Rs.2,463 crores in the year ended December 1986 to Rs.2,817 crores in the year ended December 1987. Deposits have grown from Rs.5,407 crores to Rs.6,484 crores in the same period. Recovery was 55 per cent.

Funds from financial institutions have also come in substantial quantities. An uptrend is noticeable from 1985, an indicator of the creation of fixed assets. The Industrial Development Bank of India (IDBI) is treating the entire state as a backward area. Its funding shot up to Rs.155 crores during 1986-87 from about Rs.79 crores in the previous year. The Industrial Finance Corporation of India's (IFCI) lending also went up from Rs.15 crores in 1984-85 to nearly Rs.45 crores in 1986-87. Loan sanctions shot up from Rs.10.55 crores in 1984-85 to Rs.63.62 crores in 1987-88, disbursements from Rs.10.66 crores to Rs.37.56 crores. S.K. Tuteja, managing director, Punjab State Industrial Development Corporation (PSIDC), feels that "investment decisions here are not solely guided by law and order problems". He has a target of Rs.1,000 crores of investment in the state in the next three years.

Spearheading the state government's "lure investment drive", is the Punjab State Industrial Development Corporation, which offers an attractive package of services right from identifying a suitable project and procuring a letter of intent to extending a term loan upto Rs.90 lakhs and even participating in equity. It also extends seed capital up to Rs.15 lakhs on behalf of the IDBI and a term loan of upto Rs.100 lakhs for the expansion or diversification of existing ventures. (The last scheme has only recently been introduced under the label of IDBI equipment refinance plan.)

Then, there is the Punjab Financial Corporation which takes care of the needs of the small and medium units and the Punjab Small Industries and Export Corporation, which provides multi-faceted services — from developing and giving plots on a "no profit no loss" basis to budding entrepreneurs, undertaking procurement of raw materials, and finding marketing outlets at home and abroad.

These claims of the government agencies are borne out by S.L. Srivastava, former chairman of PSIDC, who points out that none of PSIDC's joint sector partners has pulled out. In the past five years the

MOMENTS OF JOY AND HEARTBREAK, AS ENDURANCE AND WILL TURN INTO TRIUMPH AND ELATION. OLYMPIC SPORT: THE GREATEST SHOW ON EARTH. FOR THE TWENTIETH TIME, OMEGA IS AT THE HEART OF IT ALL.

Significant Moments

OMEGA ALWAYS MARKS SIGNIFICANT MOMENTS AT THE OLYMPICS. IN THE SPACE PROGRAM. IN SIGNIFICANT LIVES LIKE YOURS. THE OMEGA SPEEDMASTER.

Ω OMEGA

OMEGA. TIMING ITS 20TH OLYMPICS IN SEOUL.

OMEGA WORLD SERVICE ORGANISATION EXCLUSIVELY OPERATED AND MAINTAINED IN INDIA BY

ARTHUR REID PRIVATE LIMITED
70, JANPATH, NEW DELHI-110 001 TELE 3320791 CABLE REIDTIME NEW DELHI.
REGIONAL COLLECTION CENTRES
BOMBAY PUNE CALCUTTA MADRAS HYDERABAD

Design Workshop/O/AR/11

corporation has implemented some of its largest projects worth Rs.120-125 crores each compared with Rs.5-6 crores earlier. Amongst the major projects are: a Rs.80-crore picture tube project with JCT; a Rs.120-crore polyester project, also with JCT; a Rs.120-crore acrylic fibre project with R.P. Garg of Steel Strips; the Rs.70-crore Oswal-Agro project in Sangrur district; and soda ash and caustic soda projects totalling Rs.100 crores in Nangal. "And yet, if we tell people there are no difficulties, they are just not willing to believe us," says Srivastava.

The state government's data on revenue accruals show a buoyant trend. The growth in revenue collection was 22 per cent in 1985-86, 18 per cent in 1986-87 and 15 per cent in 1987-88. The growth rate in sales tax which remained constant at 18 per cent for some years, touched 22 per cent in 1987-88. However, according to a prominent industrialist with operations in the border districts, sales tax is not a correct index and gives a distorted picture because of the ad valorem arrangement of prices. "The turnover has not increased, only the value has gone up because of the price rise."

Bank security, however, continues to be a serious problem. Says S.K. Uppal, zonal manager, Punjab National Bank, "Unless there is a proper environment of security, banks cannot function effectively. The mobility of our business staff is restricted."

The plight of hoteliers in the state has been pitiable. Investments in construction and buildings made before 1983 are now locked up with little hope of recovery in the immediate future. Mohan International, the only four-star hotel in Amritsar, started business on 13 April 1982, with 96 rooms, but, ended up by furnishing only 39 rooms. Says Sanjay Galhotra, executive, administration, "Our occupancy rate is barely touching 30 to 40 per cent. On days when the law and order situation is bad, the only people we have are some foreign journalists and a few chaps from leading Indian magazines." The hotel is now relying on food sales to keep it going.

Construction activity too has come to a halt. Says Anil Chawla, a leading architect in Amritsar, "I was working almost 18 hours a day before the trouble started. Today I am absolutely idle. Business is down to zero." Yet land prices in Chandigarh, Ludhiana and other parts of the state are their highest ever; though it is true that there are relatively few deals.

Taxi operators, who were flourishing in

The PM laying the foundation stone for Punjab Agro Newsprint Plant in Amritsar

"Our industrialists are very hard working"

Interview with **Surjit Singh Barnala,** *former Akali chief minister of Punjab.*

What is the status of industry and business in Punjab today? How has terrorism affected economic activity?

People are making very hard efforts to keep it alive and well. Our industrialists — small, medium and large — are very hard working. They are also good technocrats and engineers.

This year, migrant labour from Bihar and Uttar Pradesh has been very shy of coming because of some incidents of killings. The reduced inflow of labour will affect both industry and agriculture as the wages will go up, thereby, pushing up the cost of production. Businessmen from outside are also reluctant to come here.

Did any cases of flight of capital from the state come to your notice during your chief ministership?

There has been some flight of capital in the sense that a few people have set up another unit elsewhere. Similarly, soon after 1984, there was a visible trend of Sikhs from outside coming back. Some of them left when things improved outside. During the Akali regime, we directly approached industrial houses to invest in the state. I personally requested the Thapars, Modis and Tatas to come to Punjab. They agreed despite the unstable conditions.

With the imposition of President's rule very little is being done in this regard. Punjab needs large industry, both in public and private sector. Compared to other states, the central government has been giving step-motherly treatment to Punjab in the matter of public sector investment which is essential for tackling the problem of unemployment.

What is your answer to terrorism?

Rural educated unemployment is one of the basic reasons for extremist activity. There are a large number of boys who have strayed but are willing to return to the mainstream.

Our people are still the best fighters. Their recruitment to the para military and armed forces has been reduced to a negligible level. So, naturally, they feel unwanted and frustrated. Take them away from here if you like, but recruit them. The only method being adopted is bullet for bullet, which has not succeeded.

the city of the Golden Temple, making on an average Rs.6,500 per month per vehicle, are giving up their once lucrative business. Before Operation Bluestar, 50 taxis used to ply from Amritsar airport. Now the number is down to 18. Truckers too now avoid the trouble spots. They tend to bypass towns like Amritsar and Batala. The availability of trucks has decreased and charges have shot up.

Says Chittaranjan Dass, secretary general, All India Motor Transport Congress: "As the situation worsened from 1981 onwards, it created a sort of panic among outsiders. Direct sales to Punjab consignees nosedived. This resulted in a drastic cut in transportation by road to Punjab by about 20 to 25 per cent." Another transporter from Delhi points out, "The greater the distance from Punjab, the greater is the panic. Business from Delhi has not been affected because people there know that the situation is not so bad. It is only in Ahmedabad and Bombay, where uncertainty is greater and people hesitate to do business with Punjab, that transportation has been adversely affected."

Speaking to a cross-section of people, it becomes evident that trade and industry are suffering not so much on account of actual events in Punjab as because of the fear and uncertainty in the minds of people outside the state. Indeed, the Punjab businessman is paying a very heavy price for the rampant misinformation and disinformation.

Points out V.N. Ojha, managing director, Punjab Small Industries and Export Corporation (PSIEC), "An established

Semiconductors complex Mohali: into the hi-tech age

London-based importer of cycle parts, failed to turn up at Chandigarh on the appointed day. On the telephone later, he told us that somebody in the Indian High Commission had advised him against proceeding to Chandigarh for reasons of personal safety. Our own people are spreading such stories." Ojha has had a tough time convincing businessmen in Bangladesh, where he had led an export delegation in June last, that they could safely do business with Punjab.

The hosiery and textile industry with regular and committed export channels, like the Soviet Union, has not suffered. Small units, which do not have the resources to go out and sell, are facing the brunt, says Shripal Oswal, chairman of Vardhman, Mahavir Mills and Mohta industries.

"Newspapers want to increase sales and exaggerate news to boost them," says one businessman. The distinction between crimes and terrorist crimes is not made. The state home department has issued strict instructions to police officers to carefully sift available evidence to determine whether a crime is terrorist-related or not.

Says Virendra Mohan, managing director of Semiconductor Complex Ltd, "There has been more growth in the last three years than in the 15 years before." He points out that lots of companies like Thapars, Swaraj Mazda, ESPL have come in. He adds that the government support is total. "The atmosphere is very good, once you get over the psychological barrier of entering a disturbed state," he adds with equanimity.

Even so, for outsiders, Punjab is best avoided. The logic is simple: why risk your life at all when business can be done safely and profitably elsewhere. The worst victim of this reasoning has been Batala, where the 2,000 odd industrial units — mostly foundry, engineering and machine tools — with a turnover in excess of Rs.200 crores have a tough time with sales. Batala along with Amritsar is the worst affected in the state. The Akali government of S.S. Barnala had to specially open a showroom in Delhi for Batala units. Says Ashwani Sekhri, president of the Foundrymen Association of Batala, "Prior to 1982, a customer used to come for booking an order, pay an advance of up to 25 per cent, then take delivery by making full payment on the spot. Now 95 per cent of the customers have stopped coming. We have to visit them to book orders. They now want it at their price and impose all sorts of unreasonable conditions." Sekhri, who is also the local MLA and chairman of the Punjab Steel Corporation, says he spent Rs.50,000 last year just on travelling for booking orders. His production, however, has actually increased from Rs.25 lakhs in 1982 to Rs.1.25 crores last year.

According to Sekhri, the inherent strength of Batala's foundry industry has enabled it to face stiff competition de spite great odds. Batala units operate with only one shift whereas earlier they were functioning 24 hours. Indeed, it goes

Punjab Chief Minister Surjit Tractors' happier times

HIGH SOCIETY.

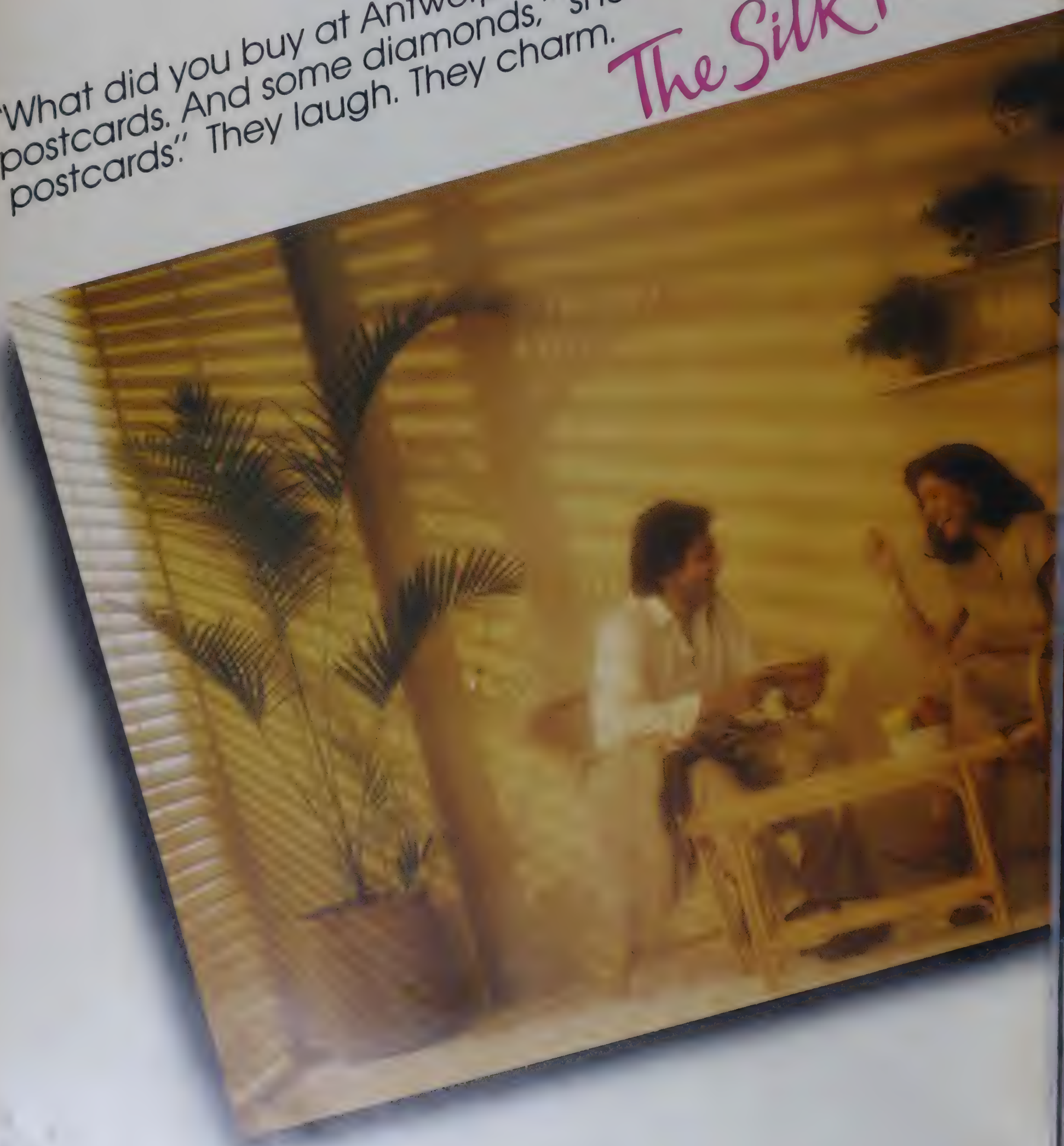
As the four Rolls Royce engines ease you to Mach 2 and the Earth slips away, you realise flying need never be routine. But whatever British Airways flight you're on, rest assured you'll enjoy the height of courtesy.

BRITISH AIRWAYS

The world's favourite airline

"What did you buy at Antwerp?" he asked. "Picture postcards. And some diamonds," she said. "Here's to the postcards." They laugh. They charm.

The Silk People



Elegant. Exclusive. Enchanting.
The Silk People.

And the wall finish to
complement their style.

Luxol Silk.

The softest sheen. In shades
of sophistication. With a feel
richer than ever before.

Luxol Silk.

For walls that are Silk to the
touch.

Drape your walls with Luxol Silk
— the richest emulsion in the world.

Luxol Silk

from **BERGER PAINTS**

DUNLOP RADIAL
DUNLOP
Radial
Classic
RADIAL CAR TYRE

"Go after them relentlessly"

Interview with **J.F. Ribeiro,** *advisor to the governor, Punjab.*

Has business and industrial activity in Punjab been significantly affected?
Life in general has not been affected because people have got used to it. They know it is going to be a very long fight. The law abiding citizens are shocked and alarmed by the peculiar phenomenon of innocent killings. They also have to live, so they carry on their normal daily business and avocation.

Will it help if the central government pumps in a lot of investment in the next two to three years to generate large-scale employment?
It will certainly help. Unemployment is one of the big sources of fuel for the separatist movement.

Can industry help contain terrorism in any manner?
Yes, it can. If there is big industry and people are organised in that form, fundamentalism will decrease considerably.

Can you spell out in brief, what shape government policy is going to take in the immediate future?
This is a case of classical terrorism. And, there is only a classical answer to it. The killers are not going to come around, no matter what you do. So you should go after them relentlessly.

As for the rest majority of the people, they will have to be dealt with on the economic and political plane. Eventually, every solution will have to be political.

What kind of political solution do you have in mind?
There is a great advantage in the restoration of the electoral process. To start with, we can have municipal elections. At one stage, we thought of doing it last year. We were prepared, the police was also prepared for it. But political parties felt it was not the opportune time for it. We would like to do it quickly. It is very important to have the political process going on.

to the credit of the Batala industrialist and his determination to carry on that not a single one has shifted or closed shop. As Sekhri puts it, "In Batala an entrepreneur doubles up as a chowkidar, a labourer and an overseer as and when the need arises." "Only one big unit, BEICO of the Mukand Iron and Steel Company, has downed shutters. Said Sekhri, "They were Bombay-based and outsiders and so did not have the grit to carry on."

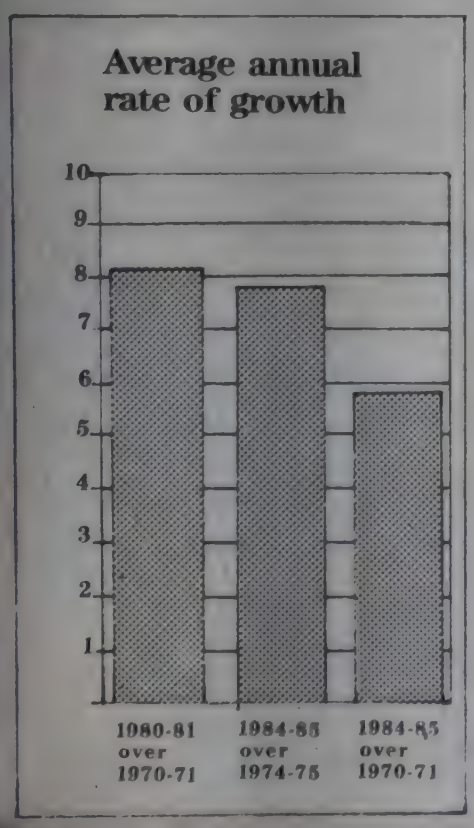
According to Sekhri, both migrant labourers as well as local skilled employees have co-operated very well in the hour of crisis. There has not been any noticeable flight of labour from Batala though some *bhaiyas* have left Amritsar.

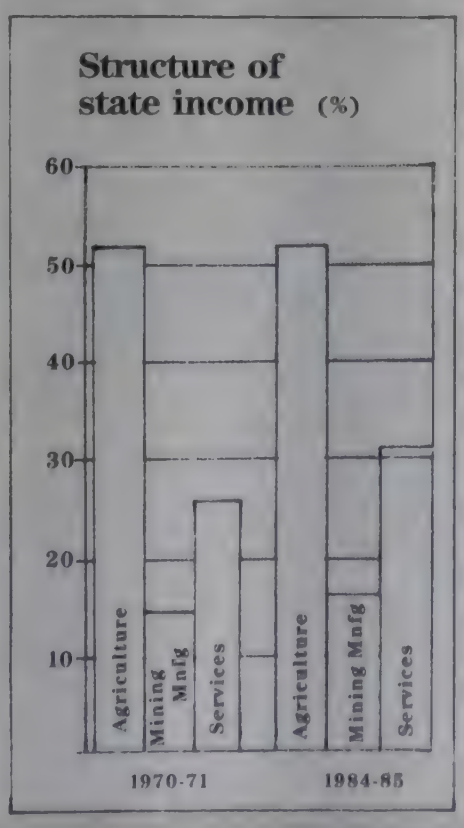
The migration of the *bhaiyas* of Bihar and Uttar Pradesh, set in motion by the killings at the Sutlej/Yamuna link canal, has become a serious problem for industrialists, agriculturists and government officials alike. Said Chatah: "We are really worried. Many areas are heavily dependent on migrant labour." Sachdeva, for instance, is facing an acute labour shortage in Amritsar. He had between 1,200 and 1,500 *bhaiyas* earlier; now he has to make do with only about 700. Says J.L. Srivastava, labour secretary of the Punjab government, "Migrant labour is playing a very important role. If they disappear, the worst affected would be the brick kiln and construction industries."

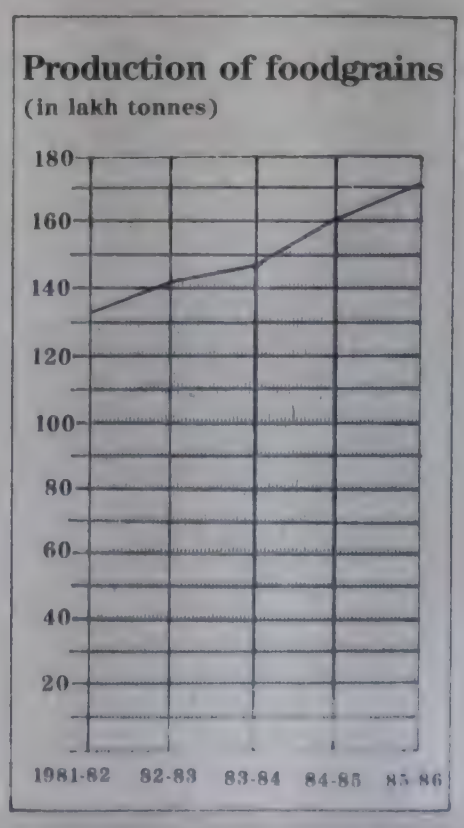
Growth in certain high-tech industries has also been stunted because of the acute scarcity of experts. Says Mohan, "Bright young people are reluctant to come to Punjab. They feel that bullets are flying all over the place. Induction of top executives is also very difficult."

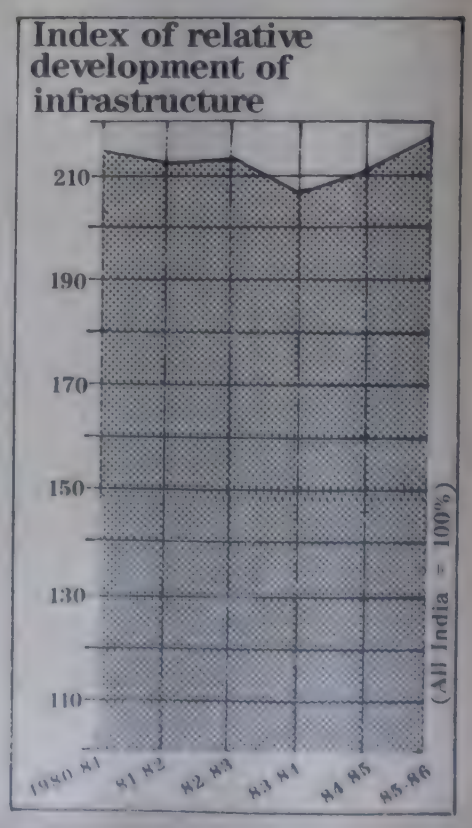
Laments Sripal Oswal: "We had to resort to overmanning by five to six per cent to maintain a standby arrangement because getting a replacement in Punjab is very difficult. This has pushed up our operating costs. People here are under pressure from their families to leave." He adds, however, "We are living in Punjab and acclimatised to the situation."

Amritsar's entrepreneurs too are a de-









termined lot, prepared to take risks, according to H.S. Makhini, secretary, Textile Manufacturers Association. "They have faced partition, two wars and have not only survived but prospered. But the government must come up with supportive measures," he says.

Contrary to normal belief and expectation, there has not been any noticeable flight of capital from the state. But then neither has there been much investment in the trouble-prone areas. It is a mixed scenario. In the border district of Gurdaspur, the rural areas of Amritsar, Ferozepur, Faridkot, and parts of Kapurthala, where extremist activity is at its height, hardly any fresh investment has taken place. However, in the districts of Ropar, Hoshiarpur, Patiala, Sangrur and Ludhiana, fresh investment and expansion of existing units is noticeable. The troubled districts offer a 25 per cent capital subsidy, 15 per cent by the state government and 10 per cent by the centre which has declared them 'C' category backward areas. As Chatha points out, "Power is available freely. There is a continuous, 24-hour supply. In addition Punjab has a distinct advantage because of a highly developed work culture. Even so, as J.S. Varshneya, chairman of Punjab National Bank, puts it. "People are following a cautious policy."

Says R.C. Oswal of the Oswal group of companies, "We have a high stake in Punjab. But I think we should go slow on investment. If there is new business outside, we may be prepared to take it up. All the eggs should not be put in one basket."

A similar view was expressed by Om Prakash, managing director of Ralson (India) Ltd, who felt it would be wise to spread out operations and diversify in other states. Yet often industrial houses want to set up in more than one state, not because of disturbances but because of other considerations.

DIFFERING PERCEPTIONS

L. M. Thapar, whose group has pumped in nearly Rs.150 crores in the past three years, says, "In the matter of investment, we don't favour Punjab nor do we disfavour it. Its problems are compensated by the fact that it has enough power, a highly skilled labour force, is a very prosperous part of the country and, therefore, forms a natural, rich market for a lot of products you might wish to make."

Piara Singh is unhappy at the state government's policy of attracting new investments. "The government is giving all sorts of incentives to the new units. What about the old ones?" Asks S.K. Bijlani, MD, Molins India Ltd, "Are we going to keep on increasing the number of units or industrial focal points, given the present inadequate infrastructure and the fact that barely 50 per cent of the potential of existing units has been utilised?"

Obviously, with these unsettled conditions it is not surprising that even within the same areas and within similar industries perceptions differ. Also many are reluctant to talk openly. Certainly a larger number of private sector businessmen are less sanguine. However, government and public sector officials uniformly express greater confidence.

At this critical juncture, when Punjab's industry and business are struggling to keep up the tempo of growth, the consensus is that a massive dose of investment, public and private, will provide the state's economy the much-needed impetus to generate jobs on a large scale.

Says Amarinder Singh, "The government must force big industrial houses to invest in Punjab. They must be told that if they want to expand anywhere else in the country, they must first set up a plant in Punjab." The unemployment rate increased from 4.4 per cent in 1982 to 6.7 per cent in 1984 and 12.4 per cent in 1985. Says Kapur, "Our basic target should be to check fresh recruitment to terrorist ranks which can be done by providing gainful employment to the youth. Unemployed youth are good material for terrorists to recruit." According to Amarinder Singh, Punjab adds about 170,000 youths every year to the ranks of the unemployed. The trouble in the state started in 1983. So in five years nearly one million educated youth are more or less idle. "Too much easy money is being thrown around in Punjab. The nexus of smugglers, Khalistanis, heroin and dope pushers has corrupted the youth," says Thapar.

In the midst of the political uncertainties, the uneasy peace, and the frequent disruptions of daily life, businessmen in Punjab hang on tenaciously. As one of them sums it up: "Asi to thatariya de kabutar ban gayan hein" (we are like pigeons who roost on the roofs of utensil makers) And have learnt to live with the din and the clutter.

■ ANOOP SAXENA

dinesh

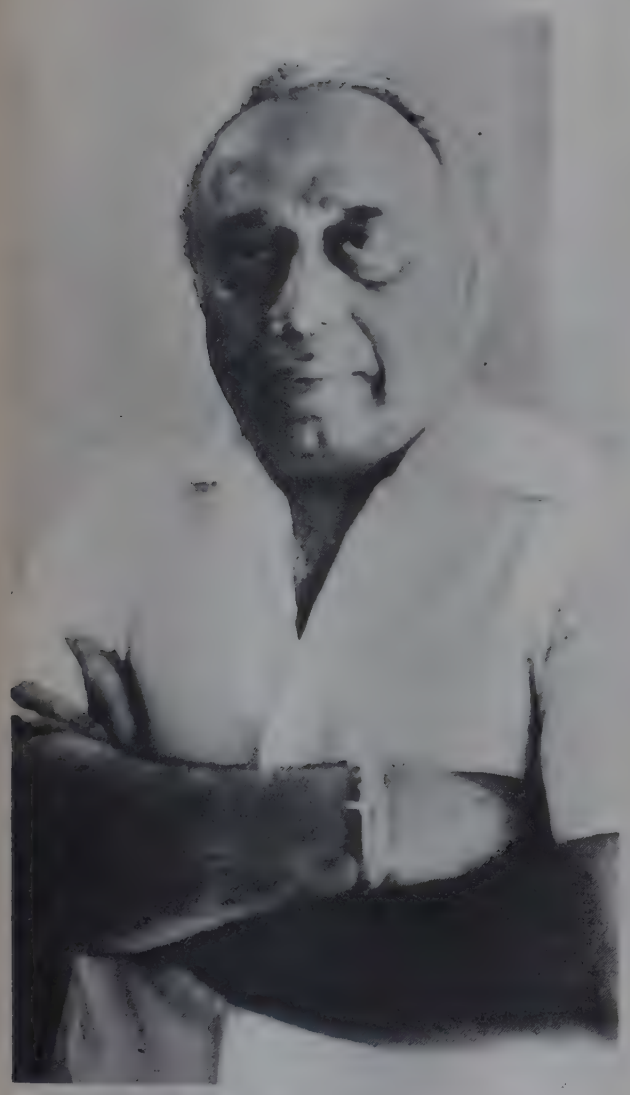
Exclusives ▲ Suitings ▲ Co-ordinates ▲ Safaris

the choice of leading fashion houses, internationally

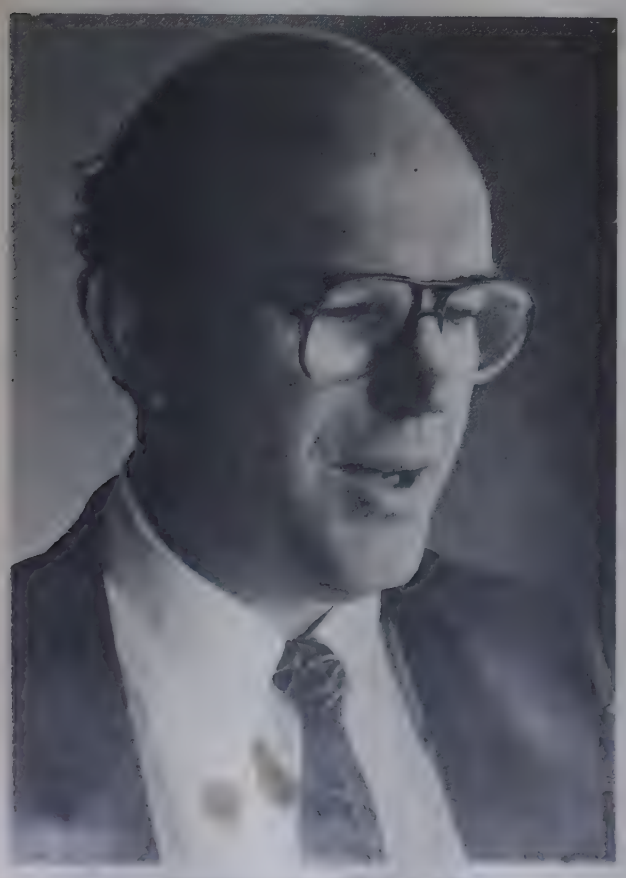
RPG ENTERPRISES

Back in the takeover game

With Dunlop India slipping out of the fold, the RPG Enterprises group appears to be back in the takeover race after a lapse of two years. Last month, in quick succession, the group formed "strategic alliances" with foreign equity holders in ICIM and Harrisons Malayalam. And corporate watchers expect more such "marriages" in the next few months



Goenka: back in the game



Soon after the Goenkas of Duncan Brothers parted ways in 1979, Rama Prasad Goenka (RPG), the eldest, emerged as a master of the takeover game. With the first scent of corporate prey — any company in which the foreign owners had lost interest or where there was a family dispute or bad management — he'd be there. But for the last two years, the formidable corporate hunter appeared to have settled down. He told *Business India* in 1986, "The days of takeover are over. Somehow, the present government dislikes takeovers." Possibly a reference to V.P. Singh's finance ministry.

But the takeover scene today is more exciting than ever before. And RPG is back in the game with a vengeance, despite his ill health. Last month, he pulled off two major coups: "strategic alliances" with International Computers Indian Manufacture Ltd (ICIM) and Harrisons Malayalam Ltd (HML). And he is believed to be hotly pursuing other potential takeover targets such as IEL Ltd (the chemicals conglomerate owned by ICI of UK) and Kothari General Foods (KGF — a joint venture between General Foods of USA and the D.C. Kothari group of Madras).

TIME FOR CONSOLIDATION

Around 1986, after having taken over five companies in as many years, the RPG group seemed to have decided to consolidate its gains and project a group identity. There was also the Haldia Petrochemicals project, that kept RPG's hands full. Thus, RPG was not in the running for the prestigious Chloride India and Ashok Leyland bids last year. More significantly, the group was shaken by the intensifying feud with the Chhabria brothers, Manu and Kishore, who helped RPG bag his biggest prize, Dunlop India, four years ago.

By all accounts, a deal was struck last July whereby the Goenkas agreed to sell their stake in Dunlop to the Chhabrias for a fancy price. (Knowledgeable sources believe this to be around pounds sterling 37 million, though there is no way this figure can be confirmed.)

The group's resurgence of interest in takeovers is not really surprising, then. First, with Dunlop slipping out of the fold, the just-born RPG Enterprises group shrinks in size roughly by half. So the Goenkas must be more than keen to compensate for this loss as quickly as they can. Second, the pile of money received as consideration for the Dunlop stake would mean that cash for acquisitions is hardly a problem. And third, Dunlop was acquired for younger son Sanjiv Goenka to give him a "metropolitan base" similar to that of elder son Harsh at Ceat in Bombay. RPG must now be keen to restore such a base to his younger son at the earliest. Already there is talk of shifting Sanjiv to Bangalore from where he could oversee the operations of not only HML but also older group companies like Asian Cables.

Whatever may be the compulsions that have propelled RPG back into the takeover game, the interesting feature in both the ICIM and HML deals is the concept of "strategic alliance". Unlike the earlier acquisitions, where the Goenkas had complete control over corporate operations despite minority shareholdings, under the new deal they are expected to complement and work in tandem with their overseas partners.

In the case of ICIM, with whom the alliance is currently being finalised, the parent company, International Computers Ltd (ICL) of UK, will continue to hold a 40 per cent stake. The Goenkas will be helped to acquire around 10 per cent of the Rs.4.14-crore equity of the company by way of a private placement of shares or a rights issue in which resident Indian friends and associates would renounce their rights in favour of the Goenkas. Market purchases could also be made to some extent either from the institutions (which hold 27 per cent of ICIM's equity) or from the public (33 per cent).

Under ICIM's articles of association, ICL has the power to appoint the chief executive and three directors on the board as

long as it owns a 40 per cent stake. And since ICL has no intention of reducing its stake, it would continue to enjoy this right. Thus, the Goenkas could be in a weak position in the alliance, unless this condition is altered.

As is well known, ICIM has gradually been losing its pre-eminent position in the computer market ever since the new computer policy of 1986 was announced: it lost its No.1 slot to HCL last year. The personal computers (PCs) business has been booming, but ICIM's product range is limited to minis and mainframes. It did venture out with a PC in 1986, but it was priced 30 per cent higher than the competition. In the mainframes and minis business too, ICIM has lost out to the public sector ECIL which enjoys a price preference from the major buyer of such systems, the government. This is despite the introduction of new products such as Series 39 mainframes.

In short, ICIM has failed miserably on two counts: production costs and management. Today, the company is rapidly losing market share and faces a severe working capital crunch. Between January and June this year, the company lost Rs.3 crores on modest sales of Rs.14 crores. It went off the dividend list in 1987.

With the induction of the Goenkas in local management, ICL expects to strengthen that area. Apart from equity, the Goenkas are expected to put in fresh funds in the form of inter-corporate advances (Rs.3 to 4 crores). Their connections in industry and government could also translate into more orders for ICIM. And the assured backing of a well known local business house is expected to dilute ICIM's FERA image and facilitate a greater flow of credit to meet working capital requirement.

QUICK ENTRY

For the Goenkas, it means a quick, overnight entry into the exciting field of computers and electronics. "We have identified electronics as a major thrust area," says Harsh Goenka, chairman, RPG Enterprises, "so working with ICL fits into our plans." The RPG group already has some presence in electronics, though not in computers, with Murphy India and Gramophone Co (audio products) and Norplex Oak (PCBs, electronic components). Murphy could place orders on ICIM for electro-mechanical components for which it has idle capacity, while Norplex Oak could supply it electronic components. A renewed entry into the fast growing PC market can also not be ruled out.

HML, unlike ICIM, has an excellent track record; it has raked in good profits since inception. It has never paid dividend at less than 25 per cent. Last year, it earned a gross profit of Rs.12.15 crores on sales of Rs.65.29 crores. The company continues to perform well even though no major investments have been made for many years. This is because natural rubber — its major product — is in short supply. And the strong presence in tea has helped stabilise income.

Anthony Guinness — from an established Irish business family, and settled in Australia with interests in agriculture and consultancy services — clinched a deal last month with Malayalam Plantations (Holdings) plc of UK to buy the latter's 36.9 per cent stake in HML (reportedly for pounds sterling 12 million in competition against the omnipresent Chhabrias and Hindujas). He then sounded out Standard Chartered Bank to find him a suitable local partner in India. "I am completely new to India," says Guinness, "so I was keen to form an association with an Indian family business house." Talking about his long term view of HML, he says, "These estates are excellent but they need to be modernised." As the output increases, the emphasis will be on converting it into higher value products like latex, packaged tea, and so on, he adds.

This is where the Goenkas fit in. Their group has a strong presence in tyres and rubber products (Ceat, and Dunlop too until now) and good experience in managing tea plantations and agro-based industries like jute, textiles and tobacco in the days of Duncan Brothers.

Conceivably, the Goenkas would now have a stable, reliable source of rubber for their tyre operations. There are frequent shortages of natural rubber in the country, its price is volatile and tyre manufacturers are often badly hit. Already, the group owns Phillips Carbon Black (set up in 1963) which supplies yet another key material for tyre manufacture.

Says Harsh Goenka, "We will start off as associates in HML and look after its day-to-day operations. As the association grows, we will acquire an equity stake." Guinness echoes this, "The equity sharing can be worked out in due course. It is more important to forge a relationship of trust and confidence first." In all likelihood, the Goenkas will acquire a minority stake, at least to begin with. Over 45 per

H. Goenka: "ICL fits our plans"

cent of HML's equity of Rs.9.10 crores is held by the public. The balance is with Guinness (36.9 per cent, held by his Ambledown Investments), institutions and banks (over 6 per cent), corporate bodies (around 8 per cent). So, market purchases may play an important role in the share acquisition by the Goenkas. Currently, the HML equity is quoting at around Rs.60 and a 10 per cent stake could cost upward of Rs.5.5 crores.

Many corporate observers wonder how these nice-sounding "strategic alliances"of the Goenkas will work out in practice. "Joint management" of Dunlop with the Chhabrias has just not worked. Sources close to the Goenkas also question younger son Sanjiv's "business maturity" and his ability to work with foreign companies in a formal and autonomous manner.

BACK WITH A VIGOUR

Be that as it may, the Goenkas are now back in the takeover game with renewed vigour. The financial grapevine is abuzz with talk of IEL and KGF being next on the hit list. Both P.E.G. Daubney of IEL and D.C. Kothari of KGF have denied plans to sell out, but corporate circles are not convinced. KGF is in the fast growing (and now high priority) area of processed foods and the Goenkas are interested in getting a foothold there. However, dried coffee is KGF's major product and with established brands like Nescafe and Brew in the market, the going is not going to be easy.

Undoubtedly, RPG today appears to be in a great hurry to ensure that there is no loss in the group's growth momentum, after the recent setbacks in Dunlop and Haldia Petrochemicals; and in the process, also giving each of his sons, Harsh and Sanjiv, enough room to spread wings.

■ MUKARRAM BHAGAT

We'll deliver. Wherever on earth. SKYPAK The worldwide couriers.

Skypak House, 241 M. Vasanji Road, Marol Naka, Andheri (E), Bombay 400 059

SWASTIK SURFACTANTS

Staking its claim

After a three-year chase, two relatively unknown Bombay businessmen took over the ailing Swastik Surfactants Ltd in August this year, outbidding big-timers such as Manu Chhabria, the Mafatlals, Godrej Soaps and Nirma, among others. Armed with strong brands such as Swastik Shikakai, Det, Genteel and Max Factor, the duo hopes to recover lost consumer franchise

Swastik products: a image in the market

After three years of being virtually starved of working capital and management direction, the Sarabhai group's Swastik Surfactants Ltd (SSL) — formerly Sarabhai Surfactants Ltd — is now pitching for lost ground, under a new management. Nitin Jobanputra and Satish Bhangar, two young and relatively unknown Bombay-based businessmen, who have bought 97 per cent of SSL's equity capital from the Sarabhais for Rs.1 crore, hope to turn around the ailing company in a year's time.

"The market is craving for SSL's products," says Bhangar, referring to one-time brand leaders such as Swastik Shikakai hair care soap, Det detergent cake and powder, Genteel liquid detergent, and the Max factor range of cosmetics, among others. Barely two months after taking over the reins of the company, the new management has restarted production at two of the six plants, raking in a turnover of nearly Rs.2 crores. In comparison, the turnover in 1986-87 was Rs.4.19 crores while in 1987-88 it barely amounted to Rs.1.5 crores.

A VINDICATION

For the 35-year-old Bhangar, who has interests in electric motors, pumping sets and construction, SSL's good start is a vindication of his belief that the company's "gold mine of brands" can see it back to health.

Bhangar had relentlessly made a bid for the company since the Sarabhais made it known that they wanted to sell it off but his proposal was sidelined. Not surprising, considering that several big names in Indian industry were in the race — Manu Chhabria, the Mafatlals, Godrej Soaps, Nirma, Colgate-Palmolive, Tomco, Hindustan Lever, Procter & Gamble (then Richardson Hindustan), and the Nath group, among others. "We were last on their list of suitors," says Bhangar; M.N. Parikh, former chairman of SSL and currently director of Ambalal Sarabhai Enterprises Ltd (ASE), does not disagree.

Bhangar had nearly bagged the deal in January 1987, with the Nath group (of Nath Pulp & Papers) willing to provide the financial backing. But the Naths backed out at the last moment, even as a memorandum of understanding was ready to be signed. The winning chance came in July this year, when he found a willing financial supporter in Jobanputra, a 36-year-old former non-resident Indian, whose family has business interests in Rwanda, Uganda, Zaire, the UK, Belgium and Hong Kong.

The deal was overseen by former Bank of India chairman N.S. Parulekar, who has taken over as SSL's chairman, with Jobanputra as vice-chairman and managing director and Bhangar as joint managing director. They have also roped in 46-year-old Jaffar Imam as executive director; Imam was an industrial consultant who has worked with the Kamani group for several years.

Jobanputra dismisses industry gossip that the SSL deal was a steal. "I don't think we've hit a jackpot," he says. "The deal is not underpriced." Of the Rs.1 crore price tag for 97 per cent of SSL's equity capital of Rs.99 lakhs and the entire preference capital of Rs.8.25 lakhs, half has already been paid to the Sarabhais — the remaining Rs.50 lakhs is scheduled for payment in November 1988. Another Rs.30 crores will be paid in four equal instalments of Rs.7.5 crores each in the 13th, 14th, 15th and 16th years after the takeover, as purchase consideration, to ASE Ltd, of which SSL was a part. "One can say that the whole deal is worth Rs.3 crores or so," says Bhangar. "A sum of Rs.2 crores today adds up to Rs.30 crores after 15 years, at an interest rate of 18 per cent annually."

COMPLEX PROBLEMS

What put the others who bid for SSL off the race was not price, but the complex problems that SSL face. Besides an accumulated loss of about Rs.18.5 crores, the company had gone through a series of amalgamations and de-amalgamations in the Sarabhai group, all of which were designed primarily to steer the troubled ASE out of its own financial mess. "All the others wanted to go into the nitty-gritties of the deal," says Bhangar. "But we were prepared to take over the company lock, stock and barrel, without going into verifications of the details and checking out the plants." The new management says it has protected itself from any unpleasant problems that may arise later, after the books for 1987-88 are audited — a clause in the agreement ensures that any discrepancies in current liabilities that exceed 5 per cent will be made good by ASE. "Variations, if at all, will be in the region of 2 to 3 per cent," says Jobanputra.

Besides the aspect of verifying the books of accounts and stocks, the others in the race may also have been discouraged by the company's large workforce of nearly 2,300 people, according to industry watchers. The most significant among those who backed out is the Mafatlal (Sungrace) group, which, in late 1985, had even remitted to the Sarabhais, an advance payment of Rs.2.75 crores, representing 10 per cent of the total bill. After they backed out a couple of months later, several others conducted negotiations for takeover, besides offering to buy off specific brands or plants. Manu Chhabria,

whose company Shaw Wallace made a bid through Creditcapital Finance Corporation, apparently decided to withdraw in the wake of the rapid advances made by Nirma Chemical Works in detergents.

UNATTRACTIVE PROPOSITION

Says a top executive of one of the multinational companies that actively looked at SSL as a takeover candidate, "It's crazy to buy the company. There is the liability of a large workforce at the Ambernath plant which is unionised. Being close to Bombay, the wage levels are also high." He adds that it may have been an attractive proposition if soaps and detergents were not delicensed industries. "Today it makes no sense to buy companies that are in delicenced areas," he says. "I may have been willing to pay Rs.1 crore for the Swastik Shikakai brand, and may be another Rs.50 lakhs for the Det brand, nothing more."

Imam does not agree. "We are not overstaffed," he asserts. "At 65 per cent capacity utilisation, the present workforce may be just about enough for our plants." He, however, agrees that the company is "top heavy" and reveals that efforts are on to work out various schemes to reduce the burden. While the memories of a year-long strike led by Datta Samant in 1981 are still fresh in people's minds, Imam says that the militant trade union leader is no longer attached to SSL's union, and that the new management has been able to smooth out industrial relations. As soon as the new management took over at SSL, the company's workers — unpaid for eight months — received arrears for one-and-a-half months, and also their salaries for August this year. A proportionate amount has also been remitted to the provident fund authorities.

BAD INVESTMENTS

There are, however, other structural problems that make the new team's task ahead onerous. The company is saddled with investments made in several facilities over the years by the earlier management, many of which are considered by industry watchers as strategic mistakes. The most striking of all is a Rs.5-crore detergents and shampoo manufacturing plant at the Kandla Free Trade Zone, set up in the early eighties. Exports of about 12,000 tonnes of detergents to the Soviet Union in 1980, 1981 and 1982, and the [illegible] exports [illegible] the

Imam, Bhangar and Jobanputra: game plan ready

Kandla plant. But the Soviets unilaterally decided to discontinue imports in 1983, and the plant was rendered practically useless.

The company also set up its own facilities to manufacture pulp and paper, corrugated boxes, printing and packaging, for captive use, at Ankleshwar and Vapi in Gujarat. What's more, it also bought a blow moulding machine to manufacture bottles for its own use. For marketing its products, SSL had an assortment of eight to ten companies which dealt directly with the wholesale trade, unlike others in the soaps and detergents business who maintained contact right up to the retail level. The 400-odd staff of these marketing companies only succeeded in pushing the wage bills higher.

Currently, the company has facilities to manufacture up to 90,000 tonnes of detergents spread out across Ambernath, Kalol, Kandla, Vapi and Madras — the Madras and Vapi plants convert detergent powder into a solid form. The Ambernath unit also has facilities to manufacture 10,920 tpa of toilet soaps, 8,000 tpa of fatty acids, 400 tpa of glycerine, and the Max Factor range of cosmetics and toiletries. Besides these, the company also has facilities to manufacture a range of industrial products such as wetting and dispersing agents, industrial grade glycerine and detergents, pesticide and mineral oil emulsifiers and drilling detergents, with applications in the textile, leather, silk and oil drilling industries

SELECTIVE PROMOTION

Although the company is armed with such a diverse range of manufacturing facilities, SSL's game plan to get out of the red will be focused on pushing fast-moving products. "Swastik Shikakai and Genteel are our cash crops," says Imam. "Our accent is on those products that can sell by themselves, without requiring much promotional expenditure. Once we start the cycle, we can look at the other products." While production of Swastik Shikakai and Neem soaps, and Genteel detergent has already started at the Ambernath and Vapi plants (within a week of the new management taking over), the Kalol and Madras units are likely to resume operations in a month's time. The Ambernath plant will also roll out Max Factor cosmetics; the full-fledged launch of the whole range is being planned for 31 December this year, at a fashion show in Bombay.

All through, the effort is to devote the scarce working capital on hand — about Rs.50 lakhs has been brought in by Jobanputra and Co — to those areas that augment the cash flow. The management is also in the process of cocooning the Kandla plant to cut down overheads. The printing press has been sold off, and the packaging unit at Ankleshwar is proposed to be either leased out, or sold off. "There is a sizeable amount of over Rs.1 crore that is locked up in immovable inventories which cannot be used immediately," says Imam. "Efforts are on to liquidate this so as to reduce the inven-

EASY TO FILE EASIER TO FIND

Crucial papers misplaced or files lost. Irritating hold-ups, tension, anxiety. You just cannot afford it.

Godrej Instafile — the only solution.

Sturdy, high quality Filing Cabinets from Godrej help you enhance office productivity through systematic storage and retrieval of files.

The functionally designed Instafiles offer a set of unmatched benefits.

- Fully enclosed drawers prevent files and papers from falling out.
- A unique Godrej double extension telescopic slide facilitates smooth, effortless movement of fully loaded drawers and easy access upto the last file.
- The Godrej lock with a 'push and lock' action ensures confidentiality.
- Automated airless electrostatic painting process and special Alkyd-amino paint give the Instafiles longer life and a lasting, attractive finish.

Godrej also offers two choices for Filing Systems:

VISAFILE®—Interconnected file folders house individual files—recommended where files are referred to frequently.

EEZEEFILE®—Individual files suspended directly from the top of the drawer—an economic alternative.

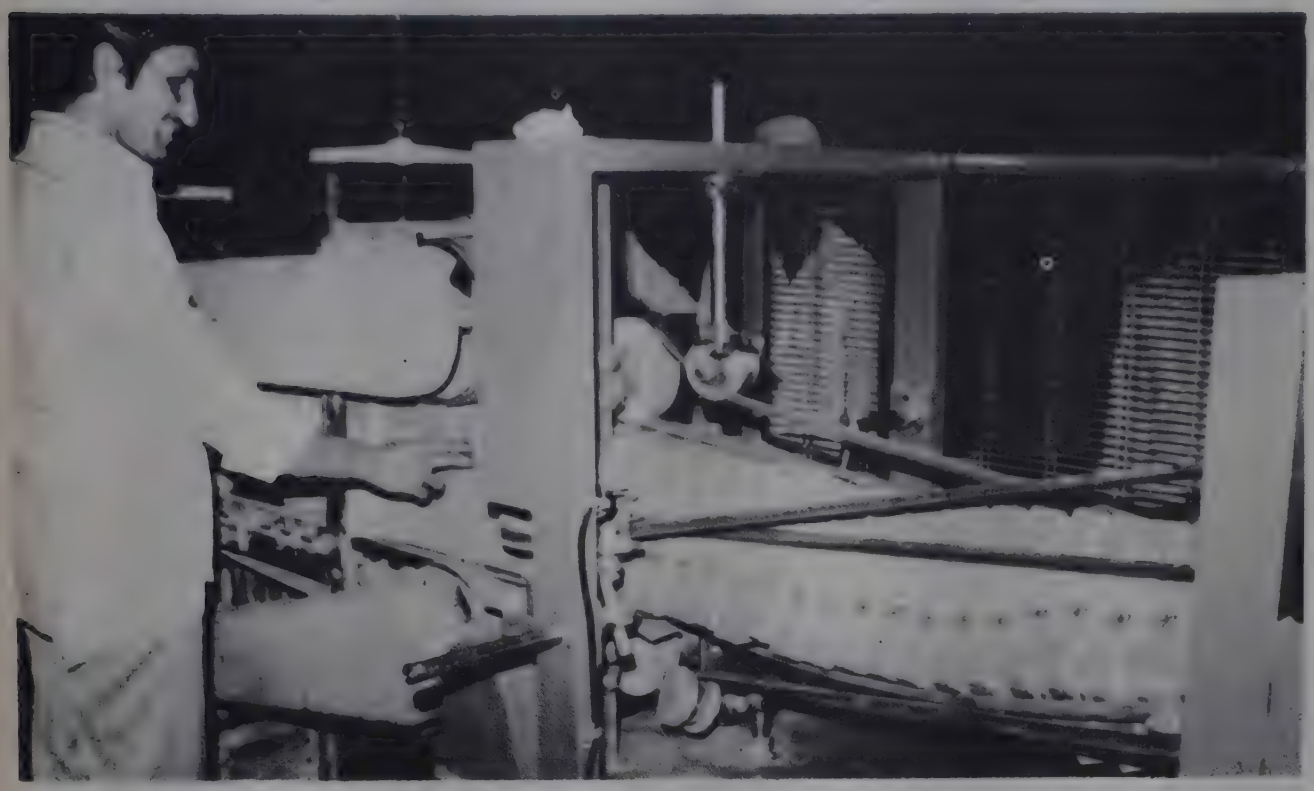
To put an end to disorganised office routines and boost efficiency, buy Godrej Instafiles and Filing Systems today.

Godrej®

INSTAFILE AND FILING SYSTEMS.

File it. You are sure to find it.

UKAGB 11 88



Kandla plant: white elephant

tory carrying cost."

Even as these efforts are in process, the company's bankers — Bank of Baroda and Central Bank of India — are refusing to advance working capital loans. While the bankers are said to be insisting on the repayment of outstandings of about Rs.9.75 crores (principal and interest) before they consider any fresh proposal, the company's management wants immediate working capital assistance of Rs.4.5 crores on the usual terms, and is willing to put down the required margin money. The past bank outstandings, they say, will be paid over six years, with a two-year moratorium.

REQUEST FOR RELIEFS

SSL, which is a "potentially sick unit" under the Sick Industrial Undertakings Act, 1987, has filed a proposal with the Board for Financial and Industrial Reconstruction for reliefs — a concessional interest rate of 10 per cent for the Rs.5.5 crores of overdue interest payable to its bankers, 13 per cent interest on the Rs.4.25 crores of the principal amount, working capital advances on regular terms, and a rehabilitation term loan of Rs.5 crores from the financial institutions/banks carrying interest at the rate of 15 per cent annually.

With these in hand, the new management hopes to achieve a gross turnover of Rs.39 crores in the first year, Rs.78 crores in 1989-90, and nearly Rs.90 crores in 1990-91. Gross profits are projected at Rs.32 lakhs in the first year, Rs 4.07 crores in 1989-90 and Rs.4.67 crores in 1990-91. After interest and depreciation charges, the company will incur a loss of Rs.2.6 crores in 1988-89, break even in the next year, and register profits from the third year onwards, according to a plan submitted to the banks.

The bankers, however, are not willing to step in as yet. "We are three unknown Bombayites who don't have big tags behind us, which is why the banks are playing tough," says Imam. Bhangar is irate at the banks' attitude. "If they start insisting that all the past dues must be cleared on the day we take over, what is the sense," he asks. "We would like to produce now, and then pay government dues. We want the government agencies to give us breathing time...we have told them that all future dues will be paid on time." He says that the reliefs must come on an "emergency basis" for the company's rehabilitation programme to work. "What is the sense if the reliefs come after the patient is dead?" he fumes.

COMPETITORS ON THE ALERT

Even as the banks and the BIFR take their time to respond, SSL's competitors are already bracing up for the competition ahead. Wipro Consumer Products, which had introduced its brand of shikakai in late 1986 to capture the vacuum in the market caused by Swastik's exit, is planning to slash the price of its 100 gm cake (Rs.5.80) by 40 paise — SSL has already cut Swastik Shikakai's price by 25 paise on a 100 gm cake to Rs.5.90. "By and large, we were aware that Swastik may come back," says K.B.R. Menon, Wipro's marketing manager for consumer products. "We cannot have a permanent holiday."

Menon, however, feels that Swastik may not be able to make a significant dent in the market unless it resorts to high-pressure advertising — something the new management may not be able to immediately afford. He also feels that Wipro has a distribution network that is stronger than that of SSL. "Over the years, there has been a lot of attrition in SSL's field force," he says, "whereas we have established our systems." Menon adds that it is not as if Wipro is suddenly facing competition from Swastik now — limited quantities of the soap were being produced at SSL's plants under a processing arrangement with Godrej Soaps, from mid-1987.

TOUGH BATTLE

Marketmen do not see encouraging prospects for SSL's Det, a premium detergent product that competes with Hindustan Lever's Surf and Rin and Tomco's Dubble. Much of the growth in the detergents business has taken place in the lower end of the market, with Nirma leading the pack. "But you cannot discount anyone who comes in," says Ernest Fernandes, Tomco's general manager (marketing). "What Swastik will do is a matter of considerable interest to all in the industry."

Fernandes' cautious attitude is not surprising, for when SSL was at its peak in 1984, it had impressive market shares of 17.2 per cent in the organised sector detergents market, and 8.9 per cent in the premium toilet soaps market. The best years for the company were in the early 1980s — in 1979-80, turnover was Rs.55 crores, with gross profits of Rs.9 crores and net profits of Rs.5 crores. The Datta Samant-led strike in 1981, and the mutton tallow scandal in 1982 (which led to a ban on raw material imports) played havoc with the company's fortunes, which were only worsened by acute working capital resource constraints, leading to the decision by the Sarabhais to sell off the company.

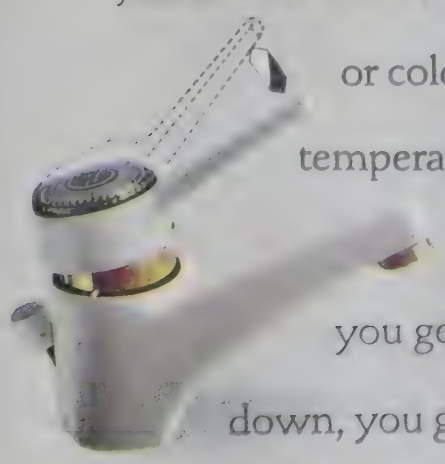
But all that has not substantially eroded the strengths of the company's brands. "SSL brands like Det, Swastik Shikakai, etc have a good image in the market," says a report by the SBI Capital Markets Ltd on the company in mid-1987. "It should be possible for SSL to capture the market again for its products..." And so, the burden of SSL's revival now rests squarely on its brands, and willing bankers.

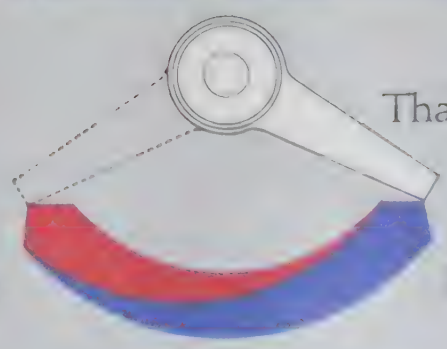
■ SHANKAR P.

RANUTROL HANSA AQUA MIXER. THE EASIEST WAY TO GET HOT, COLD OR AS-YOU-LIKE-IT WATER.

With the Ranutrol Hansa Aqua Mixer, a single lever does it all.

Just flick the lever and you get hot water or cold water. Or any temperature in between. Move the same lever up, you get more water. Move it down, you get less. Simple, isn't it.





That's the wonder of ceramic cartridge technology from Hansa Metallwerke AG, the world's largest seller of aqua mixers.

So, if you want to take it easy in your bathroom or kitchen, all you have to do is choose from a range of stunning designs.

RANUTROL HANSA
AQUA MIXER
From Hansa Metallwerke AG, West Germany

For a free booklet, write to: Auto Controls Private Limited, 414, New Delhi House, 27, Barakhamba Road, New Delhi 110001. Tel: 311 0640/0652
Branch Offices (Tel.)–Bombay: 492 7125, 492 0297, 23 3629, 23 4424. Calcutta: 29 1755. Madras: 47 6723. Bangalore: 57 8846.

NOTICE

It is hereby notified for the information of the public that Shaw Wallace & Company Limited proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant.	**Shaw Wallace & Company Limited** **4 Bankshall Street** **Calcutta 700 001**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Preference** **Rs. 1,00,00,000** **Ordinary** **Rs. 39,00,00,000** **Subscribed** **Preference** **Rs. 75,00,000** **Ordinary** **Rs. 12,00,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr M R Chhabria, Chairman** **Mr K R Chhabria, Managing Director** **Mr R M Moghe** **Mr A K Das** **Mr B S Mehta** **Dr R S Tarneja** **Mr R S Mama** **Mr M L Bhakta** **Mr B Sanghavi**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**New Undertaking.**
5.	Location of the new undertaking unit division.	**TEHSIL/TALUK: Jamshedpur** **DISTRICT: Singhbhum** **STATE: BIHAR**
6.	Capital structure of the proposed undertaking.	**Same as in item 2.**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or control of any goods/articles, indicate:	
	i) Names of goods/articles	**Potable alcohol from non-molasses based raw materials.**
	ii) Proposal licensed capacity	**50,00,000 Bulk Litres per annum.**
	iii) Estimated Annual Turnover	**Rs. 7,50,00,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value , income, turnover etc.	**NOT APPLICABLE**
9.	Cost of the Project	
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Finance will be arranged partly from internal sources and balance by raising loans.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

S.C. MAJUMDER
SECRETARY &
PRINCIPAL OFFICER

Dated this 6th September, 1988

LAKSHMI MACHINE WORKS

An unrivalled run

The performance of Lakshmi Machine Works is remarkable, given the dismal state of the textile machinery industry. This it has managed by sticking strictly to a policy of "fair dealing at affordable prices"

In its 25-year history, the Coimbatore-based manufacturer of textile spinning machinery, Lakshmi Machine Works Ltd (LMW), has had several achievements to its credit. And today it has emerged as one among five companies in the world to manufacture the entire range of textile spinning machinery. It is the undisputed leader in the domestic market; almost all textile mills have one Lakshmi machine or the other. And what is most remarkable, Lakshmi is perhaps the only large textile machinery company in the country that has remained unshaken by the downturn of textile mills.

The company continues to make impressive profits and works at full capacity. Last year, it notched up a turnover of Rs.96.4 crores (year ended December 1987) and earned a gross profit of Rs.9.7 crores. Encouraged by its success, it went in for a major diversification into machine tools, the first of its kind in the last ten years in this troubled industry.

Almost all the major textile machinery manufacturers (including Lakshmi) went in for large capacity expansion in the late seventies, anticipating a boom in demand. But the boom went bust in 1984. At the same time, machinery imports were liberalised. All this dealt a body blow to the industry. The total installed capacity (spinning; weaving and processing) is currently around Rs.600 crores of which only 45 per cent is utilised. The scene in spinning is worse; the utilisation is only 30 to 35 per cent.

Jayavarthanavelu: "We have a versatile base"

EMPHASIS ON QUALITY

How did Lakshmi overcome these adverse developments? Says D. Jayavarthanavelu, managing director, "Our overriding emphasis on producing quality machines at affordable prices is the key to our success." Also, he points out, the collaboration with Rieter Machine Works of Switzerland, a world leader, gave the company access to the latest technology. (Rieter has a 14 per cent equity stake in the company.)

When Lakshmi set up shop in 1962, manufacturers like National Machinery Manufacturers (now Mafatlal Engineering Ltd) and the Birla-owned Texmaco had already established themselves. These companies also had highly rated West German and British collaborations.

But within a year or two of going into production, Lakshmi left these giants behind. Comments Deepak Banker, vice chairman and managing director of the Madras-based Kunal Engineering Company Ltd, a competitor and a supplier to Lakshmi, "It is true that Lakshmi has one of the world's finest collaborators in Rieter. But anyone can get a good collaborator. What is critical is how you absorb technology. Thanks to an excellent training programme, the company could genuinely assimilate Swiss technology."

Even before the company's building came up, Swiss instructors came to train the workforce, to help in the selection of machinery, and so on. A Rieter executive is always stationed in Coimbatore. Over the years, Lakshmi has sent hundreds of its engineers and even workers to Switzerland for training. "We don't have to translate any of the German drawings. All our workers can read that much German," says Jayavarthanavelu with pride.

The company, as a matter of policy, played a scrupulously fair game with the textile mills during the boom years 1974 to 1984. At the time, the demand for Lakshmi machines was huge; the waiting period for some was as long as ten years. And yet, as Jayavarthanavelu says: "We never cut the queue or raised prices to take advantage of the situation. Even our group mills had to wait their turn."

LOWEST PRICED

Today, Lakshmi-Rieter spinning machines are the lowest priced among the major brands. Comments a textile industry insider, "In the days of the boom, the other big players grew complacent. They did not bother to keep up with technology as Lakshmi did. Nor did they care much about customers. So when the slump came, it was only Lakshmi that remained unaffected." Today, its major competitors, Mafatlal Engineering, Machinery Manufacturers Corporation, and Texmaco are nowhere in the picture.

Right from the outset, Lakshmi aimed at ultimately manufacturing the entire range of spinning machinery (blow room equipment, carding engine, drawframe, speed frame, comber, silver lap, ribbon lap, ring frame and open-end spinning machines). Today, that aim has been achieved; as a result Lakshmi has the strength to withstand the vicissitudes of the textile industry. The company has a record of introducing a new machine almost every year. And though it does face competition, it has a virtual monopoly of some crucial machinery like combers, and its latest product, the open-end machine.

Apart from its product range, Lakshmi also draws strength from exports. The company was able to successfully tap markets in developing countries during the textile slump. Its collaborators also buy some of its machinery. Currently, at least 15 ring frames are being exported to Rieter every month. This year it has already exported machines worth about Rs.16 crores. And by March 1989, the figure may well exceed Rs.25 crores.

Today, Lakshmi has enough capacity to meet over 50 per cent of the country's demand for complete spinning plants. "We regularly visit international textile exhibitions. Before we import any machine, we first find out whether it is saleable," says K.B. Krishnan, assistant general manager, engineering. "We have the infrastructure to make any machine but we must also be able to sell it."

The company has followed a policy of

Does your gift
get dumped
in the cupboard?

Give the gift that's remembered every minute. JAYCO QUARTZ ALARMS.

Jayco Quartz Alarms.
Goodlooking, practical, accurate — the perfect corporate gift. Available in pleasing colours: Pastel Pink, Soft Blue, Warm Red, Sleek Black and Clear Quiet White. Made with German quartz technology for absolute precision. Affordably priced. Available at leading watch stores. Total diameter: 9.75 cms.
Dial diameter: 7.25 cms.

For bulk enquiries with your message on dial please contact:

Jayna Time Industries (P) Ltd.,
7/25, Darya Ganj, New Delhi 110 002.
Phone: 266588 Telex: 031-62572 JTI IN
Cable: JAYNATIME

MUMBAI BRANCH

Jayco

Quartz Watches — Clocks & Alarms

A timely gift for all occasions

rapid indigenisation from the beginning. The import content is nil for almost 90 per cent of the machines manufactured. And it is also able to develop machinery on its own. For instance, the Speedframe LF 1400 is Lakshmi's own baby. Continuous product development ensures that machines developed abroad are suitable for Indian conditions. And each year, Rs.4 to 5 crores are spent on modernisation.

NO CREDITS

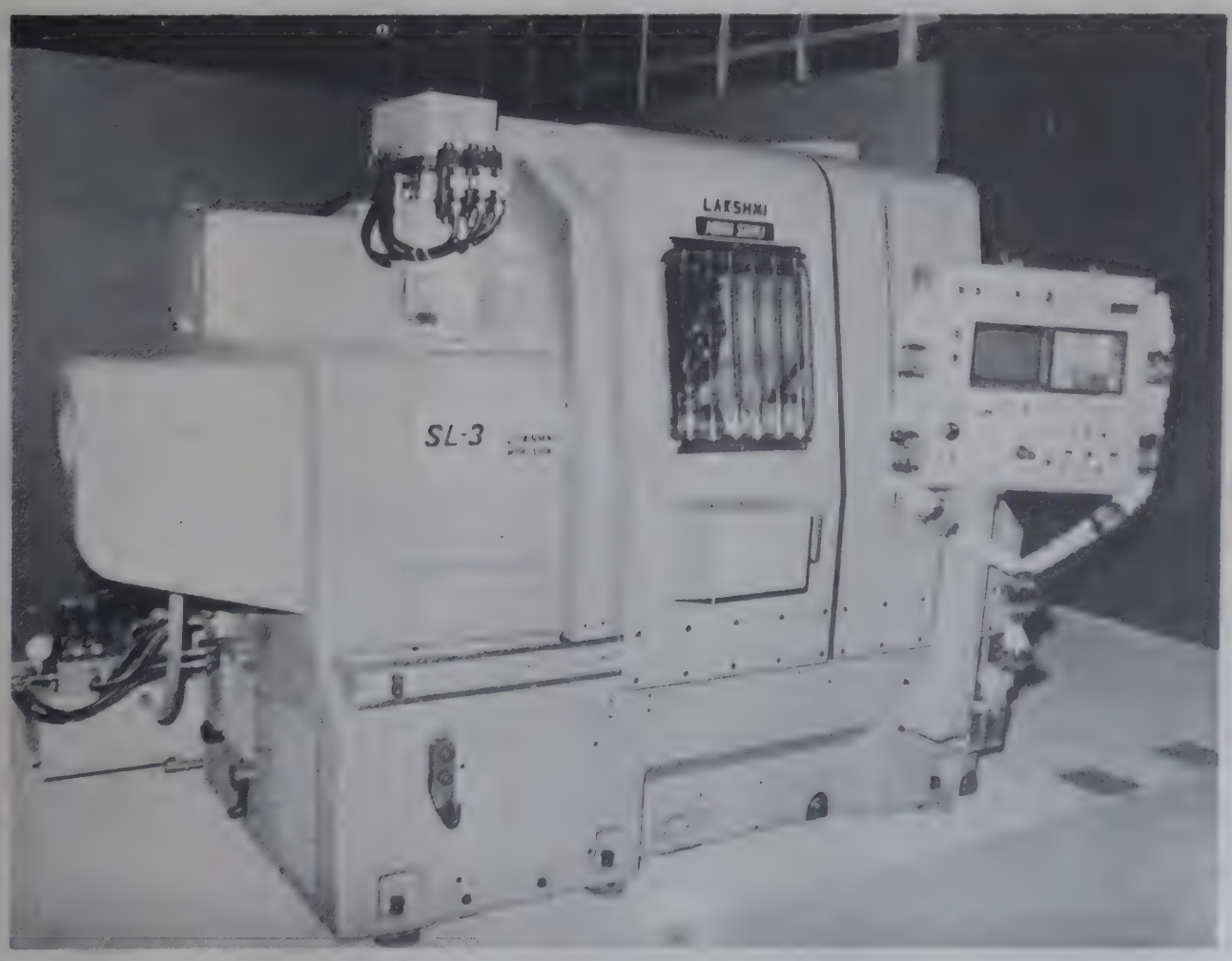
The company has followed a conservative financial policy, which has stood it in good stead. "We do not extend credit to anybody, not even to our group mills," says R. Rajendran, senior manager, accounts. Also, the company believes in funding its expansion and diversification as much as possible with internal funds. So the interest burden is low.

Lakshmi's latest and most prestigious diversification is the machine tool unit set up near Coimbatore to produce high quality CNC machines. This project is expected to cost around Rs.30 crores. Borrowings will mainly comprise foreign exchange loans from the World Bank and the IFC for equipment imports.

The project has raised many eyebrows. The eighties have hardly been happy years for machine tool manufacturers. All, including the public sector giant HMT, have been badly hit by import liberalisation and the sudden increase in the demand for CNC tools which was not foreseen. Jayavarthanavelu appears quite unperturbed about the prospects of the machine tool industry, though. "We have a versatile base for taking up complex manufacturing processes and a large bank of skilled and trained manpower," he says, "also, we have extensive experience in purchasing and using machine tools."

The project has been set up in technical collaboration with Mori Seiki Co of Japan, world leaders in the manufacture of CNC lathes and machining centres. The factory itself is being pressurised, at a cost of nearly Rs. 1 crore, to keep it dust-free. Says N. Srihari, assistant general manager, machine tools division, who has joined Lakshmi after a long stint at HMT, "This manufacturing facility is really the only one of its kind in India." Jayavarthanavelu is confident that in the next two to three years the machine tool project will have a turnover of Rs.40 crores.

Evidently Lakshmi Machine Works has begun its 26th year of operations in a mood of optimism. It expects to reach a turnover of Rs.150 crores by the end of the year. For the future, Jayavarthanavelu sums up, "We will work towards maintaining our leading position in every way. We will continue our policy of fair dealing in good machines at affordable prices."



A CNC lathe: bold diversification

SUSHILA RAVINDRANATH

The Lakshmi group

Established in 1910 in Coimbatore, the Lakshmi group today is a vertically integrated organisation in the textile industry. It has a combined turnover of over Rs.250 crores. The group companies consist of Lakshmi Mills Co Ltd, United Bleachers Ltd, Lakshmi Machine Works Ltd, Lakshmi Card Clothing Mfg Co Pvt Ltd, Lakshmi Textile Exporters Ltd, Vijayeswari Textile Ltd, Lakshmi Automatic Loom Works Ltd, Lakshmi Ring Travellers (Coimbatore) Ltd, Lakshmi Electrical Control Systems Ltd, and Lakshmi Precision Tools Ltd.

Informal split? The group is managed by the family of G. Kuppuswamy Naidu, founder. It is generally believed that the inevitable family split has also taken place in the Lakshmi group. G.K. Devarajulu, the eldest son of the founder who was also the chairman of the group until recently, has now resigned from all the other group companies, except Lakshmi Machine Works and Lakshmi Ring Travellers, both run by his son Jayavarthanavelu. He is no longer involved in the running of Lakshmi Mills Company Ltd — the first company promoted by the founder and one of the largest textile mills in the south today — which is managed by K. Sundaram, his brother.

Jayavarthanavelu looks after the spinning and allied industries. In fact Lakshmi Machine Works and its affiliate companies really form a group within the group. Jayavarthanavelu's cousin (son of Sundaram), S. Pathy, is in charge of Lakshmi Automatic Looms Works Ltd — which makes machinery for the weaving industry — and the other associated units. Jayavarthanavelu does not describe this clear-cut division of responsibilities as a split. "As we grow, people must have responsibility for their own units," he explains. "Unless proper channels of communciation are established, responsibility cannot be fixed." He adds that Lakshmi Machine Works is an MRTP company, and there is no need for the other group companies to get affected because of this. "But there is no real split," he asserts. "I still have a lot of shares in Lakshmi Mills."

GODREJ & BOYCE

In the excise net

Extensive excise raids last year on Godrej & Boyce Mfg Co resulted in two show cause notices for alleged duty evasions of over Rs.14 crores on sales of refrigerators and typewriters. In July last year, the company obtained a stay from the Bombay High Court, but a scrutiny of the documents seized by excise officials suggests that a long battle may well be in the offing

The mood is distinctly downbeat at the corporate offices of Godrej & Boyce Manufacturing Co Pvt Ltd, in downtown Bombay. Even though the decline in sales since 1985 was reversed last year (up by 23 per cent to Rs.260 crores), the company began the current year with the hangover of a large excise evasion charge.

Raids conducted by excise officials during June last year at the various premises of Godrej & Boyce and its dealers all over the country unearthed documentary evidence that seriously implicates the company in charges of duty evasion of Rs.11.95 crores on sales of refrigerators, and Rs.2.15 crores on typewriters.

The excise authorities allege that the company recovered a part of its advertising and distribution costs from trade discounts offered to dealers. These discounts were earlier deductible from the basic price of refrigerators (15 to 19 per cent) and typewriters (15 to 28 per cent) for excise purposes when the duty was levied on an *ad valorem* basis. So the company is alleged to have fixed these at very high levels to reduce the excise duty payable. Later, a part of the discount was recovered from the dealers under various heads such as "warehousing costs", "after sales service charge" and so on, as claimed by excise officials in their show cause notices. (Later, with a view to counter such practices, resorted to by many firms, the excise authorities made these specific: on refrigerators from March 1987 and on typewriters from March 1986. So there was no longer any incentive to maintain the discounts at such high levels. And sure enough, these climbed down as revealed by some Godrej dealers).

N.P. Godrej: "the commission...has to have some element of advertisement"

"NORMAL [illegible] COUNTS"

The company claims that their's were "normal trade discounts" [illegible] formly allowed" and not refundable on [illegible] by account whatsoever. But the [illegible] dated [illegible]

was seized from Godrej & Boyce during the raids which categorically states, "So far we have been giving a TD (trade discount) of 19 per cent and 18 per cent to U/C (up-country) WDs (wholesale dealers) and SDs (sub-dealers), respectively, and recovering 2 per cent W/H (warehousing) charges from dealers under regional distribution. The net effective trade discount was 17 per cent to wholesale dealers and 16 per cent to sub-dealers."

The letter also reveals that a part of the trade discount was to be spent by the dealers on advertising Godrej products, "We had increased the trade discount some time in April 1982 by 5 per cent so that the upcountry dealers could use 4 per cent for giving special prices and other promotional expenditure. One per cent was to be considered as our prepaid contribution to their advertisement expenses which was to be budgeted at 2 per cent of the basic price."

The excise authorities say that this letter of August 1983 clearly indicates that higher trade discounts were primarily given to wholesale dealers to give attractive discounts to customers and also to "vigorously advertise" in the local media. Yet another letter, seized by the excise authorities, dated 2 September 1982, states, "Out of your margin of Rs.200 to Rs.250 for the coming month, you should be prepared to spend Rs.60 per refrigerator on advertisement and publicity...this time we shall be advertising in the newspapers on your behalf and recover the cost from you through your blank cheques." Many Godrej & Boyce dealers follow the practice of depositing blank cheques with the company to take care of their offtake of products for distribution.

The company had earmarked an advertisement budget of Rs.60 per refrigerator, and expected dealers to fund half this amount from their trade discounts. A letter written to dealers in April 1982 states, "Out of your higher trade discount you should consider that Rs.30 per refrigerator has been prepaid by us to you towards advertisement. To this you should put in Rs.30 per refrigerator as before and vigorously advertise with a budget of Rs.60 per refrigerator."

Another document seized by the excise officials gives the break-up of the trade discounts that dealers received. The document, dated June 1982, shows that out of the total discount of 19 per cent (Rs.570) for each refrigerator, dealers were expected to appropriate 2 per cent for warehousing costs, 3 per cent as their contribution to advertising and 2 per cent for a special discount to be passed on to customers. This left only Rs.360 in the hands of the dealer.

NO COMMENT

In a statement made to the excise authorities in June last year, Godrej & Boyce managing director N.P. Godrej admitted that "the commission...to the wholesale dealers has to have some element of advertisement (costs)". The company's officials, however, refused to talk to *Business India* on the charges made in the two show cause notices, saying that the matter was sub-judice. Although the excise authorities had asked the company to reply to their notices within 30 days of them being served, it has not done so as yet. Said P.D. Lam, vice-president (corporate services), Godrej & Boyce, "we cannot talk to you on the subject until we reply to the excise authorities."

Besides advertising and warehousing

"Sure, it's polyester/wool. It's Gwalior's unique all-season suiting."

The secret is in the blend. It has not only polyester and wool, but silk, flax, viscose and other fibres as well. Which makes it especially suited for tropical climates. You feel comfortable and well dressed in any weather. You won't get a more suitable polyester/wool worsted blend.

Golden Glade
POLYESTER/WOOL WORSTED SUITINGS

Come winter, come summer.

To : Grasim Industries Ltd. Birlanagar, Gwalior 474 004.
I am interested in 'Golden Glade' polyester/wool all-season blend. Please send me your FREE illustrated booklet.
Name .....
Address .....
.....
Occupation .....
Age .....

GRASIM
GWALIOR SUITING
IN A CLASS OF ITS OWN
A PRODUCT OF GRASIM INDUSTRIES LTD

MAPP-GR-88-478

BETTER ROAD GRIP
AT HIGH SPEEDS
FORMULA-I RADIALS
FOR BETTER CAR CONTROL

GET A FIRM GRIP

0 to 60 in 9.28 seconds. She responds in a flash. The wider, squat tyres bite into the dirt. Her nose lifts. And more than your pulse races.

Get the unrelenting control of CEAT FORMULA-I RADIALS.

CEAT

born tough

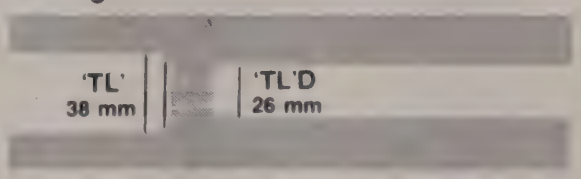
PHILIPS

PHILIPS

"I converted 10% of the office lighting bills into profits. With just one switch."

Philips 'TL'D.

When you're talking about lighting in offices, industries, hospitals, institutes, clubs... you're talking about a large number of installation points. And long hours of lighting. Imagine the savings!



It converts 10% of your lighting bills into profit.

Switch to Philips 'TL'D 36W, the slim, energy-efficient tubelight that actually pays back money over its service life.

Philips 'TL'D, a 36W tube that provides as much light as any ordinary 40W tube. It fits easily into existing luminaires and operates efficiently on a 40W ballast.

Switch to Philips 'TL'D. Slim tube • Slim bills • Bright light.

Philips India B I
Light Department, Band Box Building,
254-D, Dr. Annie Besant Road, Worli,
Bombay 400 025.

Kindly send more details on how I can save money for my installation.

Name: _____

_____

Designation: _____

Address _____

_____

When it's Philips, you're sure

costs, the company also expected dealers to spend a part of their trade discounts to meet after-sales service expenses, at least in areas where the company did not have its own offices or service infrastructure. The excise authorities conclude from their investigations that out of the 15 to 19 per cent that was passed on as trade discount on every refrigerator, about half was treated as consideration for providing after-sales service over a five-year period (including four years of optional service). In fact, one letter dated 18 April 1985, seized from the Calcutta branch of the company, reveals that even in cases where the wholesale dealer has to render service only for one year instead of five years, "...it would be fair if a part of the trade discount is recovered in some form representing the four years' service which the dealer would not be rendering".

The letter then goes on to details how the amount should be recovered: "We feel that it would be appropriate if, while refunding the amount of the service contract deposit, we raise a debit note on the dealer for the value of five per cent of basic price which can either be adjusted against this deposit refund or recovered separately. This will also act as an incentive for the dealers to persuade the customer to enter into the service contract."

> Yet another letter, seized by the excise authorities, dated 2 September 1982, states, "Out of your margin of Rs.200 to Rs.250 for the coming month, you should be prepared to spend Rs.60 per refrigerator on advertisement and publicity...this time we shall be advertising in the newspapers on your behalf and recover the cost from you through your blank cheques."

Armed with all these revelations, the excise authorities say that according to the provisions of the Central Excise & Salt Act, 1944, the "value" of any excisable goods does not include trade discount, provided it is not refundable on any account whatsoever. "It appears that the deductions claimed by M/s. Godrej as 'trade discounts' in the price lists filed by them do not meet this proviso," they say. "Instead, a part of the trade discount amounting to 2 per cent has been recovered or refunded in the guise of warehousing charges."

The company maintains that it has stopped recovering warehousing charges from dealers about three to four years ago. But at the same time some dealers found that their trade discounts were also lowered. S. Krishnamurthy, proprietor of Fashion House, Vellore, a Godrej & Boyce dealer, in his statement to the excise authorities, says that his agency was given a lower trade discount of 17 per cent as against 19 per cent earlier for refrigerators, as soon as the company stopped recovering warehousing charges. The excise authorities found a similar pattern in the case of typewriters too.

The excise case is far from sealed

SMALL REPRIEVE

For the time being, Godrej & Boyce appears to have got a reprieve, with the Bombay High Court issuing a stay order last year. The company's counsel, H. Hidayatullah, has argued that the excise authorities had approved the assessable values determined in the price lists submitted by the company on a provisional basis. The petitioners felt that once provisional approval was given to the price lists, it also applied to the assessments of duty. The petition filed by the company states, "Therefore...it is not open to allege that there has been any non-levy or short levy of duty as the question of the extent of the duty itself is under inquiry and quasi-judicial determination." Thus the company's petition "raises pure questions of law" (as Justice K. Kurdukar of the Bombay High Court put it) and not any substantive issues raised by the excise authorities.

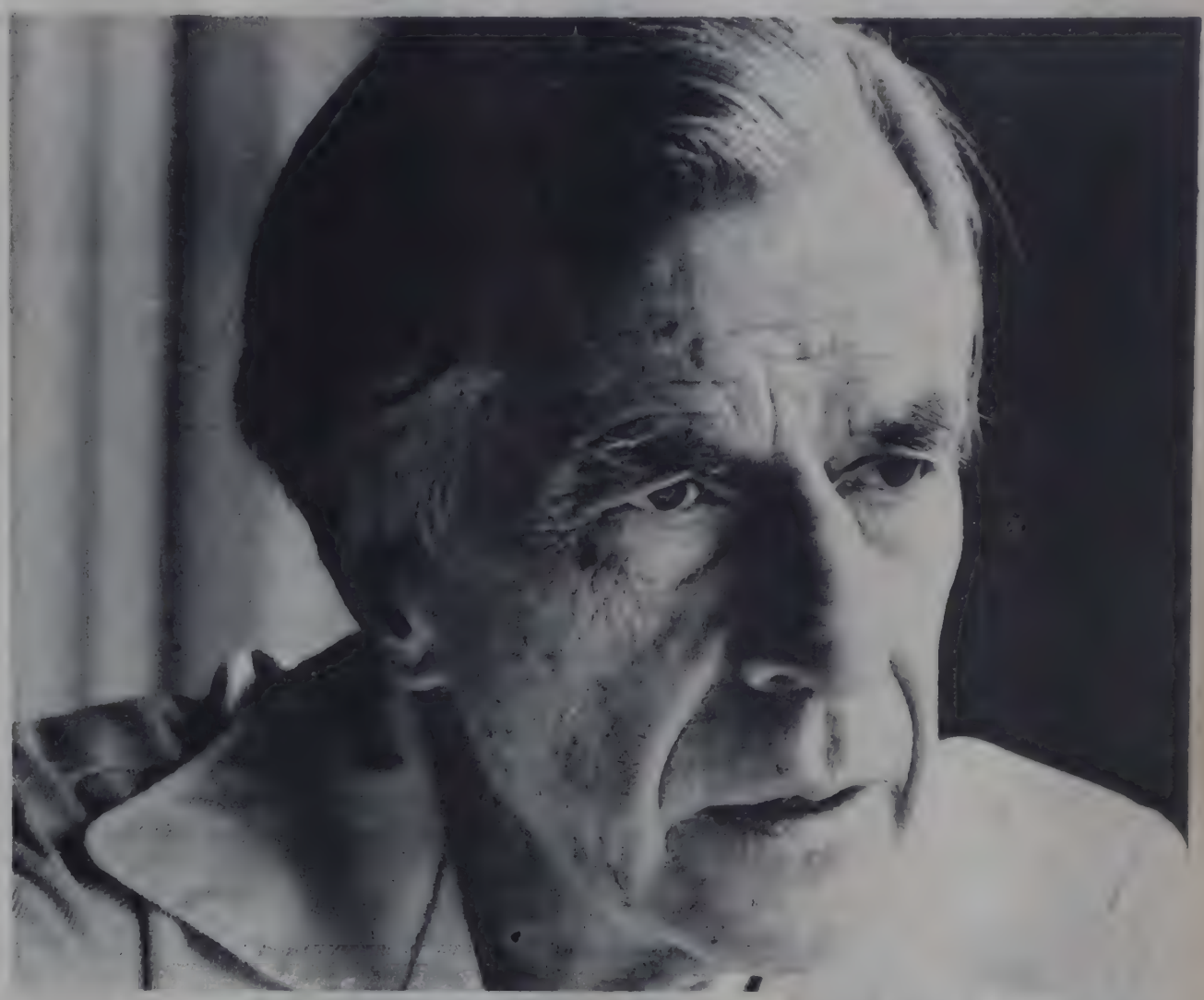
Surjit Singh, collector of central excise, Bombay, declined to comment on the matter, or indicate if the excise collectorate will challenge the stay obtained by Godrej & Boyce. But clearly, the evidence cited by the excise authorities in their show cause notices is far from flimsy and they are not likely to give up in a hurry. So yet another long-drawn-battle over excise seems to be in the offing.

■ SHANKAR P

FROM THE DESK OF THE
MANAGING DIRECTOR
TO: Purchase Dept.
Mr. Rao
Kindly order 500 pieces of
the tick-marked Sonell Clock
for gifts to employees
in the forthcoming
Festive Season.
N.B. Our Company's name
to be printed on clocks.
When it's a gr ll gesture.
make the Son sion.
Sonell
QUARTZ CLOCKS
Table & Wall Clocks
(analog & digital)
Mar ted by:
Sonell M rketing Co.
705, Narshi Na A Street, Bombay-400 009.
Phone: 35081 82/83-33078

"Urging a liberal economy on India"

John Kenneth Galbraith, *noted economist, adviser to several US presidents, author, diplomat and ardent India watcher was in New Delhi last fortnight on a lecture tour. He spoke to* Business India's *Dilip Cherian and to M.V. Doshi, a former student of his.*



The issue of liberalisation, which is very big in India at the moment, is one that both developing and developed countries are grappling with. Where do you think this process is heading?
I think it is a very important issue and it depends entirely on the stage of development. In the early stages of economic development, where administrative skills are a scarce resource, the country should have a generally liberal economic policy. Then you get to matured capitalism as in the United States, Western Europe, Japan. You have an enormous number of problems that need to be considered and also a stronger administrative capacity. The result is, inevitably and rightly, you have more state control. This was a conclusion that I reached many years ago when, while flying back to India from the United States, I always, somewhere over Beirut, change from being a social welfare economist to the United States and find myself urging a liberal economy on India.

Do you think there will be a price to be paid in the short term for such a process?
Well, one sacrifices some measure of social equity in order that you have a greater rate of economic growth. There is no question about that. The whole question is not of right or wrong but something that is related to the much larger historical process.

In a country like India would the question of social inequity be an acceptable price?
This is a question on which we have practical experience. The liberalised economies of Korea, Taiwan and Singapore have had a beneficial effect on all the participants and indeed, are drawing participants from all the other countries. Similarly Thailand. But, at a later stage I would like to see India, as in the US, in Western Europe, concern itself with the greater questions of social equity.

Will liberalisation end up by benefiting India with rapid economic growth and a move towards a developed economy or will it send it into a Latin American kind of debt trap?
The South American debt trap was a result of one of our recurrent episodes of insanity where the big international banks had very large deposits of oil money and made speeches to their mirrors every morning about their success in recycling it. That was an episode that need not and will not recur.

That takes us to the issue of global debt which must at some stage begin to affect the way countries trade with each other. What do you see as the most expedient way out of the current crisis?
This is something which people who are short of conversation talk about. There is only one real problem of debt at the present time and this is of South American countries and that will not be repaid, it will be written off. There is a long history of written off debts in the last century for the developing countries. The US borrowed heavily in 1830 and again in the 1870s and a lot of that debt went into default and during the World War I the British and French borrowed heavily from the US and that went into default. The Canadian railway system was built on debt that was never repaid.

There is a lot of talk in India about moving towards high technology and I recall you have some very different views on technology. What do you feel is the correct technology for India?
Appropriate technology. There is no doubt about that. People involved in such matters find it profitable to produce themselves and this is not a matter for overall judgement it is a matter to be left with the market absolutely. Absolutely. Any public official or private businessman who talks about concentrating India's attention on any particular level of technology should be treated with loud snores.

I don't think there is any particular level of technology that India cannot achieve. I would in a liberalised economy encourage also hi-tech countries from abroad. I don't consider IBM an uncontrollable menace.

What about Pepsi?
Or Pepsi. I've been associated for the last twenty years very closely with the head of Pepsi Cola. Not for consumption of his products but because we've been co-chairmen on the American committee for US-Soviet relations. I'd make a point of that. I'd say if the Russians can survive Pepsi Cola, so can the Indians. In moderate amounts.

Photocopy on ordinary paper.

One of them can seriou

The photocopy on the left is on ordinary paper. What it can do to your copier, however, is far from ordinary. In its passage through your copier, it can leave a trail of virtual mayhem.

The 'fluff deposits' on it can scratch the most critical and expensive part of your copier, the drum. Apart from reducing the life of your copier, this can do all kinds of things to the photocopy. Shear, bend, stretch, smudge, fade... the symptoms of a damaged drum are all-too-visible.

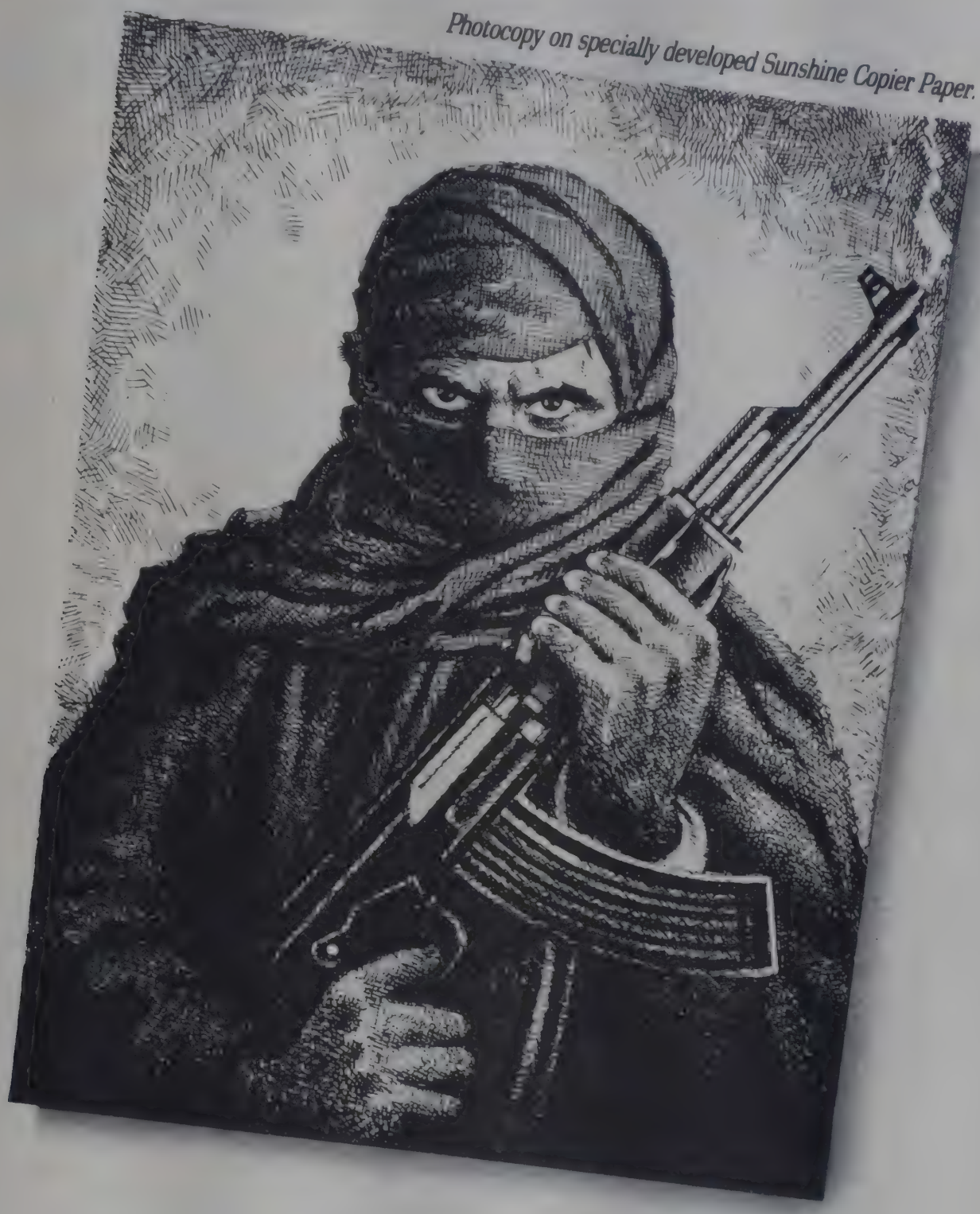
And since ordinary paper is neither stiff enough nor accurately cut to size, it tends to jam in the copier, further increasing the damage.

Fortunately, there's a photocopy on the right too. On specially developed copier paper – Sunshine, from Ballarpur. This, you should have guessed by now, is all that ordinary paper isn't.

- The surface is specially treated to eliminate the 'fluff' and has a very high smoothness index. It actually glides over the drum effortlessly.

Photocopy on specially developed Sunshine Copier Paper.

The Thapar Group



sly damage your copier.

- Sunshine Copier Paper is also of the right stiffness and is precision cut to size (on imported electronic guillotining machines). So there's no question of paper jams.
- Also, the copies come out much sharper on Sunshine Copier Paper. Why? Controlled surface conductivity and an extra white Sunshine brightness ensure that copies come out original looking, and stay so for a long, long time.

Not much of choice between the two, is there?

Sunshine COPIER PAPER

For better copier care.

Bilt Ballarpur Industries Limited, Paper Marketing Department, Thapar House, 124 Janpath, New Delhi - 110 001.

Our edge is not just the technology... but knowing best what to do with it

WEBCOM brings the latest Analog/Digital technology in Telecom
- EPBT from SIEMENS AG, West Germany &
EPABX from JEUMONT SCHNEIDER, France.

There is a veritable explosion of technology in the field of telecommunication—the world over. And India could not lag behind. Accordingly, the Government of India has ushered in a new policy bringing in radical changes in the whole outlook on communication systems. That brings to the Indian business and industry the benefit of latest proven technology from world leaders in telecommunication.

To give the best of the new breed of technologies, WEBCOM has joined hands with SIEMENS AG, West Germany for EPBT and with JEUMONT SCHNEIDER, France for EPABX systems—remarkably efficient and easy to operate. These are duly approved by the P & T.

Our Company's project is unique in setting up an integrated facility for the manufacture of EPBTs and EPABXs in tandem to optimise resource utilisation and cost effectiveness.

It would be the promoters' endeavour to make WEBCOM a synonym for 'Service'.

ELECTRONIC PUSH BUTTON TELEPHONE (EPBT)
- ☎ Piezoceramic technology for clarity of speech and transmission.
- ☎ Last number re-dial .
- ☎ A melodious volume controlled tone ringer.
- ☎ Elegant soft-touch keys.

ELECTRONIC PRIVATE AUTOMATIC BRANCH EXCHANGE (EPABX)
- ☎ Data Transmission facility.
- ☎ Direct Inward and Outward Dialling.
- ☎ Automatic Call-back and Call transfer.
- ☎ Telephonic Conference, Tenant Service and a host of others.

Sobhagya[c]/WCI/4/88

WEBCOM

WEBEL COMMUNICATION INDUSTRIES LTD.
9/1, R.N. Mukherjee Road, Calcutta-700 001

Always a beat ahead in Technology

What do you think will be the likely US scenario after the November elections and how is that going to affect the US attitude to India?
I pay no attention to the US attitude to India or the Indian attitude to the US. That's something that affects about half a dozen of bureaucrats on both sides. The real relationship between India and the US is an enormous and continuing fascination of the US for Indian culture, politics, literature; something that has captured millions of us. On the Indian side there is a similar fascination with the US and I have said many times that Indians anciently concern themselves with the transmigration of the soul. Now that problem is solved and when they die they want to go to New York.

In economics there is a tremendous amount of value being attached to new resources, and it's quite obvious that India has a large pool of this. Yet how is it not attracting global economic powers?
Oh, I think this is inevitably the process. We have seen industry moving from Britain to the Continent in the last century on to West Germany, on to the US, on to Japan, on to Korea. Now we have a rapidly developing Thailand and I have no doubt that India will be next in line.

The important thing which can't be emphasised too strongly is the importance of cultural investments. The most important step in this process is to have good primary and secondary education besides good university education. Modern industry requires a literate working force. This has been the great advantage that the Japanese have, that the Koreans have, that the Thais have taken seriously. One of the mistakes of my generation is that we didn't see the importance of strong disciplined public education. One of the simple truths of modern world economy is that there is no literate population anywhere in the world that is poor and there is no illiterate population where there is anything but poverty.

Some studies for the 1990 picture the global economy as one where there will be low growth, low inflation, a more conscious customer, and far greater competition thanks to open markets. Do you see this as a possible scenario?
It's possible. But these are all matters of not judgement but guess. I would see the 1990s as a time when the industrial countries will continue to give up their mass production and will be increasingly dependent on hi-tech or service industries. And there will be much greater emphasis in the older countries on industries involving the arts, entertainment and design. This is not a purely theoretical matter. One of the great post-war successes has been Italy, and Italian products have been based overwhelmingly on superior design which in turn reflects the superior artistic vision of Italy.

We already see New York and Paris surviving not because they are places of inexpensive manufacture but because they are incomparable when it comes to the arts.

What do you see as India's role in this?
Well, I've no doubts that India has a long future in the arts. But India's immediate future is in the liberalisation of its labour force.

How do you see the communist giants of China and the USSR putting the markets into Marx as it were? Do you see this as something that the communist ideology can accept?
Certainly. Inevitably. As you get more complex consumer goods, more styles, more designs, more supporting services, the whole problem of command social planning becomes very difficult, very awkward, very immobile. And you have both China and Russia moving towards the market as the only means of translating consumer demands to a producer and getting the producer to respond. Combined with the fact that we now recognise, as the Chinese have and the Russians are recognising, that agriculture works only when you have responsibility resting on the individual cultivator. Agriculture works only under the system of exploitation, where the individual exploits himself and his family.

In India, on the one hand, the government is liberalising industry and the economy. On the other side, they talk of achieving the commanding heights of the public sector. How do you see the future trend in India with regard to this kind of conflict?
That talk about the government occupying the commanding heights. It is something in which I participated 50 years ago and which I have long since abandoned.

A lot of people are talking about Africa and how there is a constant and consistent deterioration there. What is your view of Africa in a world economic content?
I have never been a first hand student of Africa. But there is no question that this is the tragic case in economic development. And the circumstances that have led to this breakdown are I think four. There's first of all a kind of pseudo socialism in Ethiopia and Mozambique, and Tanzania. One of the things that Marx was most insistent about was that you can only have socialism after you have capitalism. He would have been appalled at the idea of a socialist Ethiopia. That is one thing wrong. Putting a burdensome administrative load on a primitive governing body.

Second problem, there has been an emphasis on industrial development with a prior claim to agricultural development. This has led to efforts to keep food prices low in order to benefit the urban working community and has discouraged long term development of agriculture, and has been a factor in the famine.

Third has been the failure in economic development to emphasise what we have already talked about here in India — cultural education. In the last century in the US and Europe, when you were talking about economic progress the first thing you were talking about was education, public education, that lesson got lost in Africa.

Finally of course there's the problem of who does the developing. One of the things that is certainly necessary for economic development is a stable government apparatus.

To come back to India, do you see India's diversity as an accelerator or deterrent to its economic prosperity?
It's a hypothetical question, because one accepts what one has. The clear implication of your question is that somehow India should be converted exclusively to Punjab? It shouldn't be very difficult!

No, seriously, you once called India a functioning anarchy. You still subscribe to that view?
I've noticed that India like the US has a gift for accepting pat phrases. Many years ago I invented the phrase 'conventional wisdom', which has become part of the language and I come to India and still discover that two of my comments of the distant past, post-office socialism and functioning anarchy are still around. I am prepared to see them abandoned. They lack novelty.

We've literally given our Right arm and Left arm... to make sure that you are Comfortable!

Wood Carver's exclusive & elegant chairs designed to comfort you. Classic and contemporary chairs available in various colours & shapes. A range to choose from: Chairs for Chairman, Chief Executive, Staff, Visitor, Computer Room etc.

WOOD CARVER
The Chair People.

Homi Modi Cross Street, Opp. Stock Exchange Post Office, Fort, Bombay 400 023.
Phones: 274480 - 274864

Dealership enquiries solicited

BOMBAY SEWERAGE PROJECT

Down the drain

Initiated in 1970-71 with a feasibility study the World Bank-sponsored Bombay II project, intended to revamp the city's sewerage system, is still far from complete. If anything, the project appears to be in murkier waters now than a decade ago when the consultancy for the project — a WB pre-requisite for the loan — was awarded to Engineering Science Inc (ES), a US company known more for its expertise in water supply than sewage disposal.

The way the consultancy contract was awarded to ES on 9 June 1979 generated a great deal of controversy. And the way it was handled spelled disaster right from the word go. The ES consortium comprising two local companies — Public Health Engineers Consultancy Pvt Ltd (PHE) and Associated Industrial Consultancy Pvt Ltd (AIC) — took three years to complete the designs alone out of the five years stipulated for the completion of the entire project. The consortium was appointed for detailed engineering consultancy and site supervision of certain components of the work which included laying submarine outfalls, setting up aerated lagoons, constructing tunnels, diverting sewage from various parts of the city to the pumping stations and outfalls through the tunnels and testing the sewage to ensure that it conforms to the standards set by the Maharashtra Prevention of Pollution Board.

Eight years later and three years behind schedule, the only achievement the consortium could boast of was the partial commissioning of the Colaba waste water treatment plant, the smallest of the seven systems with a capacity to dispose of approximately 25 million gallons of sewage a day. Less than two months after commissioning, the chief engineer of the Colaba plant listed 106 defects in the waste water treatment facilities.

The number of contracts handed out *in toto* for smaller jobs exceeds 85. Ramesh Joshi, a Janata Party councillor believes that most of these contracts have been awarded fraudulently and that "the entire project has become a money-making bonanza for everyone involved with the project — from the smaller contractors to the consultants themselves". The prized contract — that of installing the outfalls (3.5 metres diameter RCC pipes that would diffuse/dissolve the treated sewage and finally release it 3 km out in the Arabian sea at Bandra and Worli) — was however, awarded to Spie-Capag, a French firm with Italian collaboration which, later on also bagged the HBJ pipeline contract.

Subsequent events proved both the choices — that of the consultants (ES) and that of the contractors (Spie-Capag) — to be a mistake. While Spie-Capag suspended all work on the outfall project on account of "incorrect seabed data prepared by the consultants", the latter seemed even less interested in getting the project completed. Delays kept mounting, equipment lay idle and therefore costs kept escalating. The cost of the project initially estimated at Rs.334 crores has soared to Rs.651 crores. Joshi, however, estimates the total outlay of the project to be not less than Rs.800 crores. "I wouldn't be surprised at all if the final figures exceed Rs.1,000 crores," he says. The two Indian companies of the ES consortium, however, could not explain the reasons for such delays. While PHE directed *Business India* to AIC for the information, the latter passed the buck on to the former."

According to Spie-Capag, the survey conducted by the ES consortium showed the seabed at Bandra and Worli to be rocky whereas their own investigations revealed that the bed was sandy and hence unsuitable for laying the heavy 65-80 tonne RCC pipes. The BMC, however, differs. Says R.G. Deshpande, deputy municipal commissioner, "What Spie-Capag is claiming now is not true. When the contract was awarded, they were aware of the seabed conditions at Bandra and Worli. Their only grudge then was that the rock level was higher than desired. Suddenly they made a volte face and claimed that the seabed soil conditions were at variance with what they had been led to believe."

Bombay II sewerage project: in limbo

WHO CARES IF YOU BUY THE BIGGEST NAMES IN PCs, IF THE MAINTENANCE SERVICE YOU GET IS THE SMALLEST !

Pity the maintenance service in the computer industry is so poor! Especially if you're not a top priority customer.

You hardly get to see a service engineer even while the warranty period for your PC is on.

What happens to you when your machine breaks down after the warranty period is over, is anybody's guess.

In such a situation, the words "preventive maintenance" might as well cease to exist.

Though we all know what a difference it can make to the meantime between failures.

Fortunately, there's big help at hand.

From a computer company at that.
A company that believes as much in preventive maintenance as in corrective maintenance.
Believes not only in speed of response, but backs it up with the best repair time in the industry.

Call Eiko. Book the finest computer maintenance engineers.

Call Eiko. No matter what your brand of PC. Get yourself a maintenance service reputed to be the best in the country.

Eiko PC Care

Backed by a full-fledged computer manufacturing company.

By a network of skilled service engineers.

By the facility to offer the best spares whenever you want it. Everything to take on where the others left off.

Find out more Ask any Eiko PC Care customer

Ask Procter & Gamble, Nuware India, Kirloskar, C.D.O.T., Indian Organic Chemicals Ltd., Dabur India, Vedanta Printers, Chandan Auto Agencies, Mohini Wines...

Some names you know, others you don't know. But all satisfied Eiko clients. Because their PCs are the best maintained PCs in the country.

INTRODUCING

The best maintenance service for your PC

Yes, I want more details on Eiko PC Care.

Name : .....

Company: .....

Address : .....

.....

Tel No. .....

Eiko Computers Pvt. Ltd.

10/5 Lakshminarayan Complex, 5th Floor, Palace Road, Vasanthnagar, Bangalore 560 052. Phone: 24969/70538 ■ 117/118, Dalamal Towers, 211 Nariman Point, Bombay 400 021. Phone: 232577/233296 ■ 1207-9, Pragathi Towers, 26 Rajendra Place, New Delhi 110 008 Phone: 5713481 ■ Cisons Complex, 150 Montieth Road, Egmore, Madras 600 008. Phone: 861483 ■ 113/5A, Hazara Road, Calcutta 700 026 Phone: 482487/265802/268998

Contract-EC-269-88

TO SAVE YOUR LIFE, YOU MIGHT NEED YOUR LIFE'S SAVINGS.

Major illnesses can be pretty expensive indeed. Reason why, United India has tailor-made Mediclaim slabs to help you when you need help most.

With its total hospitalisation and domiciliary hospitalisation scheme, UI Mediclaim helps you cope with the heavy expenses of major illnesses—a probability in everyone's life.

For a premium that amounts to less than 60p. a day, Mediclaim reimburses your hospitalisation and domiciliary hospitalisation expenses upto Rs. 13,600/- per year (minimum slab) and you can avail of the best in medicare.

Inexpensive and tax-deductable

The most attractive feature of UI Mediclaim is that premiums upto Rs. 3000/- enjoy a deduction on your taxable income.

Family Discount

UI Mediclaim also offers a special family discount of 10% if you cover besides yourself, spouse, two children and dependent parents.

Take the UI Mediclaim Cover.

Premium per day	Premium per annum	Hospitali-sation	Domiciliary Hospitali-sation
Rs.0.54	Rs. 200	Rs.10,500	Rs. 3,100
Rs.0.68	Rs. 250	Rs.17,600	-
Rs.0.95	Rs. 350	Rs.25,500	-
Rs.1.64	Rs. 600*	Rs.37,750	Rs. 5,250
Rs.2.30	Rs. 840*	Rs.52,750	Rs. 7,400
Rs.3.56	Rs.1,300*	Rs.82,500	Rs.11,500

* Personal Accident cover available on payment of additional premium.

For further information, fill in the coupon and mail today.

MEDICLAIM

Please send me the Mediclaim folder with information on United India's Mediclaim.

Name _____

Address _____ BIB

UNITED INDIA INSURANCE CO. LTD.

(A Subsidiary of the General Insurance Corporation of India)

24, Whites Road, Madras - 600 014.

We cover you all the way through

Interpub-UI 388

According to B Le Marquis, project director of Spie-Capag, it was the responsibility of the consultants (ES consortium) to obtain adequate data to enable them to design the outfalls at Bandra and Worli. Cementation India Limited (CIL), a local firm, was appointed by the BMC to do the initial drilling along the offshore alignment at both the outfalls. Cementation India Limited made several borings and on the basis of these, an ES engineer, B. Onodera, proceeded to establish the nature of the soil at various levels on the ocean floor. This data in turn was supposed to be included in the tender documents provided to the contractors.

It was during the "core-bore" trenching done by Spie-Capag in 1986-87 that the seabed survey results were found to be totally inconsistent with that provided in the tender. Only one bore log prepared by CIL tallied with the information provided at the time of awarding the contract.

The remaining borelogs, it has been alleged, had apparently been invented and extrapolated by the BMC in order to give support to the soil conditions made in the tender documents. This was done with a view to further strengthen the illusion that there was rock at an average distance of less than 3 to 4.35 metres below the seabed. According to Spie-Capag, the seabed data furnished in the tender were designed to deceive the bidding contractors into quoting a lower rate for the works than they would otherwise have done.

Consequently, Spie-Capag stopped work in a sudden move in October last. The BMC, however, assigns different motives to Spie-Capag's stoppage of the work. They claim that Spie-Capag's work progressed very slowly — it cast nine pumps a per month as against the normal 2.3 per day. Generally a foreign company teams up with some local firm to facilitate the execution of the work. Spie-Capag tried to woo Bombay-based Larsen and Toubro failing which it tried to team up with Essar Construction Limited. The second attempt also failed ostensibly because "the central government did not give the sanction". However, insiders claim that the terms at which Spie-Capag wanted Essar to join in were not only unfeasible, they were also against all the norms that the union government has laid down for such alliances.

Sources in the BMC also allege that Spie-Capag was deliberately blocking the execution of the project in order to take

Bandra outfalls: a white elephant

over the consultancy contract from ES Consortium. Spie-Capag had not only recommended the termination of the ES consultancy contract, it had also promised to continue work and withdraw its demand for an additional Rs.11 crores if the consultants were removed. However, Spie-Capag could not shed any light on the allegations. They refused to speak to *Business India* as "the matter was *subjudice*".

Finally, on 22 July 1987, the Standing Committee of the BMC in consultation with the World Bank terminated the contract of the Bombay II project consultants — ES consortium. "Despite the contract being drawn on a 'fixed fee basis', ES consortium walked away with Rs.23.19 crores as fees — Rs.7.43 crores more than the fees mentioned in the contract," bemoans Ramesh Joshi.

However, in December 1987, Spie-Capag, at the behest of the World Bank, arrived at a Memorandum of Understanding (MOU) with the BMC. The MOU recognised that the design of the works and specifications as described in the contract documents were based upon non-existent physical conditions of the seabed. According to the MOU, Spie-Capag would submit a fresh proposal to the BMC for design and construction of its remaining works on or before 10 January 1988; the proposal would be evaluated by the BMC using the services of a third party expert consultant and a fresh agreement would be entered into on or before 15 March 1988. Despite the fact that this proposal was considered after due analysis by the BMC's new consultants, Binnie and Partners (B&P), to be technically sound and reasonably estimated, the BMC elected not to implement it.

Having failed to enter into any agreement until March this year, Spie-Capag finally withdrew its services on its own. In a writ petition filed on 1 September 1988 in the Bombay High Court, the firm asked the Court to legalise its termination of the contract for the Bandra and Worli outfalls. It alleged that the BMC had perpetrated a fraud in collusion with ES consortium by providing incorrect data on the sub-soil survey of the seabed.

Spie-Capag has further asked for an injunction restraining the Corporation from removing its tools, plants, equipment etc. It has also demanded more than Rs.112 crores as damages for being forced to keep their men, machinery and materials idle. As the Corporation had awarded the contract to Spie-Capag against bonds guaranteed by Banque Indo Suez worth Rs.8.6 crores (US $ 40.5 million) the contractor company has also prayed for an injunction preventing the Corporation from encashing these bonds and securities. The Court, however, has asked the BMC for a show cause reply before granting any injunction. Incidentally, the BMC has yet to appoint a counsel for their defence.

The pace of work at the Corporation is indeed slow. Fresh tenders for resurvey of the seabed are still in the preparatory stages, seven months after the decision was taken to invite bids. "We have started the process," explains Deshpande, deputy municipal commissioner. "By March 1989, the resurvey work should be complete. The work on the two outfalls will commence by early 1991." The period of the contract of the corporation's consultants, B&P, however, expires in 1992.

Whether the entire Bombay II Sewerage project will be completed by then or not remains to be seen. What is more than obvious is that the project — for which the World Bank has already paid its commitment of US $ 196 million — has become a white elephant for the BMC as well as for the residents of the city who will ultimately have to shell out the extra cost in increased taxes. Dubbed as the largest sewerage project in Southeast Asia, the Bombay II Sewerage Project does indeed seem to be a "multicrore fraud" as the erstwhile chairman of the BMC Standing Committee, Pushpakant Mhatre said in a letter to the Commissioner. "The stench emanating from the sewerage project deal stinks worse than Bofors," Ramesh Joshi concludes.

■ SHEKHAR GHOSH

Top of the pack rating

Know what? Two Indian lending institutions have been assigned prime-1 (P-1) rating by the New York-based Moody's Investor Services. After several months of preparation which culminated in presentations made by a team each from the State Bank of India (SBI) and the Industrial Credit & Investment Corporation of India (ICICI) to Moody's, both secured a top of the pack rating.

While the ICICI rating applies to its existing $ 150 million Eurocommercial paper (ECP) programme (issued in October 1987), SBI's rating applies to its commercial paper issue in the US market. The ratings indicate that the issuers (SBI and ICICI) have a "superior ability" for repayment of short-term debt obligations.

SBI has won another feather in its cap by getting an A2 rating from the other world renowned rating agency — Standard and Poor's (S&P), also based in the US. This applies to a long-term debt obligation for a US $ 200 million issue in the US commercial paper market.

Ratings, rating agencies, and rating concepts are an established feature of US capital markets. Over the years they have also become popular in international finance markets. In 1987, with the creation of the Credit Rating and Information Services of India Ltd (CRISIL), a joint venture between the banks and ICICI, a beginning was made for independent rating of debentures and fixed deposits of Indian companies. It is expected that equity issues will soon be rated by CRISIL.

Eurocommercial paper along with Euronotes are short-term unsecured promissory notes that are issued in discount or interest-bearing form. Approximately $ 20 billion of these short-term debt instruments are outstanding in the market. However, the US commercial paper market is very much larger with outstandings of US $ 300 billion. It is a prerequisite for any issuer of US commercial paper to get a credit rating before the issue. Which is why SBI first got a rating for its $ 200 million US commercial paper issue which opened on 20 September. The same does not apply to the Eurocommercial paper markets.

What purpose does a credit rating serve? "The credibility of the borrower (issuer) gets established," says Lalitha Gupte, assistant general manager, ICICI

Gupte: "borrowing from the capital markets works out cheaper"

"A rating enables you to bring down costs. A few months from now I will be able to say how much," she adds.

Obtaining an international credit rating is part of the long-term borrowing strategy of ICICI and the government of India. "We are going to borrow not only from multilateral agencies but also from the capital markets which works out cheaper," says Gupte.

In the international market, many investors usually go in for rated paper. The reason is simple. An investor in Japan, for instance, is not in a position to do a detailed analysis of a sovereign risk. The investor may not have the information and the wherewithal to do an analysis of, say India. "So investors look for a credit rating by Moody's or S&P's which is a measure of the credit-worthiness of issuers whether they are companies, banks, financial institutions or government-owned agencies," comments Gupte.

Increasingly, investors are relying on formal credit ratings as major bankruptcies and debt reschedulings reduce the credibility of less formal credit judgements. Credit ratings help investors by providing an easily recognisable, simple tool to estimate the credit quality of unknown issuers — municipal issuers, sovereign governments such as the UK and Finland, and companies such as National of Japan and International Computers, UK. Many issuers sell bonds with varying security pledges, such as first mortgage bonds and sinking fund debentures, and also issue bonds that are on call and are convertible.

A handbook published by S&P says, "Ratings are of value only as long as they are credible. Credibility arises primarily from the objectivity which results from the rater being independent of the issuer's business. The investor is willing to accept the rater's judgement only where such credibility exists. When enough investors are willing to accept the judgement of a particular rater, that rater gains recognition as a rating agency." Both S&P and Moody's have no government backing or mandate. But over the years both have evolved and today their ratings are considered the top two credit ratings of the world.

Says S.Gupta, chief general manager, international division of SBI, "The commercial paper market has several definite advantages over the loan syndication market." According to him while the former is long-term in nature (2-3 years) the CP market maturity ranges between seven days and 270 days. "By its very nature the loan syndication market is very small as the source of funds is limited to the banks. In contrast, commercial paper issued in the capital market have a much wider source of funds. It includes mutual companies, insurance companies, corporate money managers and trusts," says Gupta. SBI entered the CP market because of the several advantages it offered: cheaper and bigger markets and wider publicity among investors. "Currently SBI is known to a hundred banks. After the CP issue and once there is active trading in the exchanges SBI's access would widen to 10,000 banks," predicts Gupta. Once investors become familiar with India and Indian institutions, the country can improve its rating even further from the current A-2 rating to possibly a A-1 rating for long-term debt. 'This will not happen overnight. But it is worth it," says Gupte.

How much do ratings cost? In the Moody's investor services, the fee for short-term bank obligation ratings is a $ 10,000 basic annual appraisal charge plus a supplementary quarterly charge. The maximum supplementary charge is $ 6,000. The basic annual appraisal charge for long-term ratings is $ 15,000. Which is a small price for greater access and deeper penetration at competitive costs in the international finance markets.

■ BASUDEV DASS

There's Rs. 12 Crore Worth of Back-Up Service Behind This.

To understand the reason why Tata Telecom has invested so much, you'll need to know the business Tata Telecom is in.

And if you're in the market for a Digital EPABX System – the facts will be of even greater interest to you.

Technology from Oki of Japan.

Tata Telecom is working with technical assistance from OKI Electric of Japan.

OKI is a world leader in the field of telecommunication.

OKI's technology is state-of-the-art, which makes it relevant to today's needs – and to those of the future.

Rs. 12 crore Worth Of Back-Up For Quality And Service.

Besides the hardware, Tata Telecom has built a comprehensive infrastructure for quality service to customers.

The company has invested Rs. 12 crore in this project, in sophisticated computerised test equipment – so that every component can be checked for 100% performance. And that diagnosis is immediate and rectification rapid.

The Tata Commitment.

Tata Telecom is here to stay – with an automated assembly and testing facility at Gandhinagar, Gujarat.

Key personnel have been intensively trained in Japan.

Tata Telecom has done all this to meet the challenge of the future. To bring you EPABX Systems that will change your life. For the better.

For further information on
TATA TELECOM
DIGITAL EPABX SYSTEMS
Contact
SALES OFFICES:

1209, Raheja Centre, Nariman Point,
Bombay 400 021.
Tel: 2873128, 2873129.
Tlx: 011-5329.

Devika Tower, 2nd Floor,
6, Nehru Place,
New Delhi 110 019.
Tel: 6434067.
Tlx: 031-71407.

5E Park Plaza, 71, Park Street,
Calcutta 700 016.
Tel: 294978, 292055.
Tlx: 021-7733.

1D-Apex Plaza,
No. 3, Nungambakkam High Road,
Madras 600 034.
Tel: 476266.
Tlx: 041-8171.

TATA
TELECOM

TECHNOLOGY FOR THE FUTURE WORLD

JERRY RAO

NRI INVESTMENT

Housing could be the answer

Given that fresh NRI money is the need of the hour, innovative options are worth considering on how it can be accessed. The basic objective of any new initiative ought to be to get money that has not previously contemplated entry and money that will actually stay. Considering the fact that, currently, investments in financial assets (bank deposits, bonds, equities) are primarily in repatriable categories, it is unlikely that there will be much investment in such financial assets on a non-repatriable basis. One area the inflow of NRI funds can be increased considerably is investment in real estate or housing. With the return-to-roots theme being discussed so often these days, this proposal could have major significance.

Many NRIs are likely to view such an investment, as one made in a retirement home for their old age. Thus the issue of repatriation will not arise. And many NRIs will not mind investing on a non-repatriable basis because one's bond towards one's home are clearly different and distinct from connections with investments in some company's equity or as bank deposits. It is a known fact that the world over, private wealth is mainly invested in real estate, primarily housing stock.

However, it should be understood that logically NRIs are not going to invest in houses for rental purposes. They will either house family members or keep the premises vacant till they come back to India. This follows simply because the laws in India, relating to access, possession, right to occupy, eviction, etc, are clearly in favour of the tenant. In fact, the general feeling is that once a house has been rented out, the tenant cannot be evicted or removed.

But investments in houses which have to be kept vacant are not attractive, and rightly so, from two viewpoints. First, the NRI investor in housing stock would be keen to ensure that, apart from the initial outlay, he does not have ongoing cash outflows. In other words, some income on the investment — necessarily rent — must cover payments like municipal taxes and society and maintenance charges. It will be difficult, to the point of impossibility, to persuade persons to invest a large sum in a house and then keep remitting more and more funds for maintenance and overheads each year.

Second, the principal purpose of encouraging investment in housing is to make more housing stock available to more people and thereby bring down rents. Keeping houses and flats vacant will not serve this purpose at all. In fact, by keeping vacant housing, one would contribute to the creation of isolated pockets, leading to price escalations and social tensions.

Leverage would of course be desirable from the investors' point of view. They would like to borrow as much as possible in rupees to finance their housing investment. This, however, does not meet the nation's objectives. We would like them to borrow as few rupees as possible and remit in as much foreign exchange as possible.

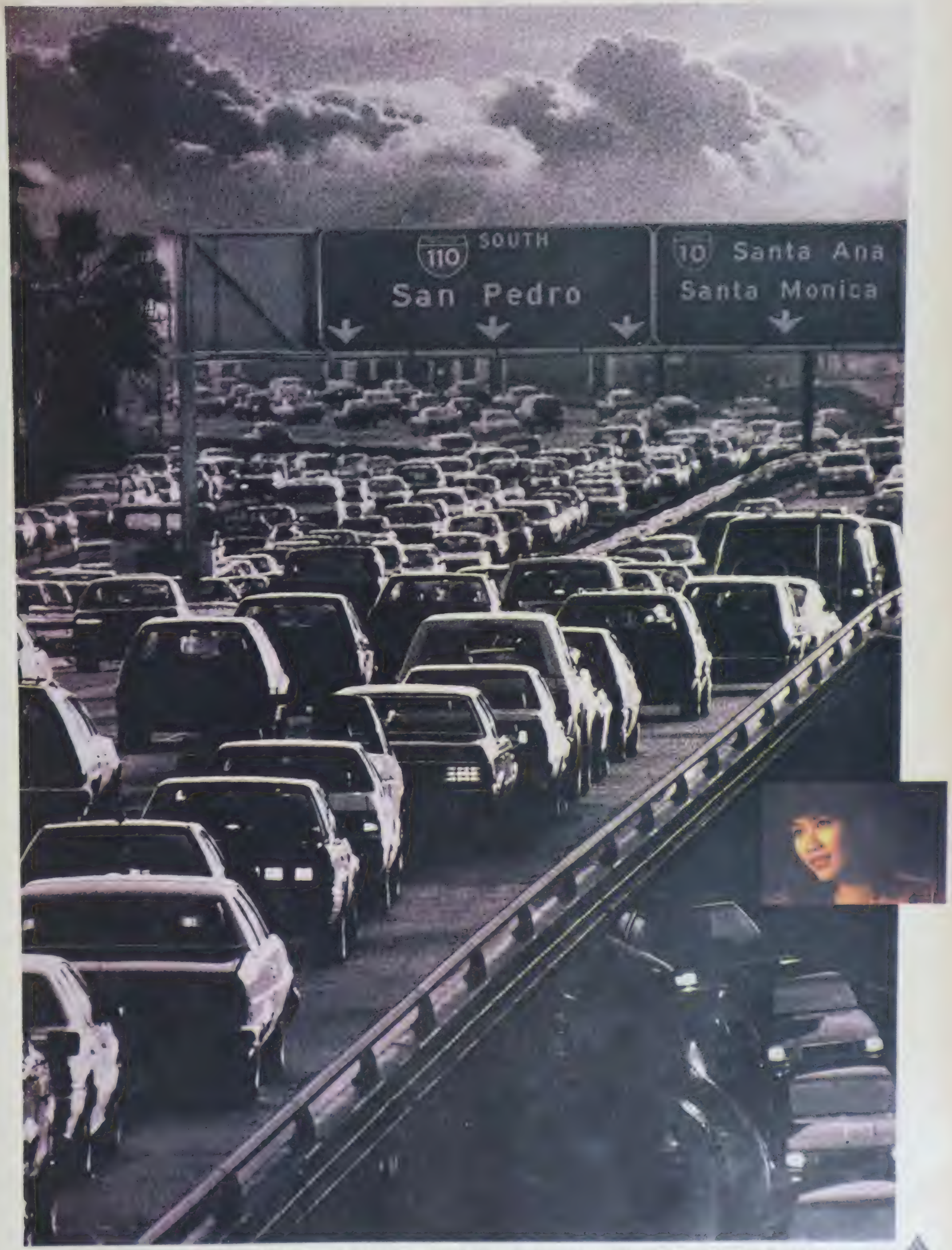
Keeping all these points in mind, a workable proposal could be along the following lines.

- Investments should be allowed only for the acquisition on construction of new houses. The state and local governments should be asked to demarcate areas outside specified cities where the legal tenets of ownership and eviction are not present or applicable. Builders and land developers must only be allowed to sell houses in such marked areas to NRIs against payments made to them through authorised foreign exchange dealers.
- Builders to be permitted to import special fixtures and should be encouraged to set up and organise housing maintenance companies. These companies to maintain, manage and rent out houses or flats on behalf of NRIs.
- Rental income less maintenance charges, property taxes, fees paid on partial rupee finance to be liable to Indian income tax at a flat rate.
- Net amount to be credited to NRI accounts and to be available for the use of NRIs upon visits to India, but not to be repatriable.
- Transfer of property from one NRI to another with consideration paid outside India to be allowed by simple registration process without incidence of income/capital gains tax. Stamp duties to be minimal. Even transfers to a resident to be permitted freely and gains to be exempt from tax, but no permission to repatriate proceeds which have to be credited to an NRI account.
- Gifts of these properties to other NRIs or to residents to be exempt from gift tax.

However, there may be some problems. First, the need to involve a variety of state governments in ensuring appropriate protection from rent control and tenancy rights legislation will present a problem of logistics. Second, granting of what may appear to be special privileges to NRIs may give rise to a demand for similar facilities for residents.

This, however, may represent a boost for the housing industry in general. As long as the thrust remains on new construction that adds to housing stock in the country, such an approach merits serious consideration. With the NRIs, there is the added plus point of non-repatriable investment flows that augment foreign exchange reserves.

The author is vice-president and country business manager, consumer services group, Citibank. The views expressed in this article are entirely the author's and not the bank's.



WHY DO THEY CALL THEM FREEWAYS? STEVE BESSAC, A STANDSTILL FAN, THE LAST TEN MINUTES GOOD THING THERE'S A BRIGHT SPOT ON THE HORIZON — HOME. SEE SIGNATURE SOUNDS BEHIND THE WHEEL

GRAB SOME LAND

...ation of government of Gujarat ...ing reappraisal of the long-term ...nitisation programme

...directors hope that with the ...augmentation of resources, the ...ration of employees at all levels, ...ankers, financial institutions, ...ment of Gujarat and share- ...nd debenture holders, the com- ...would improve its performance ...the current year.

...company has once again started ...nufacturing activity and it is ...t that full activity would be ...as early as possible.

Petrochemicals

Petrochemicals Ltd. has com- ...l trial production of high purity ...letter of intent to manufacture 20 lakh digital and ana—digi watches. The company has to export 10 per cent of its production.

The company's factory at Hasur near Bangalore, continues to make good progress. Its product line consists of over 150 models of watches for ladies and gentlemen, which have found enthusiastic acceptance with the Indian public.

Phillips Carbon Black

The last date for applying to the offer for sale of 14,97,747 shares of Rs 10 each at a sale price of Rs 26.75 per share by Phillips Petroleum Co. USA on rights basis has been extended up

During the year, sales have risen by 8.05 per cent from Rs. 14.74 crores to Rs. 15.93 crores and profit before interest charges at Rs. 1.48 crores as against Rs. 1.22 crores in the preceding year.

Carborandum Universal

Carborandum Universal has recommended a final dividend of 11 per cent on the enlarged capital which, along with the interim dividend of 7 per cent already paid, represents an increase of about 25 per cent over last year's dividend quantum.

The company is embarking upon a programme of technological upgradation for the manufacture of bonded abrasives to manufacture improved products so as to meet the exacting needs of user industries.

Crop residues are an efficient source of power since the ash content of the residues match that of good-quality, low-ash coal and give as much calorific value as coal, according to a study conducted by the National Foundation of Indian Engineers (NAFEN).

Moreover, the combustibility of agro-waste is uniform and does not need the low-load oil support as in coal combustion.

NAFEN has prepared a report on 'Technology transfer in non-conventional, energy — power or district heating plants.' "The report, it claims, will be useful to developing countries which could, then, generate power from agro-residues with the foundation's help.

morning's Fix, reports KRF

The dollar straightened on overseas bourses trading. Lower oil prices weighed on sentiment, though traders said there was reluctance to push prices too low ahead of the weekend.

Silver was at $6.72-6.74 up 4C from midday and 7C higher on the day while platinum was off $3.00 at 498.00-490.00.

New York: Analysts attributed the lacklustre performance in the precious metals both today and this week to uncertainty among traders about the direction of the US dollar against foreign currencies.

Gold closed $1.00 to 1.30 lower with Jan down 1.00 at 477.50, said Feb down 1.00 at 477.80. Estimated volume was 29,000 contracts with 4,637 switches, and 4,500 options with 866 switches. Dealers quoted spot bullion at $477.60 to 478.10.

Silver closed 7.5 to 7.6 cents higher with Jan up 7.6C at $6.778 and Mar up 7.5C at $6.830. Estimated volume was 12,800 contracts with 151 switches, and options volume was 1,500 contracts with 34 switches. Dealers quoted spot bullion at $6.78 to 6.80.

Platinum closed 90 cents to $1.10 lower with Jan down 98C at $491.80, and Apr down 1.10 at $497.60. Estimated volume was 2,102 contracts. Dealers quoted spot bullion at $491.00 to 492.00.

Congress

...ued from page 5, col. 8

...ural Research States "The ...on renewable energy ...s already undertaking re- ...biogas technology at sev- ...ons. Even the very few ...plies hardly touch upon ...nce of recommendation ...is spurt.

...tual added to these per- ...ves year to year was the ...a general plenary session ...e for Peace" along with ...cering on the same topic ...To coincide with the ...ession too was organised. ...he presented a pathetic ...e the director of the ...ophysical Research In- ...V. K. Gaur the lone ...European

Incentives needed for pvt sector debenture issues

By a Staff Reporter

NEW DELHI, Jan. 23.

The Federation of Indian Chambers of Commerce and Industry (FICCI) has urged that debenture issues of private sector companies should be given the same incentives as are available to public sector bonds.

Speaking on 'Economic situation and budget' at the meeting of the Rotary Club of Delhi Mid-town here today, FICCI president, Mr K. S. G. Haja Shareeff stated that the capital market had been dichotomised because of the special concessions given to public sector bonds. As public sector bonds were made to [illegible] concessions both equal terms and conditions.

Mr. Haja Shareeff said that the revival of the capital market was of utmost importance to enable the private sector industry to raise necessary funds from this source. Equally necessary is to exempt capital gains from tax if these are reinvested in shares within the specified period. This will divert resources from non-productive or less productive uses to the capital market which can direct them to industrial development.

With a view to stimulating demand it was necessary to liberalise credit and monetary policies [illegible] institute a system by banks. Such [illegible] of consumer [illegible] accelerate expansion of industrial production and provide larger revenue to the government by way of higher excise and sales tax collection. Moreover, fiscal measures need to be taken to reduce the cost of production. These could include reduction in customs duty on capital goods which cannot be produced within the country and abolition of excise duty on capital goods.

Mr. Haja Shareeff also stated that it was imperative to raise the tax exemption limit on personal income from Rs 18,000 [illegible] 25,000 and reduce the rate of [illegible]

Market tre

Silver low

By Our Market Report

DELHI, Jan 23

...precious metals slumped ...the local bullion market ...today. In the absence of demand Silver prices drifted lower by Rs. 30/65 per kg and yellow metal by Rs 10/20 per 10 gram.

Silver 999 dropped sharply by Rs 65 at Rs 6005 per kg, owing to increased offerings from [illegible] along with absence of [illegible]

...on reports of ...gram com... Maize drops ...poor enquiry ...turers

Mustard

Delhi Mu... Rs. 25/50 pe...

Get into the headlines!

...ion of the public ...ose assembled in- ...ensists under the ...of. C. N. R. Rao ...ign a pledge that ...articipate in any ...o nuclear weapons ...When members of ...Prof. Rao the fol- ...ther the signing of ...ted that the

...debenture issues of private sector com... ...panies.

He felt that competition between public and private sectors has to be on

He suggested reintroduction of excise duty rebate scheme similar to the one that was in vogue during 1976-79 to

...level of ... companies with a lower tax of around 30 per cent for smaller companies.

21 cos to raise capital

...Spec...

Excellent industrial sites at Kerala (Dist. Ahmedabad) give you a competitive edge.

Just 45 kms away from Ahmedabad, industrial land is selling for one-third the price prevailing in the neighbouring city!

As an entrepreneur you know what that means to your business. Lower infrastructural costs. Better margins. And a chance to make headlines with your successful project.

On the Bavla-Bagodra road, Kerala has every conceivable infrastructural facility needed for your project, including readymade sheds.

Besides adequate water and power supplies, transportation and communication facilities too are well developed.

An ideal location for engineering industries, labour, both skilled and unskilled, is easily available thanks to the proximity to Ahmedabad.

And naturally, this proximity also means that the social infrastructure your managerial personnel will need is not far away.

To top it all, new units in Kerala are eligible for attractive incentives under Category IV...

Subsidy : 20% of the fixed capital investment for small scale units and 15% of the fixed capital investment for medium/large scale units: or Rs. 25 lacs. whichever is less.

Sales tax exemption : 50% of the fixed capital investment for small scale units and 40% of the fixed capital investment or Rs. 60 lacs, whichever is less, for medium/large scale units. For a period of five years from the date of starting production.

Sales tax deferment : 45% of the fixed capital investment for small scale units and 30% of the fixed capital investment or Rs. 40 lacs, whichever is less, for medium/large scale units. For a period of five years from the date of starting production.

This gem of a location is just one of the many that Gujarat has to offer. All complete with necessary infrastructure. And situated close to urban conglomerates.

Kerala is a site worth seeing. Check it out right away!

Contact :
Marketing Officer

Gujarat Industrial Development Corporation
3rd Floor, Fadia Chambers, Ashram Road
Ahmedabad-380 009. Tel. : 401671-6

If you are in Bombay, contact

Gujarat Corporations
Khetan Bhavan, 1st Floor
198 J. Tata Road, Churchgate, Bombay-400 020.
Tel. : 222165, 222146, 222087, 222474.

Shilpi 2 GC 28/88

ELCOT

Fresh energies for electronics

The governor's package of incentives seems to have had an energising effect on the electronics industry in Tamil Nadu. The state has been lagging behind neighbouring Andhra Pradesh and Karnataka, and it has been relegated to the seventh position in the country. "For the last two years, preceding President's rule, no major products in electronics received clearance," observes an industry spokesman. Industrialists have still not forgotten the manner in which the Texas Instruments project was lost to neighbouring Karnataka.

Under the package, sales tax concessions granted have rendered products manufactured in the state cost competitive. The electronics industry in the state is making efforts to get on an even keel while the climate is encouraging.

Leading the pack in this attempt is the state-owned Electronics Corporation of Tamil Nadu Ltd (ELCOT). "Hard decisions have been taken; the corporation has disinvested in projects which have not been worthwhile and has simultaneously taken on new projects with private sector promoters in order to reach a turnover of Rs.43 crores by 1989-90, from the current turnover of Rs.15 crores", says Elcot chairperson, S. Sathyabama.

Elcot has, since 1980-81, accumulated losses of Rs.3 crores. During 1987-88, its net loss was reduced to Rs. 6.7 lakhs, and as per its projections, it should reach a no loss position this year. "Our accumulated losses will be wiped out by the end of the Seventh Plan," says Sathyabama. "Most of our units are either expanding capacity or are on the verge of declaring a dividend," she adds.

This will include Sears Electronics Ltd, the joint sector TV manufacturing company; Elcot Power Controls Ltd and Kody Elcot Ltd; Telematics Systems Ltd, which manufactures push button telephones instruments; and Infotech Ltd, which undertakes turnkey computer projects.

Available resources will have to be invested wisely in order to maximise returns. (The budgetary allocation for the Seventh Plan was Rs.10 crores, though this is likely to increase to Rs.13 crores by the end of the plan period.) As a first step, two companies have been privatised. Elcot disinvested its holding in Advent Computer Services Ltd, a small venture engaged in software exports, in which it had originally sunk Rs.2.5 lakhs. "We realised that even if this company paid a dividend of 200 per cent, the return on investment would not render our involvement worthwhile," says Sathyabama. Its public sector aluminium electrolytic capacitor project has also been converted into a joint sector venture with a private promoter from Madurai.

New investments henceforth will be made only in joint sector companies. "This is necessary since none of our companies have stabilised sufficiently to merit additional borrowing from the market," explains Sathyabama. Elcot has plans to move out of consumer electronics. Besides catering to the needs of the defence sector, it will be involved with telecommunications and professional electronics. It will continue to make TVs, but has decided to opt out of watch making. Its attempt at manufacturing digital watches based on the Hitachi module supplied through Semi Conductors Ltd cost it a loss of Rs.8 lakhs. Competition from smuggled watches, company sources say, resulted in a capacity utilisation of a mere 15 per cent.

Available resources will have to be invested wisely in order to maximise returns. (The budgetary allocation for the Seventh Plan was Rs.10 crores, though this is likely to increase to Rs.13 crores by the end of the plan period.) As a first step, two companies have been privatised. Elcot disinvested its holding in Advent Computer Services Ltd, a venture engaged in software exports...

Observers of the electronics industry feel that the corporation is now learning to make the right choices for projects. Also, according to a company source, "With the encouragement given to electronics in the state, larger groups like Amalgamations, Peico and Indchem Electronics are now willing to team up with Elcot in new ventures." The first, ie, Amalgamations, is to set up a 100 per cent export unit for printed circuit boards at the Madras Export Processing Zone with Elcot. Peico is involved in a venture to manufacture rural electronic exchanges with technical knowhow from TRT of France. Indchem Electronics and Elcot will together manfuacture micro-communication equipment for the railways and the ONGC. A project to manufacture soft filters for TV with Anand Electronics is on the cards. With Electroscan Ltd, there are plans to manufacture high voltage line output transmitters to be used in colour TVs.

"The climate has certainly changed since 1987, when I took over. We were then trying to push through a few select projects. Now we are flooded with enquiries and project proposals," says Sathyabama. So, on the drawing boards are projects to manufacture cable harness systems, industrial safety control systems indigenously developed metering systems and instruments and hybrid circuits — in collaboration with Sietex, a local SSI success. Elcot hopes dividends within five years of starting commerical production in these projects.

"It is now time for the centre to step up public sector investment in electronics in Tamil Nadu, so that the state can gain ground in the field," says M.M. Rajendran, chief secretary, Tamil Nadu. Hindustan Teleprinters Limited and BEL's supporting centre, to cater to the Avadi tank factory, are about the only instances of such investment in the state. "The state can not even boast of a research laboratory in electronics," says one industry source.

In the absence of major public sector investment, "the spread effect with smaller units coming up has just not happened", observes Sathyabama. However, Elcot is making an attempt in this direction. "Hosur is now being promoted as a centre suitable for locating electronic units," she says. Coimbatore and Madurai also present several possibilities. While the former is noted for its light engineering units, the latter is geared towards auto ancillaries. "The attempt is to use that reservoir of expertise to encourage units related to these field," says Sathyabama.

The other drawback which Elcot had, particularly in the earlier days, was the absence of a technocrat to head its operations. "For the first time, we have a person like G.V. Ramakrishna, who understands electronics," comments an industrialist.

Elcot's efforts are being watched keenly, as they signify fresh hopes for the electronics industry in the state.

■ DHARANI K. PANI

"As a leader in business, I am here to set an example...

I am very careful, very selective... about my official dealings, my reputation.

Even my associates.

Naturally, when it comes to general insurance I prefer the leader as well.

New India, of course."

Leaders have a habit of gravitating towards leaders. That's why New India is the company of choice for most.

Today, it's a company with a Rs. 500 crore premium, with a national and international presence. Amongst its clientele are the largest, most successful business houses...

As well as people from all walks of life, every section of society... both urban and rural.

Because New India has innovated many insurance covers. The range exceeds 75... to meet any and every need. Through a giant network of over 1000 offices in India and abroad.

To retain leadership, New India offers something special with every cover...

The personal touch...

A genuine concern for each and every customer shared by 4000 inspectors and the over 16,000 strong New India family. Internationally.

You name the risk. We insure it.

NEW INDIA ASSURANCE

A subsidiary of the General Insurance Corpn. of India

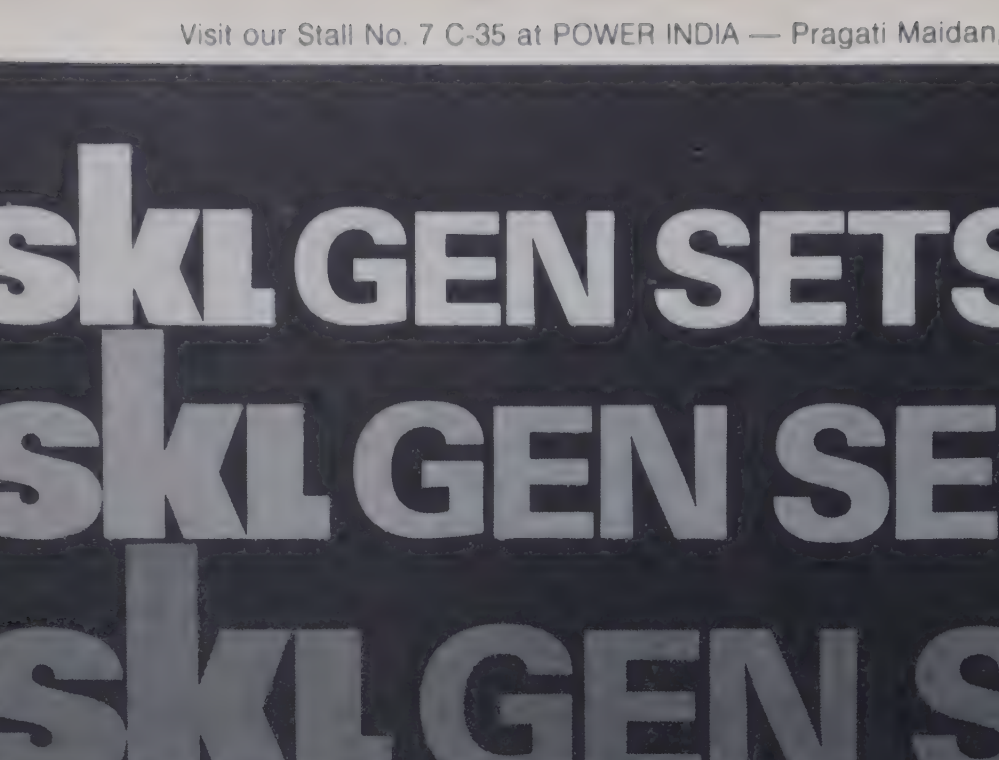
The New India range of assurance covers:
Industrial: Business Interruption, Loss of Profit, Third Party Liability, Public Liability, Machinery, Boiler and Pressure Plant, Workmen's Compensation, Contractors' All Risks, Marine-cum-Erection, Money in Transit, Product Liability. **Commercial:** Fidelity Guarantee, Marine, Combined Fire and Theft, Professional Indemnity. **Personal:** Mediclaim, Unborn Child, Personal Accident, Householders' Policy. **Rural:** Livestock, Agricultural Pumpset, Janata Personal Accident, Gramin Personal Accident. And many more...

CONTOUR ADS-NIA-29C/88

Visit our Stall No. 7 C-35 at POWER INDIA — Pragati Maidan, New Delhi. Between 5th to 8th October, 1988

SKL GEN SETS
SKL GEN SETS
SKL GEN SETS
SKL GEN SETS

we engineer RELIABILITY



SKL 1150 KVA Diesel Generating Set
specially designed for the Indian climatic conditions

1150 KVA • 1050 KVA • 1450 KVA

Backed by four decades of experience and continuous technological research and development, SKL Diesel Generating Sets are sturdy, reliable and provide long lasting economy.

Special Features :

- Low consumption of fuel
- Round the clock operation
- Easy maintenance and long service life
- Possibility of operating on heavy fuel
- Multiple sets can run in parallel
- Original spare parts stocked in India

Kanubhai Engineers have sold and commissioned over 800 SKL Diesel Generating Sets in India. We have trained personnel in all our offices and can help you plan and erect a complete power station from designing to complete erection on turnkey basis.

Call or write to us today for a brochure.

Power is critical to your industry, contact the experts.

Manufactured by :
VEB SCHWERMASCHINENBAU
KARL LIEBKNECHT
MAGDEBURG, G.D.R.

Exported by
TECHNOCOMMERZ
Volkseigener,
Außenhandelsbetrieb
DDR-1086 Berlin, G.D.R.

Sold & Serviced by :

KANUBHAI ENGINEERS LTD.

- Sir RNM House, 3B Lalbazar Street, Calcutta 700 001. Phones : 288507 • 288508 • 282283 Tlx.No. 021-3532
- 117, Bajaj Bhavan, Nariman Point, Bombay 400 021. Phones : 2023237 • 2023320 • 2026718 Tlx.No. 011-4763
- 30 Motia Khan, Jhandewalan Road, New Delhi 110 055 Phones : 775079 • 774072 Tlx.No. 031-61631
- 5, Smith Road, Madras 600 002. Phones : 861565 • 861554 Tlx.No. 041-6932

SGS/KE/1/88

Government-industry dialogue at last?

Both the LDF government in Kerala and the state's industrialists seem to be realising that constant battles will get them nowhere. On 15 August, the two sides got together at a round table conference to discuss the problems faced by industry and the ways in which entrepreneurship would be encouraged. The theme of the conference: "Creating a climate for industrial growth and employment." On the one hand, were representatives of chambers of commerce and industry, organisations of planters, employers and industrial consumers and on the other, the chief minister with the ministers of industry, finance and power, top officials of the industries and electricity departments and the board of revenue, and the vice-chairman of the state planning board.

The industry's point of view had been laid down in a background paper on the problems and prospects of Kerala's industrial scene. One major hurdle is the negative image of the state that most entrepreneurs harbour: brittle industrial relations; high wages without correspondingly high productivity; a government which shuns modernisation in industry. Add to this the current power crunch, and you have some very powerful reasons not to invest in Kerala.

Industry in Kerala wants the state government to "demonstrate by words and deeds" its commitment to industrial development, including automation and mechanisation. And this should be supported by discouraging "unlawful" trade union activities. As one committee had observed, no policy statement on industrial relations by a coalition government will carry conviction if it is not supported by a joint declaration by the constituent political parties.

In improving productivity standards, industry wants the state government to propagate collective agreements that include productivity schemes too, besides the usual wage and bonus components.

For power, since the gestation period for new projects is 7-10 years, industry proposes a short-term contingency plan. This stresses better maintenance, reduction of transmission and distribution losses and rapid completion of ongoing projects.

According to industry, the state's development planning has been lopsided. The social services sector has got top priority at the expense of agriculture and industry. Moreover, say industry representatives, the state's educational programme is not employment-oriented. Rather, it generates individualism, a preference for salaried jobs and no "entrepreneurial elan".

This calls for recording priorities in development expenditure, say Kerala's industrialists. Industry gets merely 7-8 per cent of budgetary allocation, while education and health services grab over 70 per cent of revenue expenditure. The resulting pressure on the budget necessitates frequent changes in tax rates. Moreover, Kerala's sales tax legislation is far too complex and a major impediment to growth. This has pushed some trading activity to neighbouring states.

Industry also feels that investment clearance is too cumbersome and time-consuming in Kerala, notwithstanding the government's announcement of an escort service. A prospective entrepreneur has to cope with nearly 14 agencies before he can set up shop. Industry's suggestion for a solution is the single window, single counter approach.

One point on which the government and industrialists agree is the need for greater central investment in the state. During 1985-86, the share of central investment in non-departmental undertakings was Rs.920 crores out of a total investment of Rs.56,695 crores — a meagre 1.6 per cent.

Cochin port, an all-weather seaport, and still the linchpin of Kerala's commerce and trade, needs to be modernised, especially in container operations.

The Kerala government's responses at the round table were not unpredictable. Chief minister E.K. Nayanar said his government would not tolerate violence and gheraos. But the police would not be used to suppress peaceful agitations. He also said industry should not blame labour for every problem.

According to the industries minister, K.R. Gouri, the government recognised the need to link income to output through incentive schemes, provided these did not go against worker interests. She also declared the rubber-based industry a thrust area with special concessions for purchase and sales tax, plus capital subsidy.

Defending the recent hike in the electricity tariff, T. Sivadasa Menon, electricity minister, stressed the need to conserve energy. By the turn of the century the demand-supply gap would be 20,000 MU. Finance minister Viswanatha Menon brought no cheerful news about the state's tight ways and means position. He asked for concrete suggestions on how to boost the state's revenue without hurting commerce and industry. Menon also said he was ready to talk again with the tea trade to prevent the auctions being shifted from Cochin to Coimbatore.

Perhaps the only tangible outcome of the conference was the call to set up a compact senior-level core committee to meet twice a year to interact between government and industry. Despite the plethora of committees, this is decidedly a sound idea — if the outcome is not confined to mere verbiage.

Clearly, industry and government in Kerala are a long way from finding comfortably common ground. Industry's opinions on development expenditure are unlikely to go down well with Kerala's government and its people. After all, as internationally acknowledged, the state's physical quality of life is superior precisely because of such expenditure.

What is clear, however, is the need for a receptive and candid dialogue. And that now seems to be possible in Kerala.

■ KG KUMAR

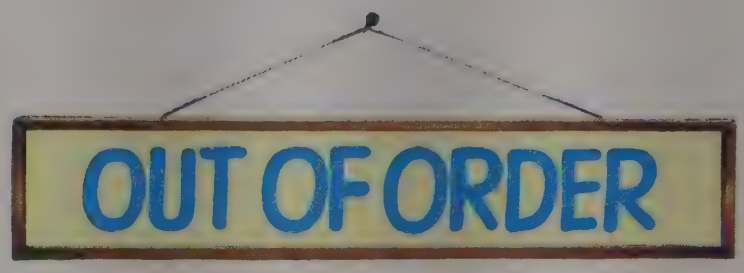
Kerala's industrial production

(Base 1970-71 = 100)

Year	General index of industrial production
1980-81	187.10
1981-82	180.51
1982-83	158.59
1983-84	139.06
1984-85	183.57
1985-86	200.60
1986-87	209.00

Source: Directorate of Economics and Statistics, Kerala

NOW THAT YOU'VE EXPER
TELEX, MAIL AND COURIEF
THE IDEAL MESSAGING SY



Getting the word across has never been easy. Surprisingly, even in this age of information, it remains fraught with problems. The mail can slow down to a crawl, or vanish entirely. Telex lines always seem to be down when a crisis comes up. Or a perfectly sensible message emerges as a hopeless scramble. So you pick

up the telephone. And by the time you've finished screaming across 1000 miles of noise, you've run up a hefty STD bill. Which might still be acceptable compared to what a courier charges.

THE IDEAL SOLUTION.

And now for the TEXTEL. The TEXTEL is really the optimal solution for messaging within any organisation having dispersed operations. It provides a quick, efficient, and inexpensive link between, say, branches or offices in different cities. And it does this by using the existing telephone line. The TEXTEL sends and receives messages at speeds up to 1200 bauds, nearly 20 times that of telex. While the money savings from this are obvious, they represent the mere tip of the iceberg.

IT REMEMBERS—TO SAVE YOU MONEY.

The automatic transmission functions of the TEXTEL make it possible to take full advantage of night-rates. A stack of messages could be stored in the memory and sent at the required time. Likewise, all incoming messages are stored in the memory for future recall and reference. In addition, all messages, whether incoming or outbound, are automatically printed out, complete with relevant details. A unique feature

is the battery-protected memory, immune to power failure.

While the speed of sending make the TEXTEL a perfect alternative to long and wasteful STD conversatio the importance of voice transmissio is not lost. The TEXTEL retains full voice capabilities, and it is easy to switch back and forth between data and voice.

NO AC. NO RESTS.

Unlike other messaging systems, the TEXTEL can function without ai conditioning or expensive protectio You can take it to ridiculous extremes—down to freezing point c up to a blistering 45°C. It will take such conditions smoothly in its stric In fact, the TEXTEL is rugged enou to run non-stop for 365 days a year.

NO ERRORS.

Another unique feature of the TEXTEL is its ability to detect errors and correct them automatically. The TEXTEL even goes beyond this. It compensates for any line fault or disturbance by slowing down transmission to the maximum rate that will result in no errors being generated. And it does all this

NCED THE TELEPHONE, YOU'RE READY FOR TEM.

utomatically, with no need for human ntervention. Which also makes it a erfect long-haul terminal.

WHAT ARE THE OPTIONS?

All of which really stacks up to what ve said in the beginning. That the TEXTEL is the ideal messaging system. But in all fairness, you should know what options you can find in he market today.

There are, of course, the telephone, elex, mail, and courier, which we've already gone over. There is the magic machine—FAX. Even discounting its astronomical cost, there remains the fact that only a miniscule portion of messaging needs to be pictorial.

And there are other messaging systems. At least, they are called as much. Even though they weren't designed for messaging in the first place. Expensive and over-equipped, they offer a great many features that you are highly unlikely to use, while

ЯORS ERRO 3 ERRORS E

compromising on what is really your primary requirement—messaging. Rather than build up a case against these options, we'll just return you to the case we have stated above—for the TEXTEL.

DEDICATED TO THE JOB.

The TEXTEL's main advantage is the fact that from the very beginning it has been intended for one specific purpose—messaging. This single-minded application can be summed up in one word—dedication. TEXTEL is the ideal messaging solution because it is the only dedicated messaging system.

ITL—A DALMIA VENTURE.

This dedicated solution comes from India Tele-Comp Limited (ITL), a dynamic new company whose mission is the creation of effective telecom solutions. Born from the pioneering spirit of the Dalmia group, ITL is today poised to unveil several new products, of which the TEXTEL is the first.

BRITISH TELECOM.

The technology for the TEXTEL comes from a world leader in tele-communications—British Telecom. And the Dalmia experience in India is the best promise of support and after-sales attention the TEXTEL can have.

In sum, if your organisation needs messaging, just call us, or mail the coupon, and we'll get there as fast as your message allows us to.

|T|E|X|T|E|L|

The dedicated messaging system.

Tell me more about the Textel as my ideal messaging system

Name _____

Designation _____

Company _____

Address _____

_____

Tel _____

For more information mail the coupon to:

INDIA TELE-COMP LIMITED

L-12, South Extension Part-II, New Delhi-110 049. Ph: 6462199, 6411764

Reg. Offices—New Delhi: B6/16, Local Shopping Complex, Safdarjang Enclave, New Delhi-110 029 Ph: 602318, 6872849.

Bombay: 101, Mittal Court, 'C' Wing, Nariman Point, Bombay-400 021 Ph: 245112, 2041465, 2028079.

Calcutta Ph: 440098, 440099 Madras Ph: 479854, 475451

Sundaram Finance Limited

Registered Office – 21, Patullos Road, Madras – 600 002.

Speech Delivered by Shri T S Santhanam, Chairman, at the Thirtyfifth Annual General Meeting of the Company held on 16th September 1988, at Madras.

Ladies and Gentlemen,

I have great pleasure in welcoming you all to the Thirtyfifth Annual General Meeting of your Company.

The Directors' Report and Audited Accounts for the year ended 31st March, 1988, have been with you for sometime and with your permission I shall take them as read.

WORKING RESULTS

You would have observed from the Annual Report that your Company had another successful year of operation in 1987-88, scaling new heights in various areas of performance. The total disbursements made by the Company during the year crossed the Rs. 100.00 crore mark. The total receivables under Hire Purchase and Leasing exceeded Rs. 228.00 crores at the year end. Your Directors have recommended a higher dividend of 20% for the year.

LENDING NORMS FOR HIRE PURCHASE AND LEASING COMPANIES

I welcome the revised guidelines announced by the Reserve Bank of India for lending by commercial banks to Hire Purchase and Leasing Companies. These norms are based on the recommendations of the Dahotre Committee. As far as Leasing Companies are concerned, the Reserve Bank of India have accepted the recommendations of the Dahotre Committee in full with regard to lending by commercial banks to the extent of 3 times the net-owned funds within the overall ceiling on borrowings of 10 times the net-owned funds.

In the case of Hire Purchase Companies, however, the same guidelines applicable to Leasing Companies have been adopted instead of the limit of 4 times the net-owned funds for bank lending in addition to 10 times the net-owned funds for public deposits recommended by the Committee. This may cause hardship to some Hire Purchase Companies in availing bank credit. The new parameters laid down by the Reserve Bank of India do not affect your Company in view of the substantial additions to reserves made year after year, in the past several years.

It will be pertinent to observe that the Reserve Bank have also directed the banks to take note of the depreciation or amortisation policy adopted by the companies in respect of their leased assets in arriving at credit limits. In this context, it may be noted that the Written Down Value method of Depreciation followed by your Company more than meets the guidelines and is widely appreciated by financial institutions, investors and depositors.

ACCOUNTING POLICIES

Consequent to the coming into force of the Companies (Amendment) Act, 1988, your Company has extended "accrual" basis for income-recognition and adopted the rates of depreciation under Written Down Value method as prescribed in Schedule XIV. The Institute of Chartered Accountants of India, it is understood, are finalising the Guidance Note on Accounting for Leases, to be applied prospectively, which may require amortisation of leased assets during the primary period. On the basis suggested in their draft guidelines, **even if applied retrospectively to your Company, the cumulative depreciation provided upto 31.3.88 is well above the amortisation charge by over Rs. 10.00 crores.** This has been made possible by the conservative policy of depreciation adopted by your Company, and the composition of the leasing portfolio under which long term leases for 8 years and above, constitute over 50%.

It will be relevant to note here that out of about 400 leasing companies promoted during the 80's, over 300 companies are either dormant or have diversified into other fields. Of the remaining companies, hardly a score of them amortise leased assets during the primary lease period itself.

MOTOR VEHICLES BILL 1988

The Motor Vehicles Bill 1988 has been passed by the Parliament and is awaiting the President's assent. This Legislation has many new provisions which safeguard the interests of hire purchase concerns.

SUBSIDIARY COMPANY

India Equipment Leasing Limited completed its first full year of operations in March '88. It made a Profit after tax of Rs. 40.75 lakhs, which has, with the consent of its shareholders, been ploughed back.

PROSPECTS

The total disbursements in the first five months of the current financial year aggregated to Rs. 43.48 crores as against Rs. 41.19 crores for the corresponding period in the previous year. The Stock-on-Hire and Lease Receivables as at 1st September, 1988, were Rs. 159.54 crores and Rs. 79.21 crores respectively.

Hire Purchase

The production of commercial vehicles has started showing improvement and the targets for Seventh Plan may be achieved. After four successive years of drought in many parts of India, we had good monsoon during 1988. There are indications of increase in agricultural production and consequent all-round growth in economic activities. Demand for vehicles, which has been stagnant for the past few years, will pick up and there is scope for increase in hire purchase business of transport vehicles, both in terms of units and quantum of finance.

However, there is intense competition in hire purchase business with many companies entering the field. Your Company is expanding its operations in Maharashtra and extending its activities to Gujarat. Your Company has substantially increased its hire purchase portfolio of passenger cars, jeeps and light commercial vehicles. Therefore, your Company expects a satisfactory growth in hire purchase business for the year 1988-89.

Leasing

In Leasing, there is keen competition from term lending institutions and subsidiaries of commercial banks. With the liberalisation in industrial licencing announced by the Government of India, and the improvement in the power generation in many States, there is bound to be a greater level of economic activity and industrial growth. However, in view of stiff competition, your Company hopes to register a marginal growth in leasing business in the current year.

Other Financial Services

Your Company has extended its activities by way of Factoring and other financial services.

DEPOSITS

I would like to express my grateful thanks to all the depositors for their continued support, Right from inception, your Company has been accepting Deposits only directly from the investors without any intermediaries. It has not offered any incentives to attract deposits, but grown purely on the strength of its reputation for financial strength, good administration, and dedicated and personalised service. Depositors' safety and security has been the watchword of your Company, which is the best incentive we can offer in the long term interests of the Depositors. Your Company will continuously endeavour to maintain and improve its services to its growing family of over 1,16,000 depositors.

ACKNOWLEDGEMENT

On behalf of the Board of Directors and on my own behalf, I take this opportunity to convey our sincere thanks to the customers, depositors, bankers and shareholders for their active support and co-operation. I also wish to place on record my sincere appreciation of the good work done by all the employees of the Company.

This does not purport to be a record of the proceedings of the Annual General Meeting.

41st SUMMER SCHOOL

India plays host

For the first time, India has hosted the International Banking Summer School (IBSS), held every year since 1948. What is equally significant, this is also the first time that a developing country has played host to the IBSS. "It signifies international recognition of the maturing of Indian banking," said R.N. Malhotra, governor of the Reserve Bank of India while inaugurating the school in New Delhi last fortnight.

The congregation of 200 bankers from 47 countries (including 27 from India) is the culmination of six or seven years of efforts by the Indian Institute of Bankers, official hosts to the IBSS in India.

The IBSS was first organised by the Chartered Institute of Bankers, London, in 1948. Since then the annual school has been held in a number of European countries, the US and Australia, returning to England every few years with the Chartered Institute of Bankers, London, playing an advisory role. It was only in 1982 that a decision was taken to investigate the possibility of developing countries or recently developed countries playing host to the school. And so it happened that India hosted the school this year.

The basic objective of the school which brings together bankers from all over the world for a two-week course is to promote the study of major developments in banking around the world. The principal features are the presentation of papers by eminent persons on a basic theme (which changes from year to year), group discussions and case studies.

The theme chosen for this year: "Banking and Economic Development." Veterans of Indian banking like C. Rangarajan, deputy governor of the RBI; D.N. Ghosh, chairman, SBI; I.G. Patel, a former governor of the RBI and now director of the London School of Economics; and M. Narasimham, vice-president of ADB and once governor, of the RBI, presented theme papers. The foreign luminaries included John G. Quinton, chairman, Barclays Bank; Shijuro Ogata, deputy governor, Japan Development Bank; Robert White, director, Westpac Banking Corporation; and W. Rasaputra, governor, Central Bank of Sri Lanka.

The rules of the IBSS lay down that except in a country with a socialised banking system no bank can nominate more than one participant. Each country is allotted a quota; the Bankers Institute of each country then allots quotas to the various banks which in turn nominate members to the school.

Chavan: a jamboree-like atmosphere

However, it wasn't quite clear what eligibility criterion had been used for nomination. Participants too seemed to have different reasons for attending the seminar. S. Samejima, assistant general manager of the Dai-Ichi Kangyo Bank, who is based in Hong Kong, said that since India was under his jurisdiction the interaction with Indian bankers during the school would probably be helpful. "Basically hard work is recognised at the time of nomination," said William S. Bos of the Central Bank of Netherlands, echoing the sentiments of quite a few of the participants.

Malhotra: "It signifies international recognition"

For participants who had not been to India before, the 1988 IBSS was of special interest. Since the venue is known well in advance and the quotas allotted, there is scope for the participants to work towards a nomination. Participants from Ireland, for example, who made it to the school in India, were particularly thrilled. A nomination to the 1989 school would have meant staying home since Ireland will host next year's school. An individual can be nominated for only one IBSS in his career.

Considerable repetition marked the two inaugural speeches by Malhotra and the union finance minister, S.B. Chavan. While Malhotra outlined the Indian experience in the context of social banking, and the new trends in a scenario of internationalisation of operations, Chavan went into the intricate details about the service area approach to be adopted by Indian banks, a topic which probably meant nothing to a majority of the participants.

At mealtime, the topics of discussion ranged from reserve ratios and the role of central banks to sight-seeing plans in the city and the country. Acting apparently on the belief that all work will make bankers dull, the IBSS scheduled visits to Agra and to Kashmir. A tightly packed schedule lay ahead, but on the first day the atmosphere was that of a jamboree.

KEYA SARKAR

SENSATIONAL

ool & Quiet Profile

led cavities, EPDM gaskets and an effective glazing unit keep noise, heat and dust infiltration at its minimum. Ideal for airconditioned areas.

Hi-Fashion Profile

Profile is modern and elegant. Contemporary designs blended with traditional care.

Water-Resistant Profile

[illegible] and built in drainage system [illegible] so that water come through. Profile is unaffected by [illegible] salts, acids, alkalis, [illegible] and all other [illegible] pollutants.

Tough Profile

Its high impact base material, zinc galvanised steel insert and highly effective multi point locking mechanism offer maximum durability and security. It is fire-resistant too.

Bombay: STARENTERPRISES, 807, Bus Udyog Bhavan, Tarwala Jurag Road Scheme, Dr. Off. 41 5530, Res. 548897, 544146, Hyder

PROFILES

Care-Free Profile

Maintenance free, in effort and cost. Once installed, Profile is totally immune to rotting, swelling, warping, peeling, moths, termites and rust.

Perfect Profile

Doors & Windows that look elegant and perform wonders. Fabricated on highly sophisticated machinery with German technology. Installed by trained company personnel. A perfect need for every perfect setting.

10 years guarantee

PROFILE

"Magnifique"

That's how any Frenchman, with his Gallic eye for beauty, would describe Profile Doors & Windows. He'd be right, of course, but there's much more than just beauty- Profile Doors & Windows are a marvel of attention to technical details.

Profile Door & Window systems-created by expert German designers—are processed to high standards and skillfully assembled. Perfectly glazed with a fool-proof locking mechanism and flawless hardware. Strict quality assurance procedures ensure its incredible strength and long term operational reliability.

Profile Doors & Windows are even installed by trained company personnel.

Profile's faultless technology is a must for every Hospital, Hotel, Computer Centre, Food Processing Unit, sensitive Electronic and Chemical Industry, Laboratory, Commercial and Public Building and any dust free environment and, of course... your home.

The wide range of Profile offers you Picture windows, Open-out windows, Main doors, and Sliding doors.

Custom built doors and windows are fabricated within 7 days.

Profile has a 10 years guarantee that says these doors & windows have come to stay.

Vinyl Door & Window Systems

In technical collaboration with Brügmann Frisoplast GmbH, West Germany

Manufactured by: ***SHEELA FOAM PVT. LTD.*** *(Building Product Division) Regd. Office: E-32b, East of Kailash, New Delhi-110 065. Phone: 6410912, 6432806. Telex No. 31-62304 MMA-IN. Grams: SOFTFOAM.*

Maruti's Largest Joint Venture with 31% Equity participation

JAY BHARAT MARUTI

Public Issue of 19,50,000 Equity Shares of Rs. 10/- each for cash at par

Maruti's popularity has been increasing rapidly and within a short span of time, it has already become one of the most envied vehicles on the Indian road.

Jay Bharat Maruti is yet another success story of Maruti's indigenisation. This Rs. 14.09 crore project coming up within the Maruti Joint Venture Complex at Gurgaon near New Delhi, is manufacturing critical sheet metal components and assemblies which are presently being imported – thereby saving valuable foreign exchange.

Jay Bharat Maruti is assured of a ready market as it would meet the entire demand of sheet metal components for the present and future models of Maruti. In addition, Jay Bharat will also cater to the requirements of other automobile manufacturers after meeting Maruti's demand.

With the solid support of Maruti and all the ingredients of success, Jay Bharat Maruti promises to be an outstanding venture... a success you can participate in.

HIGHLIGHTS

- ★ **Largest ever Equity participation by MARUTI UDYOG LIMITED.**
- ★ **Assured Market – Primary source of supply for Sheet Metal Components to MARUTI for existing and future models.**
- ★ **Technical assistance and full back-up support from MARUTI.**
- ★ **Most modern and sophisticated Press and Weld Shop.**
- ★ **Located within MARUTI premises – Assured of infrastructural facilities.**
- ★ **No gestation – Plant already in commercial production.**
- ★ **80 CC and Wealth tax benefits.**
- ★ **Listing on Delhi, Bombay, Calcutta and Ahmedabad Stock Exchanges.**

MANAGERS TO THE ISSUE

CANBANK FINANCIAL SERVICES LTD.
Capital Markets Group
New Delhi

Standard Chartered
Standard Chartered Bank
Merchant Banking Division

SBI CAPITAL MARKETS LTD.
Merchant Banking Bureau
Bombay

INDUSTRIAL FINANCE CORPORATION OF INDIA
Merchant Banking Division
New Delhi

ISSUE OPENS
NON-RESIDENT INDIANS
29th SEPTEMBER, 1988

INDIAN PUBLIC
4th OCTOBER, 1988

JAY BHARAT MARUTI LTD.

(A joint venture with Maruti Udyog Limited)

Admn. Office & Works: Plot No. 5, Maruti Joint Venture Complex, Gurgaon 122 015 (Haryana).

Part of the growing Maruti family

Concept

Moving to green fields

Shifting industry away from the big cities is seen by many to offer the prospect of better industrial relations. Our cities have earned a terrible reputation. Calcutta is said to offer a labour force which is both garrulous and unproductive. Bombay workers lack the ideological antagonism of Callcutta, but have a sharp pecuniary instinct. Madras and Bangalore are tolerable in comparison, but they too have had their convulsions. Most of the smaller cities have well entrenched labour movements and demanding workers.

The common view is that there is something in the social and political atmosphere of the city which makes people volatile. The countryside is seen to offer an escape from this chaos. Labour costs are expected to be low because rural labour would not be so demanding. Having been spared the winds of conflict which sweep the cities, it is also believed to be docile. So, why not give industrial relations a breath of clean, fresh country air?

These idyllic expectations are rarely borne out by experience. Employers who move out seem headed for an entire array of problems, some new and others painfully familiar. The very first problem they run into is employment for sons of the soil. People whose lands have been acquired for the project have an especially forceful claim. They lack the skills industry wants, but on the other hand it is impracticable to pack the side with outsiders. That might lead to problems even more difficult to manage. There have been cases of locals asserting that it is not their fault if they have no skills, and that it is the job of industry to train them.

Problems do not end with the employment of unskilled local people. Their attendance, performance and conduct are often unsatisfactory. In much the same way as preferentially recruited children of retiring employees, they feel that they have the right to be employed, that industry has done them no favour. Public sector enterprises going to remote areas face yet another difficulty. The only schools and medical facilities in these places have been set up by industry. The universal problem of project managers is whether the general public can be denied access to these facilities.

No one expects the hinterland to be bristling with trade unions, but it would be naive to think that country folk lack political instinct. They have all been sucked into the political process long ago, and it should be no surprise if one finds them politically astute. With such political acumen, it is a matter of time before these workers learn the ropes of trade unionism. The most common demand, and one that comes up pretty soon, is for wage parity with the city-based plant of the same firm. This, for example, is the experience of Madras industrialists who have gone to Hosur, and Bombay industrialists who have gone to a place like Aurangabad. Workers in the countryside demand within two or three years the kind of benefits which employees in the mother plant struggled for a quarter century to get.

The employers do not take kindly to these demands, because it was in search of cheap labour that they moved to the hinterland in the first place. They point to the industry-cum-region argument to discourage comparison with the distant city, but employees argue that they should be paid the same because they are doing the same work. A factory which exacerbates these problems is the tendency of workers to federate unions in far-flung units into an apex body. With such a structure, news of benefits travels fast and the demand for parity gains further ground.

When it comes to launching a struggle, the country cousins may be second to none. Surprisingly long and bitter struggles have been witnessed even before the new units could cut their teeth. These strikes, sometimes in support of absurdly unrealistic demands, come as a surprise to many observers. But, one must not forget that these workers have obvious advantages when it comes to sustaining a struggle. In the hinterland they have something to fall back on, either in the form of an income from land or relatives who can be turned to for help. The fact that these workers belong to a younger age group also means that there may be other wage earners in the family. On occasion, the hinterland has also witnessed the kind of violence we normally associate with the city. Cuddappah, in Andhra Pradesh, which attracted Coromandel, CCI and Texmaco with its limestone and supposedly cheap labour is a striking example. Quite a number of managers have been assaulted.

One enterprise took care to cope with some of these problems. The workforce was subjected to a thorough scrutiny before recruitment. Workers with a metropolitan background were kept out in favour of people from small towns. The company did not favour workers with high educational or skill qualifications, preferring instead to train them in-house. The economic background of workers was screened to ensure that they and their families needed the wage for sustenance. Systematic efforts were also made to promote the direct involvement of workers with the firm. Finally, the company arranged to set up a union so as to leave nothing to chance. After nearly a decade of relative peace, graffiti condemning both the management and union has begun to appear. Workers want parity with the mother unit several hundred miles away.

A personnel manager remarked that the main problem with first generation rural workers was that they had exaggerated and unrealistic expectations. They had no idea what kind of demands could be made and sustained. The provision of simple welfare benefits could lead to further demands in the belief that management would give more under pressure. They may be so foolish as to go on strike, demanding wages for an earlier strike. They lacked the leadership that could guide them along proper lines. In short, they did not understand the industrial way of life.

What is this industrial way of life? What are its ingredients? Twenty-five years ago, a group of American professors attempted to define it. They said that it consisted in accepting the division of labour, the monotony of routine, abnormal working hours, the need to learn new skills and shed old ones, the legitimacy of authority, a hierarchy with its lines of control and so on. They also added that the development of trade unionism and the demand for a better life were essential attributes of the industrial way of life. Rural labour is problematic because it does not fit this definition, and urban labour because it does!

■ E.A. RAMASWAMY

The author is chairman, Administrative Staff College of India, New Delhi Centre

A country would need more and more roofs overhead. Any developing country would.

Lotus Fibre Cement Sheets. The economical roof for industrial structures, sheds, low cost housing, village schools, railway stations, cattle sheds ... as you develop, your needs grow too. **Lotus.** The first one to be awarded the ISI mark for Fibre Cement Sheets. Still your best buy.

Manufacturers of
LOTUS Fibre Cement Pressure Pipes & Sheets.

SHREE DIGVIJAY CEMENT CO. LTD.
(Fibre Products Division)
Digvijay Nagar, Ahmedabad 382470. Tel. 477264/65/66/67/68.
Telex: 121-6345
Sole Selling Agents: **LAXMI CEMENT DISTRIBUTORS (P) LTD.**
Digvijay Nagar, Ahmedabad 382470. Tel. 476594/95.
Telegram: Jam Cement

LOTUS

Lotus Fibre Cement Sheets... long lasting... the ultimate roof

The foreign hand

It is the latest status symbol in adland — the international connection. The last five years have seen at least a dozen Indian advertising agencies striking up alliances with leading international names in the business. They are in search of a global orientation to their businesses and access to advanced, creative, account planning and research models.

The consumer goods market in the country is burgeoning, aided by the entry of multinationals such as Procter & Gamble and General Foods, among others. And advertising budgets are bound to make big jumps.

Today, almost all the world's top advertising agencies are represented in India, be it Young & Rubicam of the USA or Saatchi & Saatchi of the UK or Dentsu of Japan. Of all the recent tie-ups, the deal that has grabbed the most attention is that between the Bombay-based Trikaya Advertising Ltd and the US-based Grey Advertising Inc. Grey has obtained an equity stake of around 11 per cent in the Indian agency. Equity sharing with the foreign collaborator ensures a relationship that is closer than that achieved with a mere affiliation.

Before Trikaya, only three agencies — Contract Advertising, Ogilvy Benson and Mather (OBM), and Lintas India — had collaborators who hold a part of the Indian company's equity. Until a few years ago, HTA also had a part of its equity held by its foreign affiliate, J. Walter Thompson (JWT), but the latter sold off its share to Indian parties. Subsequently, JWT acquired 40 per cent of the shares of HTA's subsidiary, Contract, from the US-based Kenyon & Eckhardt, in an overseas deal (Kenyon & Eckhardt had 40 per cent of the equity of Grant, Kenyon & Eckhardt (GKE); Contract was set up by GKE employees as an HTA subsidiary when GKE closed down in 1985).

Most of the other international agencies that have representations in India have sought stakes in the share capital of their Indian partners. The Reserve Bank of India has, however, consistently refused permission, presumably to conserve foreign exchange. Advertising industry watchers say that the foreign equity stakes in OBM, HTA and Lintas were allowed long before the RBI got tough on foreign exchange releases, while in the case of Contract, it was merely a transfer of an existing equity stake.

In this context, the Grey deal has attracted much attention. Ravi Gupta, managing director of Trikaya Advertising, maintains that Grey's proposal to invest in Trikaya's equity was treated within the existing policy framework of the government. In fact, he suggests, others have probably not tried hard enough. "If you want anything badly enough, you get it," he says. "We tried for six whole months." Gupta is reluctant to go into the details of how exactly Grey managed the equity stake.

Legal experts who spoke to *Business India* feel that it may be possible for a non-resident Indian to acquire a stake in an Indian advertising agency and hold it abroad on behalf of a foreign affiliate (though strictly speaking this is not legal). Under Indian laws, NRIs can secure equity stakes of upto 100 per cent on a non-repatriable basis, in any Indian company, except those engaged in agriculture, plantations and real estate. Unfortunately, Gupta's refusal to divulge details has only set off a great deal of speculation about the real nature of Grey's stake.

A number of Indian agencies with foreign tie-ups will knock on the RBI's doors again. "One could expect all of us to do it," says Sajid Peerbhoy, president of Speer Communications, which has the US-based Foote, Cone & Belding as its partner. The US-based DDB Needham Worldwide, which signed up with Mudra Communications two months ago, is believed to have been keen on an equity stake, but did not get the RBI's approval.

Gupta: "access to Grey's databank"

Patel: "campaigns are transnational"

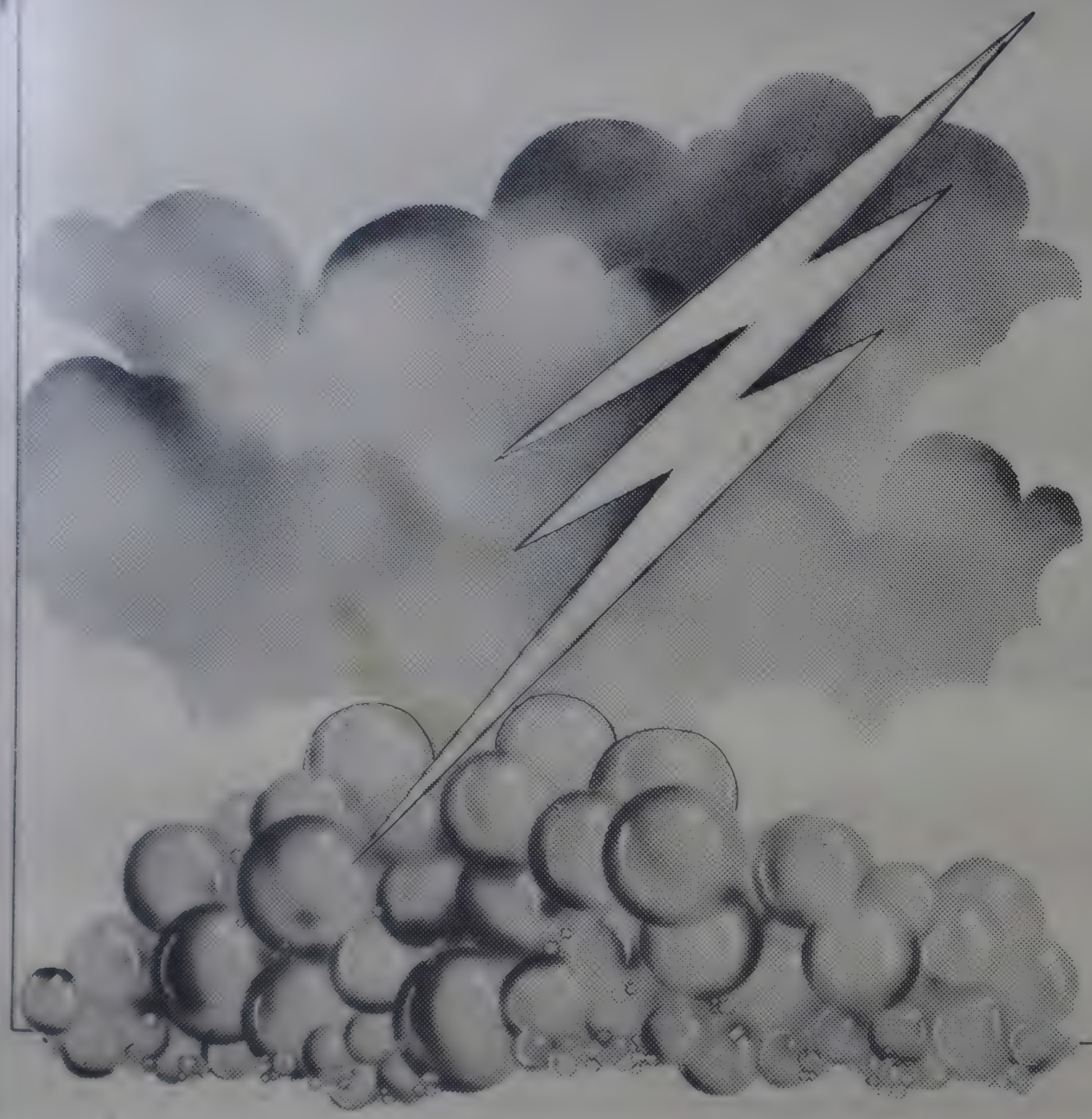
"The equity stake is important because international agencies have to be able to tell their clients that they can assure certain minimum standards in advertising," says M.K. Khanna, president and managing director of HTA. "Also, several multinational corporations which have operations in India prefer to deal with one agency internationally."

"Campaigns and advertising ideas are transnational," says Bharat Patel, executive vice-president of Procter & Gamble India (formerly Richardson Hindustan). "Brand character, consumer benefits and ideas don't change over boundaries." He cites the "khich khich" concept used for Vicks cough drops. "It was basically a Japanese idea," he says. "It was an idea that is used internationally to convey throat irritation. In the US, they call it the Ahem Bug."

In fact, clients themselves try and ensure that their advertising agencies have a global orientation. In 1985, when the Procter & Gamble Company (P&G) merged with Richardson-Vicks abroad, Patel realised that it could result in a shuffling of agencies in India that would not be desirable. "We went one step to protect our interests," he says. He saw to it that his company's existing agencies, Chaitra and Clarion, tied up with P&G's agencies worldwide — Leo Burnett, and D'Arcy, Masuis, Benton & Bowles (DMBB).

While the globalisation of advertising agencies helps advertisers integrate their marketing efforts, the benefits to the agencies are manifold. Gupta of Trikaya

Towards a cleaner world



Superlab

Extra power to detergents.

Here's what makes Superlab the country's best Linear Alkyl Benzene –

* Superlab's low molecular weight endows detergents with greater foaming capacity.

* Superlab's high level of purity produces quality slurry.

* In house quality control and raw material availability enables Superlab to meet international standards of product quality.

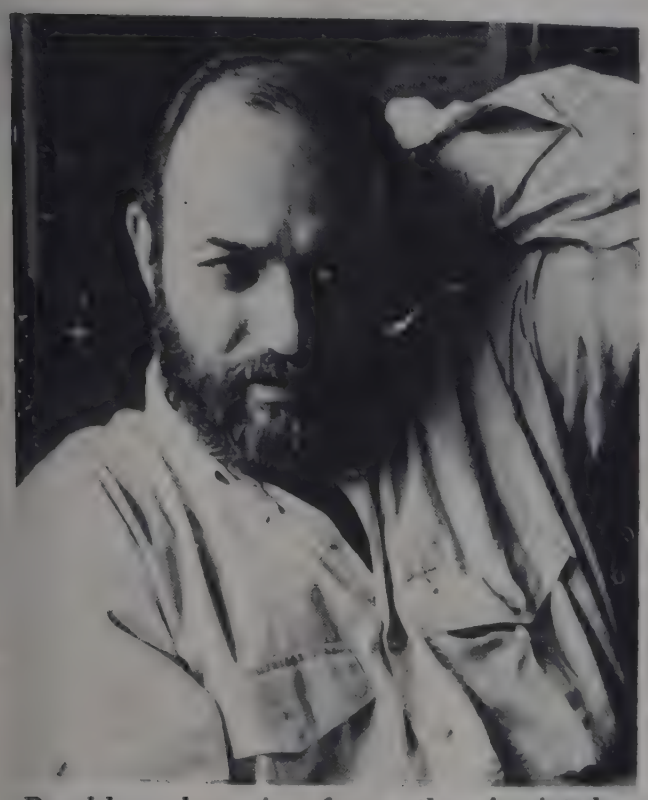
* Very high biodegradability makes Superlab absolutely harmless to the environment.

For your requirements of Superlab get in touch with our marketing agent, nearest to your industry.

Tamilnadu Petroproducts Limited

6-D, Nungambakkam
High Road
Madras 600 034.
Phones : 470460/863748
Telex : 041-7533/8827.

TPL helps you make quality detergents



Peerbhoy: learning from others' mistakes

says that greater access to Grey's data banks and account planning models was the motivating factor for "concretising" the three-year-old relationship with equity sharing. With the Grey connection, Gupta also hopes to provide better services to two of his clients who are looking at export markets — Universal Luggage and a computer manufacturer.

For Everest Advertising, which has an affiliation with the London-based Saatchi & Saatchi, there have been similar benefits. "If you have access to a large data bank, you are not rediscovering the wheel," says Munnawar Syed, president and managing director of Everest.

Ram Sehgal, president and general manager of Contract, cites the example of a campaign planned by his agency's client, the Apparel Export Promotion Council, for the export of garments to some 22 countries.

For others, such as the Mudra-DDB Needham combine, the accent is on training and advice on models for media planning and research. The two agencies also plan to set up an offshore company in Singapore or Dubai to pitch for advertisers in Nepal, Taiwan and the Middle East, where international agencies are not well-represented, according to A.G. Krishnamurthy, chairman and managing director of Mudra.

Peerbhoy of Speer also lays great emphasis on training and exposure to international advertising. "Why should I make the mistakes that American agencies made donkey's years ago?" he asks. Peerbhoy, who spent five years with Ted Bates in London, came back to India and started Speer.

Prem Mehta, director of Lintas India, which is part of the Interpub group of advertising agencies, says that besides benefiting from periodical training programmes abroad and workshops conducted by visiting executives from the foreign agency, his company has become a resource centre for the Lintas chain worldwide. "We are a resource centre for the group's public service advertising," he says. "Our managers are being picked up for international assignments."

Khanna: "an equity stake is important"

While the benefits of training and advanced management models are visible, tangible business gains are not far behind. Rediffusion Advertising bagged the prized Rs.10-crore Colgate-Palmolive account when it tied up with Ted Bates a few years ago. But when the account subsequently shifted abroad to Young & Rubicam, Rediffusion managed to retain it, by switching loyalties from Ted Bates to Young & Rubicam. Speculation is also rife now that Trikaya may get a part of the coveted P&G account in India. Grey is one of the four agencies abroad which handle P&G's brands in the world's major markets.

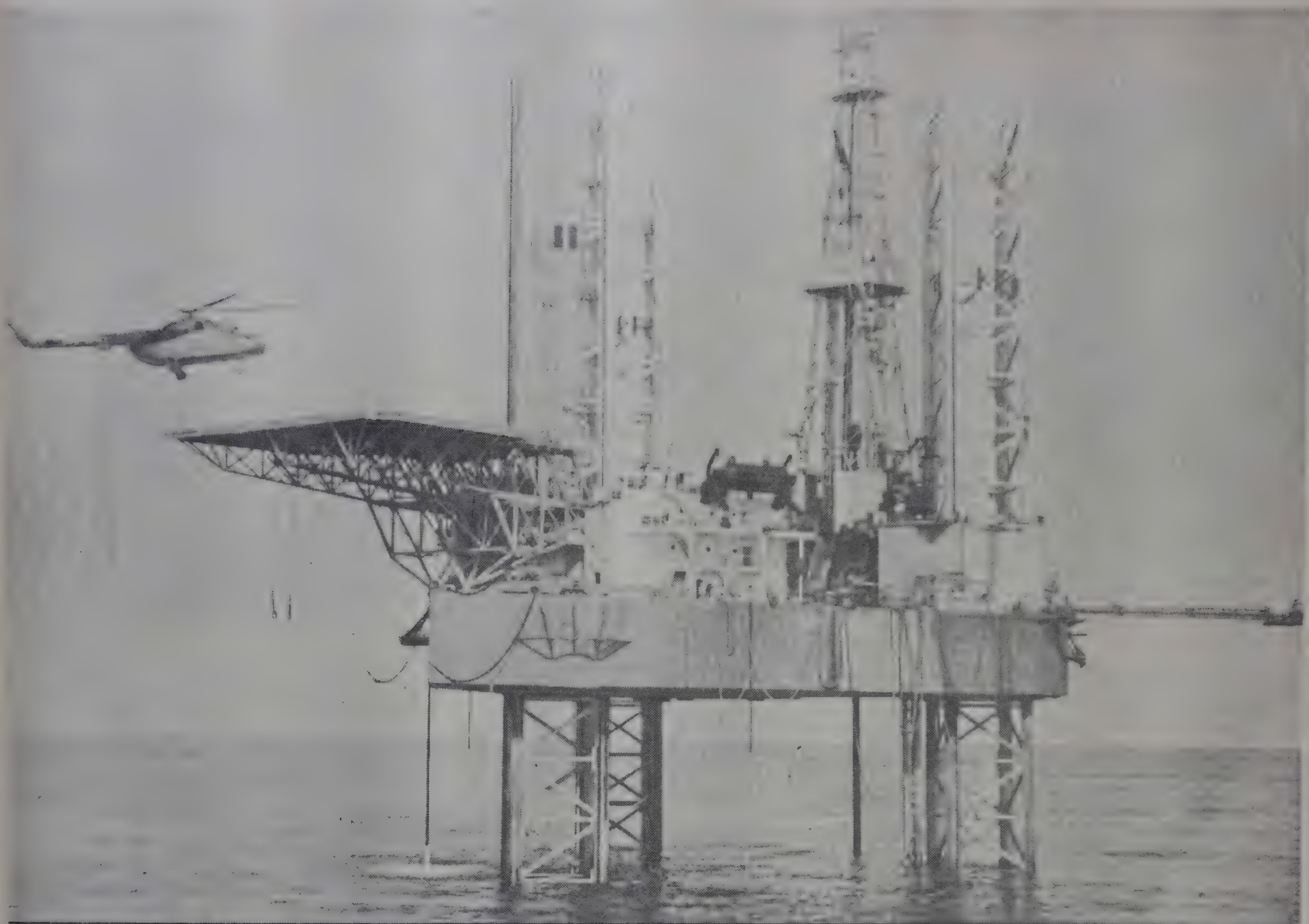
Even as the rush for tie-ups is continuing, some in the industry scoff at them. Creative counselling and advanced management systems are areas where Indian agencies don't need help from abroad, according to the head of one leading advertising agency. "On anything creative, local talent can either do a great job or it cannot," he says. "And in a service profession such as advertising, systems take a back seat."

Mehta of Lintas says that most of the tie-ups are notional. "Indian agencies want to put on an international image," adds Mehta. "But it is yet to be seen whether Indian agencies with such tie-ups will be able to develop the level of technology and skills required by multinational clients."

■ SHANKAR P

The international tag: Major Indian agencies and their foreign partners

Indian agency	Foreign agency	Equity stake of collaborator
CHAITRA	LEO BURNETT	—
CLARION	D'ARCY, MASIUS, BENTON & BOWLES	—
CONTRACT	J. WALTER THOMPSON (WPP GROUP)	40%
EVEREST	SAATCHI & SAATCHI	—
HINDUSTAN THOMPSON	J. WALTER THOMPSON (WPP GROUP)	—
JAISONS	DENTSU	—
LINTAS	INTERPUBLIC	40%
MUDRA	DDB NEEDHAM	—
OGILVY BENSON & MATHER	OGILVY & MATHER	40%
R.K. SWAMY	BALTEN, BARTON, DURSTINE & OSBORNE	—
REDIFFUSION	HDM (YOUNG & RUBICAM)	—
SISTA'S	DORLAND INTERNATIONAL PAN GULF PUBLICITY	— —
SOBHAGYA	DAYTONS (DAYTON GROOM & SAUNDERS LTD) GULF BUSINESS AIDS (PVT) LTD NPC ADVERTISING CO.	— — —
SPEER	FOOTE, CONE & BELDING	—
TARA SINHA ASSOCIATES	MCCANN ERICKSON	—
TRIKAYA	GREY ADVERTISING	11%



One of the biggest exporters of crude oil worldwide

SOVIET FOREIGN TRADE ASSOCIATION

SOJUZNEFTEEXPORT

takes part in the India International Trade Fair in Delhi on November 14 — 27, 1988

At our stand you'll be able to learn of the achievements and advances of the development of the Soviet oil-extracting and oil-refining industries as well as of the export possibilities of the Association. We invite you to visit the Association's stand at the USSR Pavilion, Hall No. 7, Pragati Maidan — New Delhi
Open 10 A.M. to 1 P.M. and 3 P.M. to 8 P.M.

Contact :

SNE

SOJUZNEFTEEXPORT

32/34, Smolenskaya pl., 121200 Moscow, USSR
Cables : NAFTA MOSCOW Tel. 244-40-48, 244-40-49
Telex 411148 A, 411148 B, 411148 C, 411148 D, 411148 E

Toothpaste tactics

Selling toothpaste is tough business, all the manufacturers agree. The last five years saw the rise and fall of at least seven new brands. An Ace that crashed and a Flash in the pan. Yet there is a lot of optimism. Detergent giant Nirma is readying to enter the fray while the veteran Balsara Products has launched a new product, Babool.

Last year, toothpaste sales spurted by 10 per cent to 24,628 tonnes. And by the turn of the century, the industry expects it to more than treble to 85,000 tonnes. The per capita consumption of toothpaste in the country is pitifully low at 29 gms a year compared to 538 in the UK. Today, only 12 per cent of Indians use toothpaste. So the growth potential is large even though the competition is intense.

Most manufacturers jostle each other in the urban market which accounts for 83.5 per cent of the offtake. They lure the consumer with variations in colour or flavour, a dash of "what grandma gave you when you were a baby", a new combination of known ingredients, or a price that is higher or lower than the rest.

The newest toothpaste in the market, Babool, is Balsara's fourth brand after the successful Promise; Ace, which hit the market in 1982, was later withdrawn, and Prize, a fluoride toothpaste, drowned in Colgate's flood of Fluoriguard.

Babool is aimed at the lower end of the market with a price tag of Rs.10 for a 200 gm tube — nearly a third cheaper than most leading brands of toothpastes and even considerably cheaper than some toothpowders. The idea is to attract price-conscious people who use cheap toothpowders (some of which are more like scouring powders) or dentifrices like neem and babul twigs. This also explains the choice of the brand name, Babool.

"It's for the first generation city dweller who has never used toothpaste," says S.A. Swamy, marketing controller, Balsara Hygiene Products. "Indians are tradition-minded and have close family ties. Ayurveda is part of our tradition. So we prepared a toothpaste for the traditional Indian family."

Babool isn't the first toothpaste with ayurvedic ingredients. Nor is it the first to be aimed at the first-time toothpaste user. Vicco Vajradanti, an ayurvedic toothpaste, was launched on an experimental basis as far back as 1959 at a time when ayurveda was not considered "fashionable". It was produced on a commercial scale in 1967 but it was only in 1974 that the manufacturer, Vicco Laboratories, launched a massive radio and television ad campaign. The product gained steadily in the market till it attained a 4 per cent share by the end of the decade. Vicco's marketing campaign like that of Balsara's Promise was the stuff that marketing case studies are made of.

However, G.K. Pendharkar, managing director, Vicco Laboratories, is at pains to differentiate between his product, which is categorised by the Food and Drugs Administration (FDA) as an ayurvedic medicine, and the others that are listed as cosmetics. "We don't consider other toothpastes our competitors. Ours is a medicine, nearly 20 per cent of which consists of ayurvedic extracts," says Pendharkar. "That's why our product can't be as white or foamy as cosmetic pastes, nor can we afford to price it as low as some of them." He is sure that sales will increase as people become more aware of the benefits of ayurveda. Babool's ads which promote such contents may unintentionally help Vicco's sales.

Colgate thought of the first-time user before Babool was launched, packed its dental cream in a sachet and followed it up with a massive television ad campaign targeted at school kids with a hint to the traveller. "The idea was to motivate the first-time or peripheral user with a small pack," says Bishwajit Mukherjee, communications manager, Colgate-Palmolive (India) Ltd.

The company found that the 53 per cent share of Colgate Dental Cream could not be pushed up through sachets. The traveller was unwilling to mess around with packs that could squirt toothpaste into his or her suitcase. Moreover, retailers in urban and semi-urban areas found it hard to come by first-time users

Prices of major brands of toothpastes

Toothpaste	Price (Rs.)*
CLOSE UP	20.50
COLGATE FLUORIGUARD	17.25
PRUDENT	16.40
COLGATE DENTAL CREAM	16.00
VICCO VAJRADANTI	15.40
FORHANS FLUORIDE	14.75
CIBACA FLUORIDE	14.35
CIBACA TOP	14.25
FORHANS	14.25
PROMISE	14.10
BABOOL	10.00

** Prices where available are those printed on 200 gm packs. If not available for 200 gms, the price has been extrapolated for 200 gms for the purpose of comparison*

india

In India, a vintage royal train awaits, to take you through the heartland of her most colourful state.

A woman shyly waving out from behind a veil of yellow and red muslin. A camel train, making stately progress, bells jingling. The glitter of gems in a bustling bazaar. Forts and palaces that speak of valour and chivalry. The state of Rajasthan, India. And to experience this vista of fascination, take the Palace On Wheels. A train made up of coaches designed for India's erstwhile Maharajahs. Lovingly maintained. Burnished teak and gleaming brass. Coats of arms and antique lamps. And a style of personalised service that makes you feel like royalty. Seven days, through seven cities. The kind of holiday experience people cross the seven seas to savour.

Don't miss this train! Book today.

For information contact:
Rajasthan Tourism Development Corporation,
Chandralok Building, 36 Janpath,
New Delhi-110 001 (INDIA)
Tel.: 3321820, 3322332 Telex: 031-63142

PALACE ON WHEELS

A STEP BACK IN TIME, A STEP TOWARDS ENCHANTMENT

FSA/POW/2-88

AVON

3M-1164

ELECTRIC HOIST

★ Largest in Northern India
★ Over 500 Hoists in operation
★ Early delivery
★ Capacity upto 20 Tons
★ E.O.T. Cranes also available.

Avon Hoists Pvt. Ltd.

110, BHANDARI HOUSE,
91, NEHRU PLACE,
NEW DELHI-110019
TEL : 6411957, 6419962, 6432791
CABLE : AVON HOIST
TELEX : 031-71082, AVON IN

who would prefer the sachet to the tube. When the novelty wore off, the kids too stopped asking for it. Pricing could, however, play a big role in making Babool a success. Never before has a toothpaste been available so cheap. And the first-time user may well switch over from toothpowder for reasons of economy and convenience.

Promise wasn't the first toothpaste with clove either. Colgate too claimed to use clove as did a few other manufacturers. But Promise was the first to make the ingredient its USP (unique sales proposition). Launched in the medium price segment, the sales of Promise grew steadily, despite the overpowering presence of Colgate; it ate into the sales of other multinationals till it cornered about 14 per cent of the market in 1980, next only to Colgate. But that was as far as Balsara could get. If it wanted a larger slice of the market, it would have to enter another segment.

That was what the company tried when it launched Ace in a higher price segment in 1982. But Ace had very soon to be withdrawn. According to Swamy, the launch was an experimental one restricted to Maharashtra only. Industry sources, however, say that Ace failed because of poor quality.

In 1986, the company launched Prize, a fluoride toothpaste, again in the higher price segment. A couple of months later Colgate launched Fluoriguard in the same segment with a massive ad campaign. Prize received a severe blow and its share tumbled from 7 per cent to less than 1 per cent.

All this only went to show that a company with a reputed marketing and distribution machinery, even in toothpaste, need not automatically succeed in marketing a new brand of toothpaste. Ponds is another example.

Around the time that Prize was launched, Ponds too launched a toothpaste and Parle, despite its earlier failures with Flash and Foamy, launched Prudent. Flash and Foamy, according to market analysts, lacked in quality. Ponds, on the other hand, suffered because of its bad positioning.

"Ponds' packaging with a pink floral design, gave it too much of a cosmetic appearance for it to be taken seriously. Even the television commercial placed too much stress on the fun factor. It was too funny," says a marketing executive.

Parle's Prudent is better than the earlier toothpastes launched by the company. The paste has better consistency and a longer shelf life. Yet, it has managed to get a mere 0.6 per cent of the market share. This is probably because fluoride is one of its ingredients. After the recent controversy over the use of fluoride, all toothpastes containing this ingredient have dropped in sales, the most significant being Colgate's Fluoriguard which dropped from 8 per cent to 5.8 per cent over the last year.

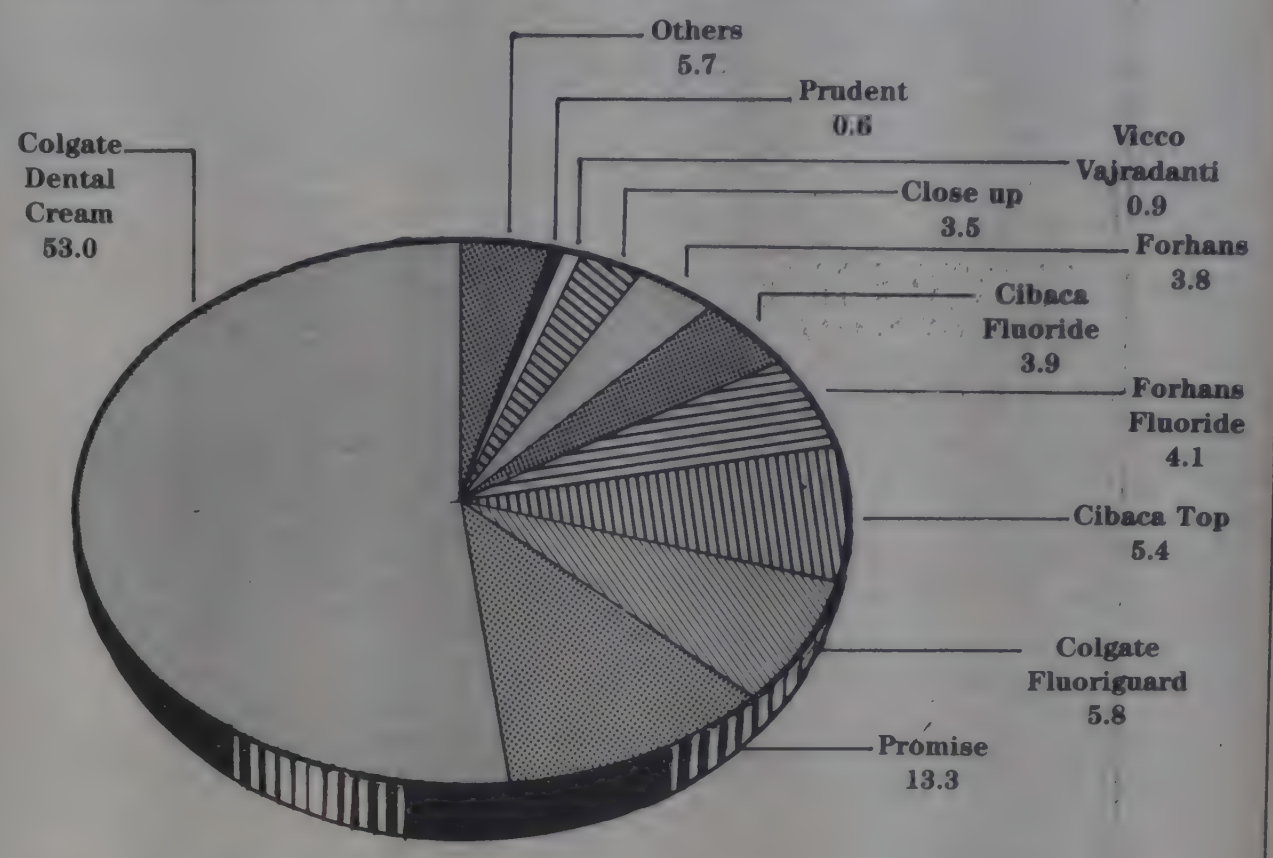
Despite these failures, no manufacturer has really explored the lower segment of the toothpaste market, especially in the rural areas. "How can we afford rural marketing when even Colgate cannot?" asks Swamy of Balsara.

"Our sales have to be mainly in the urban areas. Where is the infrastructure in the rural areas?" asks Mukherjee of Colgate.

What is required is the development of the rural market through a massive awareness campaign. But even the large business houses expect the government to do this for them. "India is a signatory to the United Nations' programme which envisages health for all by 2000 AD. This will involve a massive dental health awareness campaign and increase the toothpaste consumption by the end of the century," says the marketing manager of a reputed toothpaste manufacturing company.

Meanwhile, it seems that there's going to be a tug-of-war at the bottom end of the urban market.

Market shares of major brands of toothpastes



"We have been hearing about Nirma's toothpaste for such a long time. Where is it?" asks a Balsara executive happy to have got a head start in the low market segment.

Word about Nirma's launch of a toothpaste has been going around for a year. The company plans to launch its toothpaste on the same principle that helped it succeed against Lever's Surf: "Acceptable quality at the lowest possible price." The toothpaste was expected to hit the market around October last year at a price that was 10 per cent lower than other toothpastes. Now Balsara has upstaged it by pricing its new product almost a third cheaper than leading brands thanks to what Swamy would like to call "a technological breakthrough".

Industry sources feel that Nirma may now wait and watch Babool's performance before hitting the market. Moreover, these sources say, the recently launched Nirma toilet soap is not doing as well as the company expected it to do. So Nirma is going to be cautious about its next move. When contacted, company sources declined to comment.

Nevertheless, the company may choose to launch the toothpaste during the coming festival season when people are on a shopping spree and inclined to try out anything new. But whether they stick to it after the initial trial, one will have to wait and see.

■ ALOYSIUS FERNANDEZ

asci

ADMINISTRATIVE STAFF COLLEGE OF INDIA

announces the following programmes

MAINTENANCE MANAGEMENT
(December 5 to 17, 1988)

Eligibility: Executives directly responsible for maintenance and other executives in production, materials and industrial engineering areas concerned with maintenance and also Executives from manufacturing, service, jobbing and process industries as the course will be informative and educative to them.

Course Director
A K Banerji

Last Date for nomination
November 5, 1988

HOSPITAL MANAGEMENT
(December 5 to 17, 1988)

Eligibility: Top officials entrusted with the responsibility of running hospitals - Directors, Superintendents, Chief Medical Officers or their deputies from both Government hospitals, those run by public and private enterprises and also railways and defence establishments.

Course Director
Dr. L H David

Last date for nomination
November 5, 1988

MATERIALS MANAGEMENT
(December 19 to 31, 1988)

Eligibility: Senior executives involved in Materials Management function - Commercial Executives; Materials Managers; Controllers of Purchase and Stores; Industrial Engineers; Superintending Engineers; EDP Managers; Production Controllers; Materials Accountants; Warehousing Officers; Controllers of Stores; Bank Managers; etc.

Course Director
Prof. P Gopalakrishnan

Last date for nomination
November 19, 1988

SALES MANAGEMENT
(January 2 to 7, 1989)

Eligibility: Executives engaged in Sales function - Middle level managers of large companies or senior level managers of small and medium organisations.

Programme Director
Prof. G G Ewari

Last date for nomination
December 2, 1988

MANAGEMENT OF COSTS FOR PUBLIC ENTERPRISES
(January 9 to 14, 1989)

Eligibility: Top and Senior Managers in the Public Enterprises (including Cooperative and Joint Sectors) responsible for formulating financial and accounting policies in order to achieve financial results - holding such designations as Director, Financial Adviser, Cost Controller, General Manager, Chief Accountant, Management Accountant, Manager — MIS and Planning.

Programme Director
Prof. K K Swaminath

Last date for nomination
December 9, 1988

Organisational sponsorship is essential

For brochures, nomination form and fee particulars, please write to:

Programmes Officer
Administrative Staff College of India
Bella Vista Hyderabad 500 049
Phone 36952 56 Extn 247
Grams BELLAVISTA
Telex HYD 0425-6390

ASP/ASCI/88105 A

ASCI: The College for Practising Managers

UNIFORM ACCOUNTING YEAR

Birth pangs

In 1986 the government of India had circulated a discussion paper on direct taxes. One of the important proposals made in the paper was the adoption of a uniform accounting year for all tax payers, with the year ending in March. Ostensibly, such a change will ease the cross-verification of transactions, though given the various complexities involved, it is doubtful whether the object can be achieved.

In any case, it was apparent that the government did not intend to have any discussions on the matter and had made up its mind to go ahead with the proposal. In due course, the proposal passed into law and for the assessment year 1989-90, every tax-payer will have his year ending on 31 March 1989. It is obvious that for an assessee whose year did not end in March, the current financial year, for income tax purposes, will be longer than 12 months. For example, if earlier the accounting year ended in June 1987, the current assessment year will last 21 months until 31 March 1989.

In theory, it is possible to have different year endings for income-tax and for company law purposes. However, in actual practice, it would be extremely cumbersome and very few companies are thinking in terms of having a different year for their account closing purposes under company law. As such, companies would be required to close their books on 31 March 1989, and thereafter on 31 March of each year. Section 166 of the Companies Act requires that the company must have an annual general meeting (AGM) each year and that there should not be a gap of more than 15 months between two AGMs. Further, according to Section 210 of the same Act a financial year cannot exceed 15 months without the permission of the Registrar of Companies (RoC), and in no case can it exceed 18 months. In other words, so far as the Companies Act accounts are concerned, the position would be as under:

- A company whose accounting year ends in December, 1987, for example, can close the next accounts directly on 31 March 1989, without the RoC's permission.
- A company whose year ends between 30 September and 31 December 1987 can close the accounts with the RoC's permission on 31 March 1989, or it can close the accounts twice. However, for income-tax purposes, the two accounts will be merged by the income-tax department.
- If the accounting year of the company ends between 31 March and 1 October 1987, the accounts have to be closed twice; once as per the normal accounting year and then again on 31 March 1989. Here again, for income tax purposes, the accounts will be merged.
- The provisions of Section 166 of the Companies Act would have to be simultaneously complied with in all cases, whereby the 15-month gap between two AGMs can be extended by the RoC upto a maximum of three months. However, there is a further requirement that the AGM should be held in each calendar year, which would have to be kept in mind.

DEPRECIATION OVERHAUL

Depreciation has to be provided for Companies Act purposes as per the newly inserted Schedule XIV which prescribes various rates of depreciation for different assets. The rate for normal plant and machinery is 15 per cent, whereas the income-tax rate is 33.33 per cent. However, the Income Tax Law provides that, if the transitional year ending 31 March 1989, exceeds 12 months, depreciation will be proportionately increased. For example, if the financial year ends after an 18-month period on 31 March 1989, the rate of depreciation will be 50 per cent instead of 33.33 per cent for the general category of plant and machinery. It is important to note that companies will be entitled to a substantial write-off as depreciation, even if the asset is purchased at the end of the (18-month) year. In addition, under the Investment Deposit Scheme, the cost of the machinery can also be allowed as a deduction, subject to a maximum 20 per cent of book profit (this is independent of, and in addition to, depreciation).

Far-ranging changes have been made in the provisions relating to advance tax. Coupled with the problem of the transitional year, companies are facing considerable difficulties in relation to these provisions. For one thing, the provision for waiver of interest has been deleted. Advance tax is required to be paid now in September, December and March to the extent of 20 per cent, 30 per cent and 50 per cent, respectively of the aggregate advance tax. If the advance tax paid falls short of 90 per cent of the ultimate tax, there is a 24 per cent penal interest. Further, shortfalls in the respective instalments also attract a 1.5 per cent per month penal interest. Many companies have had year endings in June or September so as to be better able to estimate advance taxes. This will now not be possible and in the transitional period, the entire income of the year ending in March will have to be estimated. Of the estimated tax, 20 per cent would become payable on or before 15 September 1988. The problem of estimation is compounded by the fact that capital gains too are now subject to advance tax.

With effect from the year ending 31 March 1989, a provision for penal tax has been introduced whereby 30 per cent of the tax due on the difference between the assessed and the returned income will be charged as penal tax. This applies even when the difference may have arisen from a genuine legal dispute with the income-tax department and though the tax payer may have the support of various judgements in his favour, which the department still desires to contest. There is no right of appeal against this additional tax itself though there is a provision that the tax will be cancelled or reduced if the issue in question is decided in favour of the tax payer by the appellant authorities. (The Administrative Commissioners of Income Tax may be approached for waiver of the penal tax, but past experience of their attitude towards waiver of interest or penalty negates the value of this "remedy".) Amazingly, this additional tax also applies to a situation where loss is reduced; therefore it is now possible that an assessee will have to pay the additional tax without having to pay the basic tax.

With so many changes being introduced in corporate and taxation laws and with further changes anticipated — what with the amendment bill pending for the monsoon session of Parliament (to smoothen out the wrinkles in the earlier legislation) and the possibility of a direct tax code being introduced next year — the corporate tax-payer is undoubtedly in for considerable change and uncertainty

■ KETAN DALAI

DISHERGARH POWER

(A member of the Andrew

Speech of Shri K.S.B. Sanyal, Chairman, at the Annual General Meeting on 15th Sept.1988

Friends,

I welcome you to the Annual General Meeting of your Company. I am happy to report that this year too has witnessed an excellent rate of growth in all our business activities. The results reflect the improvements achieved in operational efficiency and cost control, thanks to which your Company has successfully earned profit of Rs. 321.78 lakhs without revising basic tariff during the year.

Kindling a Vision

In 76 years of existence, we have been an integral part and parcel of the economic surge witnessed in the country's eastern coalbelt in the course of this century. A pioneer supplier of power to the Asansol-Raniganj region, it partook in moments of history such as the formation of the Damodar Valley Corporation (DVC) and the nationalisation of the coalmines. Throughout the unfolding course of all these decades, your Company has been able to re-position its strategic objectives with farsightedness and consistency, always in tune with national priorities. Looking back, I can discern a common visionary thread running through these leaves of your Company's history and binding them together, thereby in turn paving the way for future contributions in the field of power generation and distribution.

Let me share with you some insights as to how this sterling vision has translated itself into reality. One of your Company's primary achievements has been its ability to establish and maintain both its credentials and credibility as a viable energy source at a time when large power generation units are the trend of the day. With exemplary self confidence, your Company has adopted itself to the role of bulk power distributor and continued to play a pivotal role in the growth of industry and other branches of commerce in the licensed area. At the same time, your Company has continued to operate its age-old generating units, albeit with addition to the steam generating capacity and with diligent maintenance and upkeep. Your Company's plant load factor (PLF) of 65% compares very favourably with the national PLF reported at 56% and is well above the average PLF of 43% recorded in the state of West Bengal. I am sure you will join me in congratulating the employees for keeping up their high performance standards.

Apart from the fact that these old plants run as profit centres by themselves, they have the quintessential role of being consumer service centres too. For instance, they provide the gassy and floodprone coalmines of Eastern Coalfields Ltd. (ECL) a much needed sense of security and confidence. Your Company has developed over the years a reliable distribution network in the area with facility to feed most of the load centres from more than one source of supply. To top it all, the maintenance staff has created an enviable customer service track record, reacting swiftly to any fault or breakdown in power supply and restoring it within the shortest possible time. With such strengths built into the system, we can look a the future with confidence for serving the consumers in the licensed area.

Your Company stands testimony that in the field of power, while big might be majestic, small remains beautiful. It is by now established that in case of outage of large units the shortfall in power becomes unmanageable and the distributing agencies have to resort to loadshedding. A possible long term solution to this consumer irritant could be to so ordain that the bulk power supply from large generating units distributed through national o state grids be supplemented by smaller, more reliable and responsive generating units located at load centres with appropriate arrangements tied-in enabling a switch over from one supply source to another at short notice, if need be.

In keeping with our social awareness, we have kept our commitments to the overall cause o the environment. Last year, we had laid a garden at Yuba Bharati Krirangan-Salt Lake Stadium at a total cost of Rs. 2.50 lakhs as our contribution to Calcutta's beautification programme.

Board of Directors

K.S.B. SANYAL

N.K. BISWAS

DURGAPRASAD CHAKRAVARTI

Brig. D.N. MULLICK (Retd.)

S.N. SINGH

The Rt.Hon. LORD SINHA OF RAIPUR

J.N. UPPAL

CHIEF EXECUTIVE
Maj. Gen. A.K. MUKHERJEA (Retd.)

Experience. Expertise. Efficiency

SUPPLY COMPANY LTD.

Yule Group of Companies)

Pioneering Tie-up

s reported last year, a new era of censee-consumer tie-ups has been ioneered by your Company, which as entered into an agreement with CL, by far its largest consumer, for etting up and subsequently perating a 2 x 10 MW captive hermal power plant for their Chinakuri group of coalmines. I am leased to inform you that this roject is progressing satisfactorily nd is likely to be commissioned in 990-91. Your Company has also aken up a feasibility study, for aking over the operation and naintenance of two gas turbine GT) generating sets belonging to ECL. There is a further possibility of similar arrangements to run and naintain two more of ECL's large capacity GT sets.

These schemes, when implemented, will provide more than 100 MW of survival power generation capacity o your Company's system. The consequent beneficial fallout would be two-fold. Firstly, it would go a long way to facilitate the optimum utilisation of capital investment in the nationalised coal sector. Secondly, it would also ensure greater flexibility in load management, which will serve the interests of all sections of consumers in the area.

Private Sector Role

Based on the report of a Working Group for private sector participation in the country's power supply, the Central Electricity Authority has invited proposals for increasing the generating capacity of your Company. The projections in financial terms for augmenting the generation capacity have been already submitted to the State Government. The proposal of the Central Government to increase the reasonable return on investment to 15% per annum, the announcement made in Parliament by the Union Finance Minister that Section 115J of the Income Tax Act, 1961 would not be applicable to electricity companies, and the proposed re-introduction of the Investment Allowance Scheme are all steps in the right direction. I have no doubt that responsible private sector participation in the power sector can only help in bridging the extent gap between demand and supply to a great extent and would be therefore in the ultimate national interest.

The Human Factor

Of the many factors which impinge on the managerial task and influence its accomplishments, the human factor is perhaps the most significant. With this strong belief, your Company's constant endeavour has been to create a sense of confidence, wellbeing and involvement amongst its employees. Each employee is motivated to contribute his full potential towards achieving the goals and objectives of your Company. This spirit has been nurtured over the years by professional management and an organisational culture which your Company shares by way of a common heritage as a member of the Andrew Yule Group.

Future Plans

With the ongoing modernisation and mechanisation of coalmines, the expansion of industry, trade and commerce as well as the introduction of modern technologies in the agricultural sector within the licensed area, the load demand is expected to increase two-fold by the year 2000. To meet this envisaged load burden growth, a long term plan for augmenting generation capacity by setting up at least two more 10 MW generating units, creating power supply receiving points from DVC at two new load centres and a large scale extension and modernisation of distribution facilities has been adopted by your Company. This will require an investment of upward of Rs.50 crores over the next few years. However, a prerequisite to the launch of this ambitious venture would be governmental assurance towards extension of your Company's licence beyond 1992. I am sure, the matter will be considered favourably by the concerned authorities.

Acknowledgements

We are most grateful for the continued support given to your Company by the Government of West Bengal, particularly its Department of Power, the West Bengal State Electricity Board, the Damodar Valley Corporation, Coal India Ltd. and Eastern Coalfields Ltd On behalf of the Board, I assure them that we shall always keep our vision intact and strive to fully play our role in maintaining and meeting the growing power supply requirements in our licensed area, not hesitating in the process to take up more responsibility in the cause of serving our valued consumers.

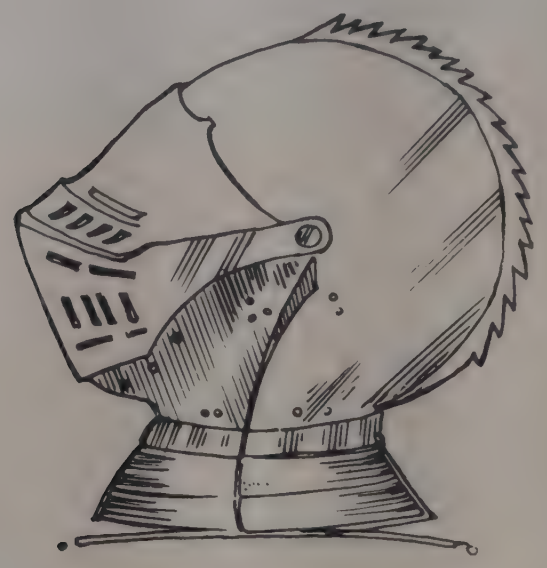
Chairman

Note:
This does not purport to be a record of the proceedings of the Annual General Meeting

A tradition of 76 'light' years.

CC/D-1/88

Absolute Protection



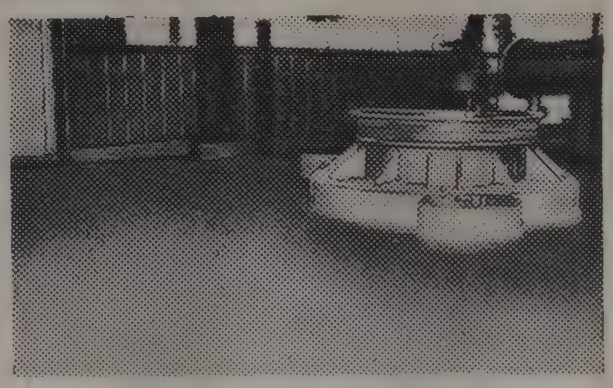
Now floor and wall coatings from Coromandel Prodorite that protect against fungi, dust, abrasion, skidding and of course corrosion.

Your walls and floorings need protection against corrosion. But an anti-corrosive agent, that's also proof against fungus, dust, abrasion and skidding is added value for your money. And safety.

Now Coromandel Prodorite's new wall and floor coatings have been formulated to offer all round protection. Manufactured in technical collaboration with Prodorite - UK and Concrete Chemie of West Germany, two world renowned names in anti-corrosion engineering, the new range have

universal applications. And are particularly ideal for the food and beverage industry.

For hospitals, explosives, factories, gas [illegible] and nuclear power stations a special non-conducting grade coating is available.



Choose a coating thats right for you from this range:

Corocretin	BB	—	Food industry, textile mills
and Corocretin	UBL	—	Nuclear Power Stations, chemical plants, warehouses, concrete surfaces
Corocretin and Corocretin	UBS UA	— —	Highly corrosive areas, where acids, alkalies, hydrocarbons etc are active.
Corocretin	BB-AS	—	Conduction resistance between 10^4 to 10^6 Mho makes it ideal for factory floors, explosive environments.
Coroguard	WC	—	Wall coat for beverage, brewery, pharmaceutical industries.
Coroguard	FC	—	Floor coat for chemical, electrical, electronic, beverage and brewery industries.
Corofilm	E	—	Coating for food handling tanks. Useful in dairys, breweries, handling of potable and Sewerage water.
Corofilm	P74	—	Withstands temperatures upto 100%c. Recommended for environments handling radio active material.

PRODORITE

COROMANDEL PRODORITE LIMITED

P.B.No. 7, 24, Thattankulam Road, Madhavaram Madras 600 060

Phone: 575952 - 6 (5 lines)

Grams: PRODORITE Telex: 041-7707 CPL IN.

Sales Offices.

Bombay : Tel: 2861018 Telex: 011 4947
Delhi : Tel: 5726908 Telex: 031 65410
Calcutta - Tel: 447705 Telex: 021 5187

021 7350

MAA COMMUNICATIONS 88105 CPL

THE MENONS OF KOLHAPUR

From strength to strength

To most people, Kolhapur, a cool, pastoral and picturesque township in southwest Maharashtra, was known for two things: sugar and Kolhapuri chappals. Today, it is lot more — it hums with industrial activity and is catching up fast with the more industrially advanced centres in the state. Two industrial groups have put Kolhapur on the industrial map of the country — the Menon brothers and Ghatge-Patil Industries, both being involved in the engineering industry.

Of the two, the Menon brothers — Chandran (63) and Ram (59) — starting virtually from scratch three decades ago, have today grown to a Rs.25-crore business house. The two main companies in the group — Menon & Menon Pvt Ltd (managed by Chandran) and Menon Pistons Pvt Ltd (managed by Ram) — are today considered to be one of the leading companies in their fields, namely, automobile castings and pistons and piston rings, respectively. The group today employs nearly 2,000 workers, has seven plants and manufactures oil engines and automobile ancillaries, apart from castings and pistons. It has also entered the export market in a big way through its piston unit. This year the unit is expected to export almost half of its output to the USSR and West European countries.

But success has not come easily to the Menons. In 1955, Chandran, then an engineering graduate aged 30, started with a hired lathe machine in a hired shed in Kolhapur. He undertook job work for the larger companies manufacturing various machines. Chandran's parents, a wealthy agricultural family from the Trichur district of Kerala, was against this venture and therefore did not support him. "To begin with, I had no capital but only a strong desire to start something of my own," recalls Chandran. Of course, his seven years, working experience as a toolroom engineer in the defence factory at Khadki (near Pune) was a key factor in his success. Besides, Chandran says that he gained confidence by working with a private firm for a short time at Kolhapur which was doing well in similar business with very little capital. Ram, the younger brother, joined him two years later.

Around 1960 (by then the Menons had added a few more lathe machines to their stable by ploughing back profits), Menon & Co set up a new unit for the manufacture of diesel engines (agricultural pumpsets) for which demand was growing. "Within two years, the production of engines went up to 6,000 a year and the total sales to around Rs. 60 lakhs," says Ram. But the real growth of the company started in 1965 when a foundry unit was set up at Vikramnagar in Kolhapur for the castings required for the diesel engines. That year, Menon & Co was also split into two separate companies — Menon Ancillaries (for the ancilliary job work) and Menon & Menon (for the foundry and diesel engines).

Chandran Menon gearing up for faster growth

The Menon Pistons plant, Kolhapur

Chandran, however, soon found that the prospects for Menon & Menon as an independent casting unit were far better than expected. "We found that there were not many competent units manufacturing sophisticated grey iron castings for automobiles," says Chandran, "and we decided to enter into this area in a big way." Besides, the growth in diesel engines was also blocked when the government reserved this item for the small scale sector. The growth in the foundry division was substantial and around 1984 the company decided to set up another foundry at Amboli in the Sindhudurg district of Maharashtra (50 km from Kolhapur), with a licensed capacity of 32,000 tonnes per annum (tpa). In the first phase at Amboli, a capacity of 7,200 tpa was set up, thus taking the company's combined installed capacity to 15,000 tpa.

Today, Menon & Menon is producing heavy duty automobile castings like cylinder blocks and heads and gear box castings which it is supplying to a number of truck, tractor and industrial engine manufacturers as original equipment (OE). The client list of the company includes Escorts, Kirloskar Oil Engines, Ingersoll-Rand, Mahindra and Mahindra, HMT and Telco, among others. "Today we can compete with the best foundries in the country in terms of both quality and price," claims Chandran. The turnover of the company, which was about Rs.2 crores around 1980, has now gone up to Rs.11 crores. Of this, castings account for Rs.10 crores and diesel engines only Rs.1 crore (the same as 10 years ago). The company's turnover would have been still higher but for a 16-month long closure of its Kolhapur unit due to inter-union rivalry.

Meanwhile, Menon Ancillaries, the other company in the group headed by Ram Menon, had started reconditioning automobile engines along with its usual activity of manufacturing components. With the experience gained from this unit, Ram noticed that there is good scope for manufacturing aluminium alloy pistons for automobiles and industrial engines. Thus in 1969, he set up a new unit for manufacturing pistons and piston rings at Kolhapur. The new unit was named Menon Pistons while the old ancillary manufacturing activity was renamed Menon Automobiles.

In 1972, Menon Pistons went on stream and within a couple of years it became the OE supplier to a large number of automobile and engine manufacturers. Currently, it manufactures 190 types of pistons, next only to Escorts in terms of range, with price tags ranging between Rs.50 and Rs.1,200 per piece. This year (1988-89) production of the unit is expected to reach the 2 million mark, against around 360,000 pieces about 10 years ago. With such rapid growth (about 30 per cent per annum), the piston unit soon emerged as the largest in the group, with an annual turnover of around Rs.15 crores this year. "The beginning was not

Ram Menon: "the beginning was not easy"

easy," says Ram, looking back at the past. "We started without any foreign collaboration while all the other manufacturers had one and that is why our pistons faced difficulty in acceptance in the beginning."

Menon Pistons got its first major breakthrough when it developed a special piston for the Kirloskar Cummins diesel generator sets in 1974 to substitute imports. "We are grateful to them for their technical assistance in developing this critical piston," says Ram. Today, Kirloskar Cummins buys its entire requirement from the Menons and it is also the single largest buyer for them. This year, in fact, they are expected to buy pistons worth Rs.3.65 crores which will account for nearly half of Menon Pistons' total domestic sales. As Ram says, "Once our technical competence was proved there was no looking back." Today, Menon Pistons' client list includes leading automobile manufacturers like Telco and Maruti and diesel engine manufacturers like Kirloskar Pneumatic and Ruston & Hornby, apart from Kirloskar Cummins.

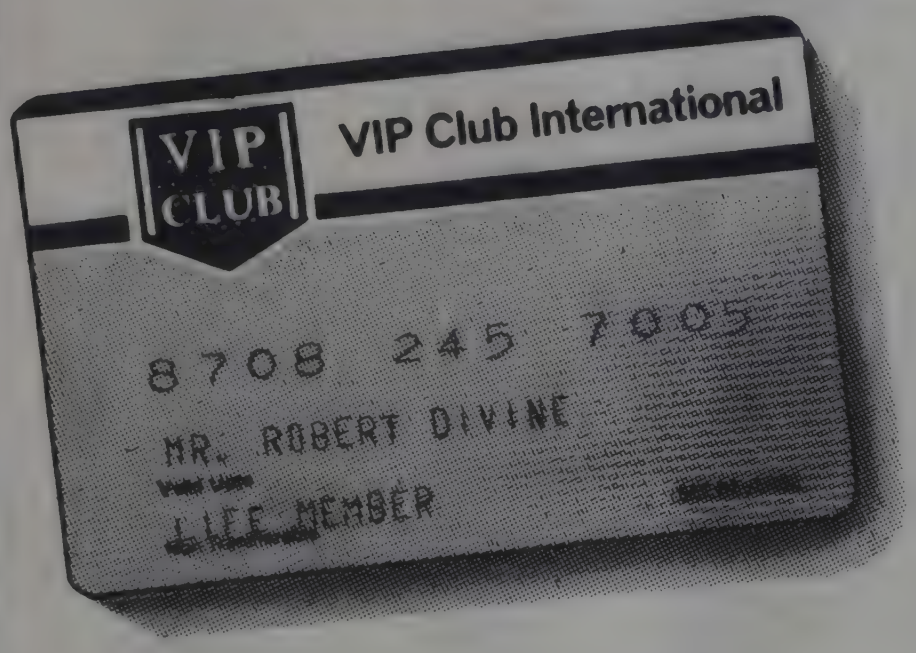
Menon Pistons had another major break when it made some small exports to Russia about three years ago. This year it will export pistons worth Rs.7.5 crores or half of is total output. Of this, exports to Russia alone will be worth Rs. 7 crores and the rest to some West European countries. "We are supplying one million pistons, valued at Rs.5.2 crores to the Lada Car manufacturing company in the USSR alone," says Ram. The technological competence of the company can also be gauged from the fact that the manufacturers of the Rolls Royce car in the UK and Peugeot in France have commissioned the Menons to develop pistons for their engines, according to their specifications and design. Also, a Nigerian company is trying to tie up with them for technical assistance in setting up a piston manufacturing unit in Nigeria.

The Menons are now gearing up for faster growth in the coming years. Menon Pistons has already set up an export division which will expand the exports of the group. "With our experience and contacts we can surely export many more items apart from pistons," says Ram. The company, in fact, has already identified several engineering products which have good potential in the export markets. It is also modernising its piston plants at Kolhapur and Sangli at a cost of Rs.7 crores to augment its output by a third of its present capacity. Similarly, Menon & Menon is doubling its installed capacity from 7,200 tonnes at its Amboli foundry in the next two years. It is also planning to diversify into foundry related chemicals, for which it has already made a beginning.

When translated into money terms, all these ambitious plans, according to Ram, will mean a near doubling of group sales to nearly Rs.50 crores within the next three years. As business is growing, the second generation of the Menons is also moving in. Vijay, Chandran's eldest son, has already joined the group after graduating in engineering. Two sons of Ram and the younger son of Chandran are currently studying and are expected to join the group later.

■ DILIP MAITRA

VIP CLUB CARD – THE CARD THAT REFLECTS YOUR STATUS – MAKES YOUR MONEY GO FURTHER.



Welcomed in all affiliated establishments Internationally. With a VIP Club International membership you get more than just another card because VIP Club card entitles you to a unique and comprehensive range of Services and privileges in India and Abroad.

VIP Club membership will extend you a recognition reflecting status and high social life style.

LOOK AT SOME OF THE BENEFITS OFFERED TO VIP CLUB MEMBERS

- Upto 40% off on your hotel bills and 20% on car rental in India and Abroad.
- Save upto 20% in restaurants and shops.
- Personal accident Insurance upto Rs. 50,000/-.
- Retrieval of lost luggage.
- VIP Club News, monthly magazine sent to members.

Membership processed within 15 DAYS

R. A. Advtg./VIP/001/88

Please enroll me as a member. Enclosed Cheque/DD No. for Rs.

Name ... _____ Occupation: _____

Tel Off: _____ Res: _____ Address: _____

_____

_____

MEMBERSHIP FEES
1 Year Rs. 550/-.
3 Year Rs. 1,200/-.
VIP Club Gold Card (Life Membership) Rs. 5,000/-.

VIP Club International
109, Embassy Centre,
Nariman Point,
Bombay - 400 021.

GILLETTE

Reprieve from Coniston

Gillette has agreed to a truce with the Wall Street firm, Coniston Partners, which had waged a proxy war against the Gillette management for the past two years. Coniston which owns 6 per cent of Gillette shares was trying to get the support of the other shareholders for a resolution to force the Gillette management to reorganise the company and sell off its assets. Under the terms of agreement, Gillette will buy back Coniston's shareholding and Coniston will not seek control of Gillette for at least three years.

CHRISTIN DIOR

Stake in Moet Hennessey Louis Vuitton

Shortly after the merger of the champagne and cognac company, Moet Hennessey, with Louis Vuitton, manufacturer of luxury leather goods sharp differences emerged between the erstwhile chairmen of the two units. To resolve their differences, Louis Vuitton and Moet Hennessey inducted Bernard Arnault, the French financier who controls the luxury goods company, Christin Dior. Arnault is now taking a substantial stake in Moet Hennessey Louis Vuitton through Christin Dior, in association with the UK drinks group, Guinness.

SMITH KLINE

Top management ulcers

Between 1976 and 1983, Smith Kline was the only US company selling the anti-ulcer drug, Tagamet. The enormous sales of Tagamet raised the company's total turnover to $4.3 billion per annum. However, in the past year, Glaxo and Roche have made deep inroads into the American market for anti-ulcer drugs with the Glaxo product Zantac. As a result, Tagamet sales have dropped by 30 per cent, [illegible] ulcers to Smith Kline's top man [illegible] and the company's institutional [illegible]

A zoom in income

TWA

Massive damages won

TWA has reported a sharp rise in income consequent on winning its $50 million lawsuit instituted in 1962 against the company's former owner, the late multi-millionaire Howard Hughes. The basis of the case was that the airline was mismanaged by Hughes during his ownership. The damages have been awarded against Summa Corporation, which is the main holding company controlling the Hughes estate.

GRAND METROPOLITAN

Sale of Intercontinental Hotels

Grand Metropolitan, the UK-based beer, food and hotels group has announced that it intends to sell its subsidiary, the Intercontinental Hotels group, at a minimum asking price of £1.5 billion. Intercontinental has 100 hotels in 47 countries and was purchased by Grand Metropolitan in 1981 for $500 million.

Possible buyers for Intercontinental include Trust House Forte, Holiday Inn, Sheraton, and Hyatt.

BICC

Purchase of Ceat Cavi

The British Insulated Callendars Cables (BICC) has agreed to purchase the cable business of Ceat, one of Italy's top tyre and cable manufacturing companies. This represents BICC's first major foray into the European market. "This acquisition is an important step in our preparation to take full advantage of the integration of European markets," says Robin Biggam, BICC's chief executive.

BRITISH AMERICAN TOBACCO

US takeover battle

The cigarette, paper and insurance giant, British American Tobacco (BAT), is engaged in a prolonged battle to take over the Los Angeles-based insurance company, Farmers Group. BAT is bidding $4.2 billion for the insurance company, but the takeover attempt has been stalled by Farmers, which has filed lawsuits against BAT in a number of states in the US, where it operates. BAT recently moved a step forward towards its objective, following the decision of the California superior court in its favour. Ohio has also ruled in favour of BAT, but suits are still to be settled in a number of other US states.

STANDARD CHARTERED

Dispute over insider trading funds

Standard Chartered Bank is caught between lawsuits over a $12 million deposit by Fred Lee, a Chinese businessman, who is charged with insider trading frauds in the US. Lee made a deposit with Standard Chartered in Hong Kong, but the US Securities and Exchange Commission has secured an order from a New York court requiring Standard Chartered to hand over the money to the court.

The bank plans to appeal on grounds that the New York court does not have jurisdiction over funds deposited in Hong Kong.

■ ABHIJIT SEN

"HELLO ENGINEERS"

CMI Jelly Filled Telephone Cables are here.

CMI blazes a new trail with a range of Petroleum Jelly Filled Cables. CMI has been a trend setter in the Small Scale Sector and is proud of its role in the Telecommunication revolution sweeping the country.

These cables will find their way in telecommunications for the Railways, Control Rooms, Telephone Exchanges and Defence applications.

What's special about CMI Jelly Filled Cables is its exclusive Insulation Compound which gives the cable a longer life. The Jelly in the cable not only resists water seepage, but also acts as a moisture barrier. The cables are also provided with special screening which results in zero electrical interference from outside.

CMI is already a name to reckon with for a large variety of cables including Signal & Instrumentation Cables for data transmission. Today, CMI Cables are at work in the heart of Industry — Telephone Exchanges, Control Rooms, Railways, Power Stations, Heavy Vehicles, Defence, Satellite Launchings — you name it.

CMI PVT. LTD.

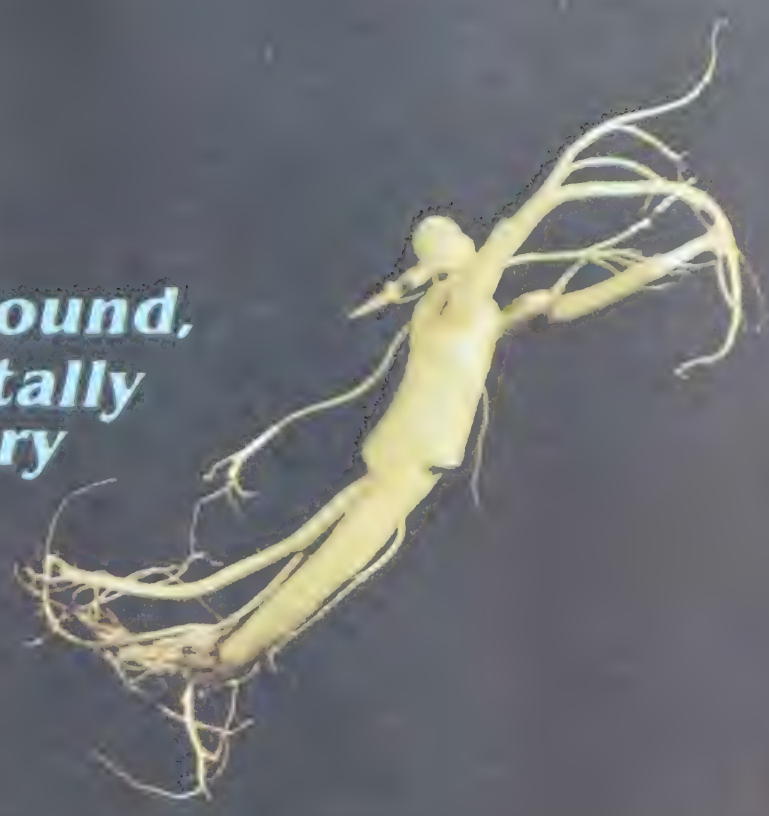
1302, Nirmal Towers, Barakhamba Road,
New Delhi-110 001. Tel: 3313116
Telex: 031-61082 CMI-IN

CMI CABLES — Making the right connections.

appeal

There's no stimulation on earth that can make walkers run, and runners fly...

but underground, it's a totally different story



A story that takes you back five thousand years. To the hidden depths of the Orient. To the fertile soils of Korea. To an enigmatic, man-shaped miracle root. To a legend that modern day scientists have already put to the test, proved and accepted with awe. A story that takes you to... GINSENG.

Ginseng. Over the years it's come to mean vigour, vibrance, vitality, plain good health or even energy plus. International pop legends have sung its praise. Celluloid giants have become fans. Celebrity authors write about it. Oriental athletes improve their track records with it. And Russian Cosmonauts use it in space to combat fatigue.

Ginseng. Across the counter, in Russia, China, Japan, Korea, West Germany, UK and USA, it's gained total consumer acceptance. And in every form, inspired hard-core medical confidence too.

Ginseng. To many it's the elixir of life. To others it's the key to sexual virility. While the Orientals have believed in it for years, the rest of the world is still waking up to its prowess. And discovering that Ginseng is much more than the aphrodisiac it's reputed to be. ★ It's good for body tone. ★ Great for the heart. ★ Lowers blood pressure. ★ Reduces stress ★ Stimulates the nerves. ★ It has known anti-diabetic properties. In short, it's an ideal weapon to fight the rigours of today's demanding lifestyles.

Now, the original, most potent Korean Red Ginseng. In capsule form. Under the brand name JENSHENG, comes to you from Biological E Limited.

JENSHENG. Use it to make flights of imagination, exciting journeys of reality. Use it to open up the frontiers of your mind. Use it too, to surpass your own concept of the ultimate. But use it. Most of all, for your better health.

If you want to know more about JENSHENG do write to us for a complete illustrated booklet.

BE

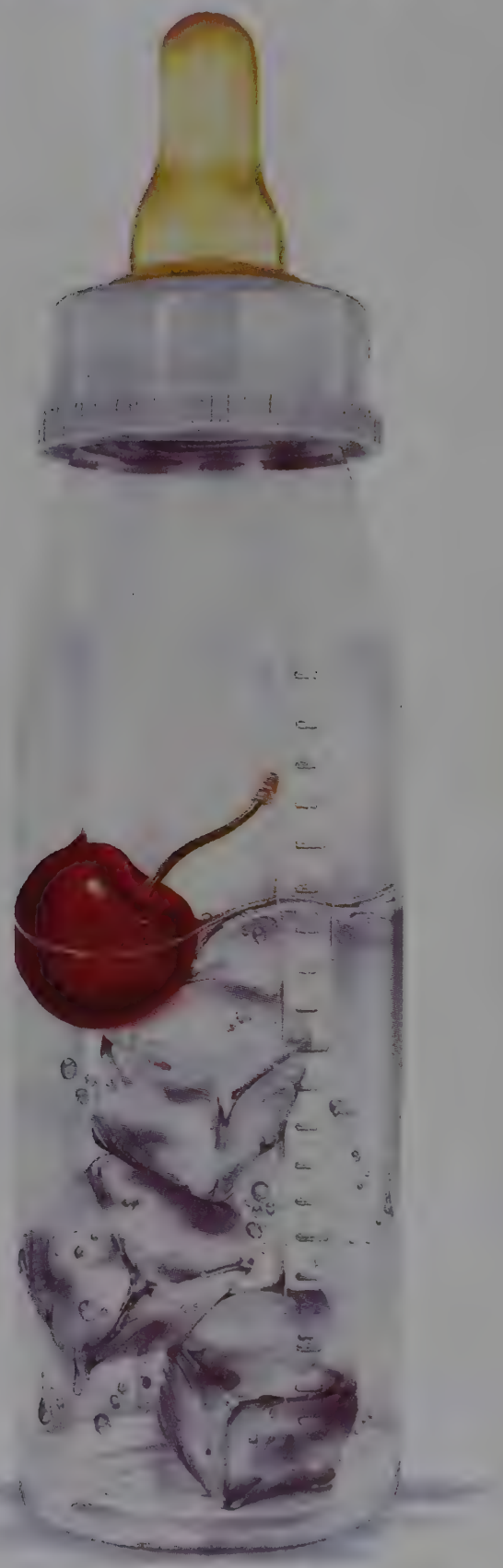
Biological E. Limited

18/1 & 3, Azamabad,
Hyderabad-500 020.

JENSHENG

Your root to better health

SAY CHEERS TO A NEW ARRIVAL.



CRUICKSHANK

You'll raise a lot of toasts to this new arrival. Because you'll know that this one's got a great future ahead. At Parties. Among Peers. Among Friends. Everywhere. In fact, you'll find that its smooth, mature and distinctly elegant personality is going to be the toast of every party soon.

And reason enough to keep celebrating forever!

C&C.
CRUICKSHANK & COMPANY LTD.
A NEW SPIRIT IS BORN

Birla Jute

Net loss; higher provision for interest, tax and depreciation; diversification plans suspended

Birla Jute has shown a loss for the year ended March 1988. Although sales have increased by 17 per cent to Rs.347.76 crores (previous year Rs.297.23 crores), the profits at operating levels have fallen by 8 per cent to Rs.28.70 crores (Rs.31.12 crores). After providing Rs.11.43 crores (Rs.9.28 crores) for interest and financial charges, Rs.16.88 crores (Rs.13.03 crores) for depreciation and Rs.0.71 crores (nil) for taxation, there is a net loss of Rs.32 lakhs as against a profit of Rs.8.81 crores in the previous year. Taking into consideration the excess provision for depreciation written back — Rs.4.06 crores (Rs.7.95 crores) — and the previous year's balance brought forward, the amount available for appropriation amounts to Rs.7.12 crores (Rs.16.77 crores).

The directors have recommended a lower dividend of 14 per cent (16 per cent).

The loss this year is mainly due to the continued squeeze on the cement division. This was due to the continuous power shortage, the poor quality of coal and the shortage of wagons.

The jute division has performed well. Exports of jute goods increased from 18,408 tonnes valued at Rs.16.80 crores to 19,996 tonnes valued at Rs.20.07 crores. Exports constituted 27.7 per cent of sales in terms of tonnage and 30.3 per cent in terms of value. (For the industry as a whole, exports as a percentage of production were 18.9 per cent.) The company has been sanctioned a loan of Rs.6.48 crores under the Jute Modernisation Fund Scheme for modernising three mills.

The synthetic unit has been able to make reasonable profits due to an increase in the sales of synthetic, viscose and cotton yarn.

The carbide and gases division suffered a substantial cash loss, despite the carbide division achieving a near optimum production of 13,977 tonnes (14,297 tonnes). The loss was due to the sharp rise in the cost of power and charcoal and a corresponding sharp decline in the realisation factor. This unit, which was the first of its kind in India, has become a "high cost" one compared with the modern plants coming up at Orissa and Bhutan. The management may therefore close it down. The Bhutan unit will have the lowest power cost and will be exempt in the beginning from duties and taxes. It is close to the Calcutta-Durgapur-Asansol industrial belt, which happens to be the major market.

Due to various constraints and adverse market conditions the company has suspended the various diversification plans it had considered earlier.

	(Rs. crores)	
Year ended 31 March	**1988**	**1987**
SALES	347.76	297.23
OTHER INCOME	9.64	8.49
OPERATING PROFIT	28.70	31.12
INTEREST	11.43	9.28
GROSS PROFIT	17.27	21.84
DEPRECIATION	16.88	13.03
TAX	0.71	—
NET PROFIT/(LOSS)	(0.32)	8.81
EQUITY CAPITAL	20.38	20.38
CASH RESERVES	86.75	85.82
NET BLOCK	145.12	142.91
NET CURRENT ASSETS	38.37	33.17
EPS (%)	—	43.20
DIVIDEND (%)	14.00	16.00
MARKET PRICE (Rs)		
CURRENT	41.50	
1988: HIGH	46.50	
LOW	33.00	

Tomco

Higher profits due to sale of overseas holdings; mediocre performance; dividend trimmed

The company has reduced dividend from 15 per cent paid last year to 10 per cent paid on enlarged capital for the year ended March 1988. The company recorded an increase under the "other income" head because of profit on the sale of all its holdings in United Plantations, Berhad, Malaysia at the prevailing market price which fetched the company Rs.7.70 crores.

Had it not been for this income, the company would have incurred a net loss of more than Rs.6 crores. The operating profit was up by 19 per cent to Rs.13.32 crores (previous year: Rs.11.24 crores) The interest and financial charges of the company amounted to Rs.8.82 crores; this will be reduced next year because of conversion of interest bearing debentures. After depreciation of Rs.2.13 crores (Rs.2.18 crores) and tax provision of Rs.0.80 crores (Rs.0.75 crores) the net profit was Rs.1.57 crores (Rs.1.29 crores). The cash profit rose to Rs.3.70 crores.

	(Rs. crores)	
Year ended 31 March	**1988**	**1987**
GROSS SALES	274.65	230.97
EXCISE	29.49	17.63
OTHER INCOME	13.02	9.67
OPERATING PROFIT	13.32	11.24
INTEREST	8.82	7.02
GROSS PROFIT	4.50	4.22
DEPRECIATION	2.13	2.18
TAX	0.80	0.75
NET PROFIT	1.57	1.29
CASH PROFIT	3.70	3.47
EQUITY	8.11	6.33
RESERVES	19.78	18.21
GROSS BLOCK	38.13	37.16
INVESTMENTS	2.94	4.99
DIVIDEND (%)	10.00	15.00
EPS (%)	19.36	20.38
MARKET PRICE (Rs.)		
CURRENT	62.00	
1988: HIGH	87.00	
LOW	55.00	

The major factor contributing to the company's set back during the year was the increased cost of raw materials, which was not matched by a commensurate increase in the price realisations. The price of rice bran oil (raw material for soaps and detergents) increased by 50 per cent over the preious year's average price. The sales of the company's main product, soap, which accounts for 70 per cent of total turnover went up to 94,613 tonnes (91,980 tonnes), the average selling price being Rs.20,130 per tonne (Rs.16,335 per tonne). The plant worked at 180 per cent capacity.

The problems were aggravated because the general demand for soaps and detergents received a setback particularly in the rural areas because of the drought. The company produced 93,010 tonnes of cattle and poultry feeds compared to 86,541 tonnes last year; an increase of 8 per cent; sales too have registered an 8 per cent increase.

The company has promoted Tata Vashisti Detergents Ltd in the joint sector with the State Industrial and Investment Corporation of Maharashtra Ltd (SICOM), and Maharashtra Petrochemicals Corporation Ltd. Tomco will contribute 25 per cent and SICOM and MPCL will together contribute 26 per cent of the company's equity. The company will man-

ufacture alpha olefin sulphonates (a substitute for LAB), shampoos, toilet soaps and synthetic detergents in a backward area of Maharashtra.

The company has a letter of intent to manufacture an additional 15,000 tonnes of toilet soaps under the Minimum Economic Scale of Operations Scheme for its plants at Calicut, Ghaziabad (UP), and Sewree in Bombay. The company is also in the process of renovating its fatty acids plant at Tatapuram (Kerala) and enhancing its capacity.

Indian Rayon

High depreciation charge results in net loss; major units affected by strikes

The company has maintained dividend at 28 per cent on enlarged capital for the current year ended June 1988. In September 1987, the company issued 9.3 million equity shares; this was after the conversion of the 11th series debentures. The prorata dividend for these shares now is 21 per cent. The sales have improved by 7 per cent to Rs.214.42 crores (previous year: Rs.199.75 crores). The company paid 13 per cent excise duty amounting to Rs.27.92 crores, thus bringing down the net sales figure to Rs.186.50 crores. The "other income" of the company increased mainly because of higher interest received from non-government securities.

The operating profit increased by 30 per cent to Rs.33.04 crores. After interest charges of Rs.15.31 crores, the gross profits rose by 34 per cent at Rs.17.73 crores. With a high depreciation provision of Rs.25.65 crores and tax liability of Rs.1 crore, the company incurred a net loss of Rs.8.92 crores as against a net profit of Rs.4.52 crores last year. But the cash profits rose by 34 per cent from Rs.12.45 crores to Rs.16.73 crores.

The company's production reached an all-time high, its rayon plant producing 8,135 tonnes (7,963 tonnes) utilising 90 per cent of the installed capacity of 9,000 tonnes; capacity was increased this year from 8,200 tonnes by installing balancing equipment.

The company sold viscose filament yarn (VFY) at an average price of Rs.69,165 per tonne (Rs.44,900 per tonne). The price of its main raw material — wood pulp — has increased from Rs. 8,860 to Rs.9,730 per tonne.

At the company's Portland cement unit there was an 82-day strike, which reduced production to 458,700 tonnes (598,700 tonnes); only 85 per cent of capacity was used (111 per cent). Although a power cut of 70 to 80 per cent prevailed throughout the year in Karnataka, the company's captive diesel power helped it achieve high capacity utilisation.

The company completed a Rs.40 crore carbon black plant in UP with an annual capacity of 20,000 tonnes in a record period of 14 months. The company is to market its product under the brandname "Hitech carbon".

The company is on the verge of implementing several diversification and expansion schemes. It has started implementation of the industrial licence for producing lightning arrestors and condenser bushings in technical collaboration with Brown Boveri Ag, Switzerland. The project is likely to be commissioned by the end of this year. The company is also expanding the capacity of its cement plant by 540,000 tpa. The expansion is likely to be completed by the first quarter of 1990.

The company also has a letter of intent for setting up a plant to manufacture 15,000 tpa of polyester filament yarn. Indian Rayon is also one of the promoters of Indo-Gulf Fertilisers & Chemical Corporation Ltd whose plant for producing 1,350 tonnes of ammonia and 2,200 tonnes of urea in UP is soon to be commissioned.

The company in collaboration with Hindustan Petroleum Corporation Ltd has also formed a new company — Mangalore Refinery & Petrochemicals Ltd (MRPL). Both Indian Rayon and HPC own 26 per cent of MRPL's equity. The refinery will be designed to initially process 3 million tonnes of crude oil annually.

The increase in the retention price of cement by Rs.47 per tonne will benefit the company and partly compensate for the higher costs. And with demand surging again, the capacity expansion will stand the company in good stead. The new carbon black plant too will add to the profits this year.

		(Rs. crores)
Year ended 31 March	**1988**	**1987**
GROSS SALES	214.42	199.75
EXCISE	27.92	26.85
OTHER INCOME	7.82	2.66
OPERATING PROFIT	33.04	25.51
INTEREST	15.31	12.26
GROSS PROFIT	17.73	13.25
DEPRECIATION	25.65	7.93
TAXATION	1.00	0.80
NET PROFIT	−8.92	4.52
CASH PROFIT	16.73	12.45
EQUITY	16.14	6.87
RESERVES	81.34	42.75
GROSS BLOCK	237.36	166.58
NET BLOCK	123.88	81.48
CAP WORK IN PROGRESS	44.29	27.84
INVESTMENTS	27.40	23.64
DIVIDEND (%)	28.00	28.00
EPS (%)	—	66.00
MARKET PRICE (Rs.)		
CURRENT	65.75	
1988: HIGH	73.00	
LOW	46.00	

Standard Mills

Spurt in exports; sale of NOCIL shares relieves interest burden

The company has paid a dividend of 20 per cent for the 15 months ended March 1988; on an annualised basis, the dividend works out to 16 per cent. The year's balance sheet cannot be compared with the previous year's because the current year's accounts are for a period of 15 months.

The turnover was Rs.197.95 crores (previous year: Rs.166.50 crores). The "other income" is higher at Rs.20.77

		(Rs. crores)
Year ended	**31 March 1988***	**31 Dec 1986**
TURNOVER	197.95	166.50
OTHER INCOME	20.77	8.96
OPERATING PROFIT	32.59	19.99
INTEREST	13.92	10.81
GROSS PROFIT	18.67	9.18
DEPRECIATION	13.05	4.23
TAX	0.26	0.10
NET PROFIT	5.36	4.85
EQUITY	11.05	11.05
RESERVES	35.92	32.57
GROSS BLOCK	191.30	179.45
INVESTMENTS	2.09	2.78
DIVIDEND (%)	20.00	16.00
EPS (%)	48.50	43.90
MARKET PRICE (Rs.)		
CURRENT	250.00	
1988: HIGH	309.00	
LOW	190.00	

Figures are for 15 months

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable
* Maintenance - free * 100% Leakproof and Rustproof
* Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes.
* Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Bidhan-SPC-131-A

Sintex - World's No.1 Plastic Water Tanks

Offices At. Ahmedabad • Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras

ICFAI ANNOUNCES

A Unique Correspondence Course

DIPLOMA IN BASIC FINANCE

(The DBF Programme)

ADMISSION NOTICE

Encouraged by the phenomenal success of the CFA Programme (Chartered Financial Analyst) meant for Financial Executives, The Institute of Chartered Financial Analysts of India (ICFAI) now launches a new and unique programme in Basic Finance, entitled the DBF Programme (Diploma in Basic Finance) through correspondence.

DBF Programme Design & Structure

The DBF Programme is designed to help the candidates get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four compulsory and two elective modules. Two-day Weekend Workshop Sessions will be conducted at major cities periodically to facilitate direct interaction between faculty and the participants.

Eligibility

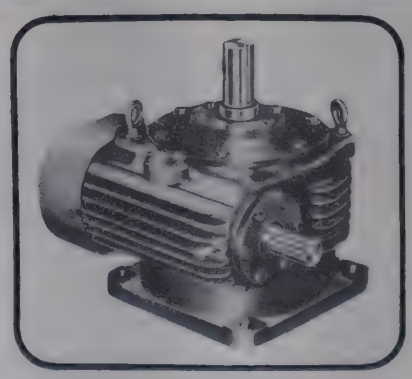
Corporate executives, self-employed persons, entrepreneurs, bank and insurance executives, Government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. The Institute welcomes sponsorship of candidates from employers.

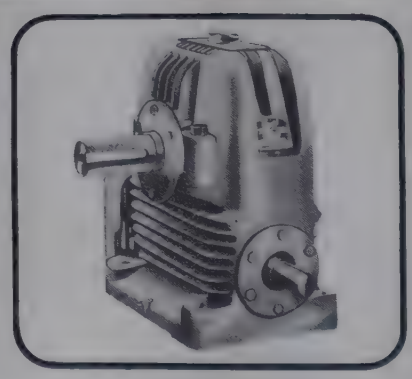
Prospectus

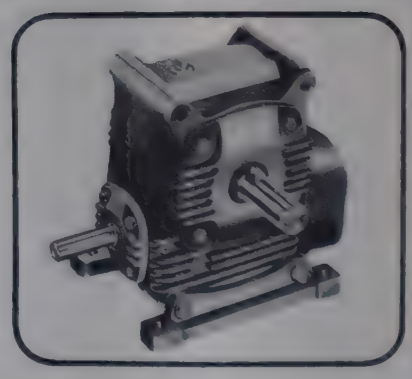
For Prospectus and Application Form, please write to the Administrative Officer (DBF) giving your address and enclosing a demand draft for Rs. 40 drawn in favour of 'The DBF Programme A/c ICFAI' payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA
Road No. 3, Banjara Hills Hyderabad-500 034.

ACCURACY AND RUGGEDNESS ARE BUILT-IN QUALITIES OF **Shanthi**







WORM AND HELICAL REDUCTION GEAR BOXES OF WIDE RANGE

Efficient/S/151/-88

Manufacturers: **Shanthi** GEARS LIMITED, 304-A, TRICHY ROAD, SINGANALLUR, COIMBATORE – 641 005, TAMIL NADU, INDIA
PHONE: 674241 (5 LINES), TELEX: 0855-373 GEAR IN, 0855-302 SALE IN GRAMS: "SANTHIGEAR"

REGIONAL OFFICES: BOMBAY: 37, "CREATIVE INDUSTRIES BUILDING", SANDARNAGAR, ROAD No 2, KALINA, BOMBAY – 400 098. PHONE: 6140168 • BANGALORE: 612, 45th CROSS, 8th BLOCK, JAYANAGAR, BANGALORE – 560 082. PHONE: 645018, 646332. TELEX: 845-2061 SALE IN • MADRAS: 157, LINGHI CHETTY STREET, 1st FLOOR, MADRAS – 600 001. PHONE: 582444, 587234 • MADURAI: C 257, GANDHI ROAD, TIRUNAGAR, MADURAI – 625 006.

[illegible] DELHI, CALCUTTA, AHMEDABAD, PUNE, NAGPUR, VARANASI, HYDERABAD, VELLORE, SALEM, MADURAI, TRICHY, TIRUNELVELI, COCHIN, TRICHUR.

crores (Rs.8.96 crores) on account of sale of 205,000 equity shares of NOCIL at Rs.447 per share and the withdrawal of Rs.4.02 crores from revaluation reserve. The operating profit of the company was Rs.32.59 crores (Rs.19.99 crores). This works out to Rs.26.07 crores on an annualised basis. The company issued non-convertible bonds worth Rs.3 crores to UTI; interest charges have therefore increased. But at the same time the company saved substantial interest on intercorporate deposits which were repaid by utilising the money that came from the sale of NOCIL shares. The amount under the depreciation account is very high at Rs.13.05 crores (Rs.4.03 crores). The company has provided Rs.26 lakhs (Rs.10 lakhs) for taxation. The net profit works out to Rs.5.36 crores (Rs.4.85 crores). If the profit is annualised, it is lower by 12 per cent.

The production of cloth was higher by 19 per cent at 62.34 million kg (52.4 million kg). The prices of its main raw material, cotton, are 90 to 100 per cent higher than the prices prevalent in 1986. The favourable monsoon is good news for the company because cotton prices may come down.

The production of caustic soda was 211,407 tonnes (152,797 tonnes), an increase of 38 per cent. The increase in the cost of electricity from 106 paise per unit to 117 paise per unit will adversely affect the caustic soda industry. The company's efforts to reduce power consumption by installing metallic anodes are at the finishing stage. This will partly compensate for the hike in power tariff.

The company sold caustic soda and related chemicals at Rs.3,868 per tonne. This is one hundred rupees higher than last year. The cost of producing the same was Rs.3,603 (Rs.4,225). The capacity utilisation was higher at 110 per cent (80 per cent).

The company's other product, Chlorosol, has been widely accepted; production is expected to increase gradually. A letter of intent for the manufacture of 150 million disposable syringes and 300 million hypodermic needles has been granted. The company is getting set to implement this project.

The company's exports spurted to Rs.17.28 crores in the year ended March 1988, from to Rs.7.06 crores in 1986. The government's new policy of making profits from exports free of income tax will add to the company's profitability.

The company's joint venture in Indonesia — P.T. Standard Mills Industries — has shown better results for the year ended June 1987. The working is expected to improve further as its products are finding acceptance in Indonesia and other countries.

TRENDS

Dharamsi Morarjee

The sales for the first half year ended June 1988 are higher by 19 per cent at Rs.49.13 crores. But the operating margins have improved only marginally to 12.58 per cent (11.09 per cent in the corresponding six months of the previous year). "Other income" has risen from Rs.69 lakhs to Rs.1.15 crores.

The raw material cost was 66 per cent of sales, the same as last year, expenditure incurred on that account being Rs.29.15 crores (Rs.24.64 crores). The wage bill was Rs.4.47 crores (Rs.4.04 crores). The company made a profit of Rs.5.55 crores (Rs.4.11 crores) at the operating levels. After interest charges of Rs.3.03 crores (Rs.2.56 crores); depreciation charges of Rs.1.43 crores (Rs.1.45 crores); and tax liability of Rs.17 lakhs (Rs.2 lakhs), net profit rose to Rs.92 lakhs (Rs.8 lakhs).

The company's main product — fertilisers — has not done well due to drought. The company has been largely dependent on fertilisers for its profits. Now, the company plans to begin commercial manufacture of some new products developed by the R&D division. The ratio of fertilisers to chemicals, which is 62:38 at present, is expected to become 40:60 by the end of 1989.

Polyolefins Industries Ltd.

PIL has turned out an excellent performance in the first half of the current year. There has been a spurt in profits though the sales are only marginally higher.

The sales went up to Rs.81.57 crores (Rs.77.16 crores). But operating profits are significantly higher at Rs.18.14 crores (Rs.12.04 crores). Thus, profits rose by 51 per cent while sales went up only by 6 per cent.

The company has a higher interest burden of Rs.2.39 crores (Rs.1.72 crores). The company has made a higher provision for depreciation and tax. The provision for depreciation went up to Rs.2.38 crores (Rs.1.99 crores) and the provision for tax to Rs.4.66 crores (Rs.3.60 crores). In spite of all this, the company's bottom line is better than ever. The net profit is Rs.8.71 crores this year, compared to Rs.4.72 crores in the corresponding period last year. This is attributed to the tremendous demand for and scarcity of HDPE which has reduced the selling and administrative expenditure.

Besides, the raw material cost too has not increased significantly, as the company has arrangements with its sister concern NOCIL. In fact, the raw material cost as a percentage of sales declined to

(Rs. Crores)

	Jan-June 1988	Jan-Jun 1987	Jan-Dec 1987
SALES	44.13	37.07	78.70
OTHER INCOME	1.15	0.68	1.65
TOTAL INCOME	45.28	37.75	80.35
RAW MATERIAL COST	29.15	24.64	50.67
SALARY & WAGES	4.47	4.04	8.65
OTHER EXPENSES	6.11	4.96	12.13
OPERATING PROFIT	5.55	4.11	8.90
INTEREST	3.03	2.56	5.61
GROSS PROFIT	2.52	1.55	3.29
DEPRECIATION	1.43	1.45	2.61
TAX	0.17	0.02	0.01
NET PROFIT	0.92	0.08	0.67
OP/SALES (%)	12.58	11.09	11.31
RM/SALES (%)	66.05	66.47	64.38

(Rs. Crores)

	Jan-June 1988	Jan-Jun 1987	Jan-Dec 1987
NET SALES	81.57	77.16	150.33
OTHER INCOME	4.67	2.33	5.60
TOTAL INCOME	86.24	79.49	155.93
RAW MATERIAL COST	36.49	35.61	65.35
SALARY & WAGES	5.98	4.69	9.92
OTHER EXPENSES	25.63	27.15	55.32
OPERATING PROFIT	18.14	12.04	25.34
INTEREST	2.39	1.72	3.34
GROSS PROFIT	15.75	10.31	22.09
DEPRECIATION	2.38	1.99	4.89
TAX	4.66	3.60	6.85
NET PROFIT	8.71	4.72	10.26
OP/SALES (%)	22.24	15.60	16.86
RM/SALES	44.73	46.15	43.47

Clothes make the man. And Sharmas set the trend with ready to wear fashion that is not available elsewhere.

Jackets. Trousers. Shirts. Fashion accessories and Knitwear with a winning combination. And anything else you could ask for the entire family. Yes, Sharmas offer you more.

Capture the very essence of Sharmas, especially its impeccable tailoring that is often copied — but never equalled

Sharmas

India's Leading Fashionwear House

S.C. SHARMA & CO. PVT. LTD.
D Connaught Place New Delhi-110 001
Tel [illegible]

graphisads 275

44.73 per cent (46.15 per cent). The overall effect has been the improvement of margins to 22.24 per cent (15.60 per cent).

The company is implementing projects to introduce many new products. These are at various stages of implementation; when completed they are expected to add Rs.45 crores to the company's turnover.

Besides, IPCL's Nagothane complex in Raigad, Maharashtra, which is expected to commence production in early 1990 is likely to bring in additional supplies of ethylene to the company and further enhance its profitability.

KSB Pumps

Though the company's turnover at Rs.21.34 crores is higher by 31 per cent, its operating profits have fallen to Rs.5.52 crores (Rs.5.75 crores). The interest burden is higher at Rs.24 lakhs (Rs.15 lakhs). The provision for depreciation is Rs.58 lakhs (Rs.57 lakhs) and for tax provision is Rs.1.97 crores (Rs.2.01 crores).

All this has led to a significant decline in the net profits of the company to Rs.2.73 crores (Rs.3.02 crores). The operating margins have been reduced to 25.87 per cent (35.23 per cent).

This decline in profits and profitability is mainly due to the tremendous increase in input costs and other indirect expenses. The raw material cost as a percentage of sales has risen to a hefty 46.63 per cent (35.66 per cent).

During this period, the company's water pump division at the Coimbatore plant commenced production. The new 4 inch submersible pump sets have undergone field tests. For the valve division, the company has entered into a technical collaboration with Velan Inc of Canada.

In the coming months, one can expect the Coimbatore plant to commence commercial production and thus add to the company's profitability. At full capacity, expected to be achieved by 1990-91, this plant is expected to add Rs.20 crores to the turnover.

(Rs. Crores)

	Jan-June 1988	Jan-Jun 1987	Jan-Dec 1987
NET SALES	21.34	16.32	34.24
OTHER INCOME	0.68	0.15	0.71
TOTAL INCOME	22.02	16.47	34.95
RAW MATERIAL COST	9.95	5.82	12.83
SALARY & WAGES	2.99	2.35	5.01
OTHER EXPENSES	3.56	2.55	6.46
OPERATING PROFIT	5.52	5.75	10.65
INTEREST	0.24	0.15	0.35
GROSS PROFIT	5.28	5.60	10.30
DEPRECIATION	0.58	0.57	1.23
TAX	1.97	2.01	3.70
NET PROFIT	2.73	3.02	5.37
OP/SALES (%)	25.87	35.23	31.10
RM/SALES (%)	46.63	35.66	37.47

RESULTS ANNOUNCED

Herdillia Chemicals

Herdillia Chemicals Ltd has recommended a dividend of 25 per cent for the year ended 30 June 1988. This includes a special dividend of 4 per cent to commemorate the silver jubilee of the company. Turnover increased by 13 per cent to Rs.79.37 crores (previous year: Rs.70.08 crores). Profits before tax improved to Rs.9.75 crores (Rs.7.44 crores); profits after tax were Rs.5.61 crores. The company has received three letters of intent for the manufacture of certain speciality chemicals.

Bakelite Hylam

Bakelite Hylam has reported improved results for the year ended 30 June 1988. The dividend has been stepped up to 18 per cent as compared to last year's 16 per cent. Sales increased by 14 per cent to Rs.66.89 crores (Rs. 58.84 crores). Profits after tax were Rs.1.24 crores (Rs.76.42 lakhs).

A plant for producing thermal insulation foam is expected to be commissioned by October 1988. The company has signed a memorandum of understanding with a Japanese company for the manufacture of wall covering material. The project is estimated to cost Rs.4 crores. The company is also planning a project for manufacturing acrylic fibre in West Bengal.

Glindia

The company has recommended a dividend of 20 per cent for the year ended 30 June 1988. Improvements in the performance of the foods and fine chemicals division contributed to the better results this year. Sales increased to Rs.230.13 crores from Rs.194.67 crores. Profits after tax and adjustments increased to Rs. 10.16 crores (Rs.7.39 crores).

IN BRIEF

During the six months ended 30 June 1988, **Thirumalai Chemicals Ltd**, registered a net sales of Rs.14.17 crores (Rs.10.98 crores in the corresponding period of the previous year). Similarly, the gross profit for the period went up to Rs.3.82 crores (Rs.1.91 crores) and net profit to Rs.2.07 crores (Rs.0.71) crores. Out of the 9,937 tonnes of phthalic anhydride sold during the six months, 5,212 tonnes were exported earning foreign exchange equivalent to Rs.4.54 crores on f.o.b. basis.

Despite the adverse conditions prevailing in the pulp and paper industry in the country, **Shree Vindhya Paper Mills Ltd**, has more or less maintained its performance during the year ended 30 April 1988. During the year the production of the company went up to 18,086 tonnes against 17,854 tonnes in the previous year. Sales during the year marginally went up to Rs.24.40 crores (Rs.24 crores in the previous year). The gross profit during the year was, however, lower at Rs.2.50 crores (Rs.2.62 crores). The board of directors has maintained a dividend at 18 per cent for the year.

Khaitan Tibrewala Electricals Ltd, the Hyderabad-based Khaitan group company has done well during the first six months ended 30 June 1988. The gross turnover of the company increased significantly by 32 per cent to Rs.9.55 crores (Rs.7.26 crores in the same period previous year). The gross profit of the company also increased to Rs.89.73 lakhs (Rs.70.32 lakhs). The company expects further improvements in its working and hopes to cross Rs.22 crores in turnover and Rs.2.5 crores in profits by the end of the current accounting year extended to 31 March 1989.

Ashok Leasing and Hire Purchase Ltd, a company promoted by Ashok Leyland Ltd, has registered a gross income of Rs.4.21 crores for the year ended 30 June 1988 (previous year: Rs.2.63 crores). Similarly, the profit before tax was higher at Rs.140.85 lakhs (Rs.78.18 lakhs) and the profit after tax was Rs.118.35 lakhs (Rs.66.18 lakhs). The company has declared a higher dividend at 20 per cent

Suppliers to the Hotel & Restaurant Industry

How to meet 75,000 buyers with just a stroke of your pen.

What an opportunity! To reach 75,000 potential buyers. To be able to talk to them at the best possible time! To be able to stay in touch all through the coming year!
By advertising in the Official Buyers' Guide '89.
Please ensure that I don't miss this.

☐ Rush me complete advertising details, the advertising rate-card and the booking form.
☐ Send your Ad Executive immediately.

My Product/Service _____

My Name _____

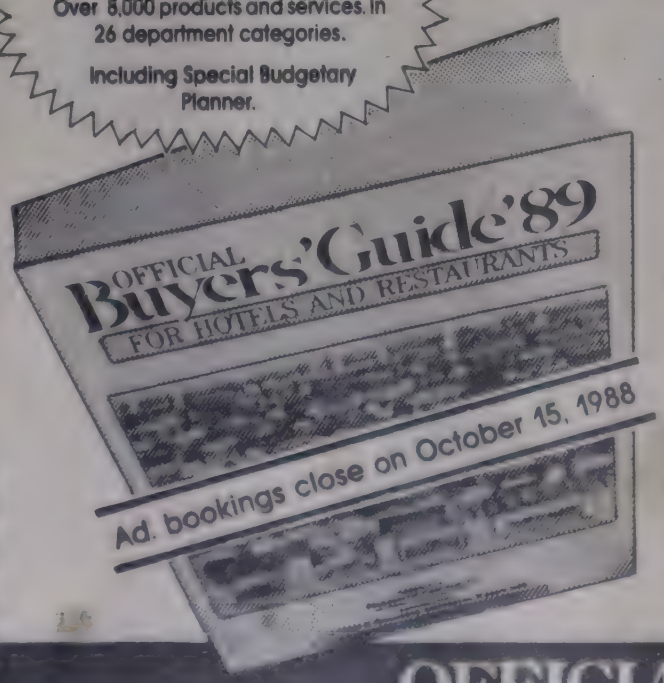
Designation _____

Address _____

_____ PIN. ☐☐☐☐☐☐

Tel. No _____ Tlx _____ Fax _____

Over 800 pages.
Over 13,000 of the best suppliers in the country.
Over 8,000 products and services. In 26 department categories.
Including Special Budgetary Planner.



Yes, now here's a unique opportunity for suppliers to the hotel and restaurant industry.

An opportunity to advertise in the Official Buyers' Guide '89.

The first reference guide of its kind for the hotel and restaurant industry.

Published in association with HRA (WI) by Professional FoodService – the acknowledged trade journal of the hospitality industry.

A guide that will be so comprehensive, authentic and useful, that an estimated 75,000 buyers in 15,000 hotels, restaurants, industrial canteens and other related institutions will refer to it next year.

Every time they need something.

As a supplier, you can well imagine what that means.

It means getting your sales message across to more buyers in more places than ever before.

Being able to talk to these buyers at the best possible time – when they're ready to buy.

And staying in touch all through 1989 – by being close at hand for all 365 days of the year.

Ensure you don't miss this opportunity to reap greater returns in 1989.

Make an investment today. By simply filling in and posting the coupon above – now!

Official Buyers'Guide '89 for Hotels and Restaurants, c/o PFS, 513, Bharat Indl. Est. Tokersi Jivraj Marg, Sewri, Bombay-400 015 Tel: 4137266/4136979/4138916 Tlx: INOS-11-71011 Fax: 291539

Asthra/PFS/04/8

OFFICIAL BUYERS' GUIDE'89

Where a single ad will bring you the greatest number of opportunities.

STOCKMARKET REVIEW

Upward bound

(For the period 12 September to 24 September.)

The relentless rise in stockmarkets continued with the strongest upward movement of the year so far. The September rise has so far added over 13 per cent to the *Economic Times* index, the strongest increase for any month this year; the current fortnight's rise was 7 per cent and took the ET index to a record high of 301.3.

The BSE index, however, rose by a more staid 4 per cent to 644.68. This was because cash scrips were in greater demand than earlier and tended to outshine the forward scrips. The spectacular gainers of the previous fortnight such as Century, Century Enka and Nocil (all in the forward list) slowed down their rate of gain, while others, such as Jindal Strips, Samtel and National Peroxide (all in the cash list) took the lead. It is normal for forward scrips to react earlier to good (or bad) economic news than cash scrips.

The starting spark for the current rise has been institutional purchases; its sustenance will surely be corporate profits, which have recorded average rises of more than 50 per cent over the past three months, with announcements over the previous fortnight recording an even more impressive average rise of 183 per cent. With such increases, it is hard to see a brake on a rising stockmarket for a while, unless dividend yields get out of hand. In the cash list, Jindal Strips rose from Rs.65 to Rs.97.50 upon announcement of a 375 per cent jump in annual profit after tax to Rs.4.85 crores, up from Rs.1.02 crores in the previous year. Samtel followed up its impressive gains of the previous fortnight with a further jump of 33 per cent from Rs.56 to Rs.75. National Peroxide also gained a strong 20 per cent up from Rs.1,200 to Rs.1,450, while Cipla touched Rs.2,000, up from Rs.1,350. Gokak Patel announced a 52 per cent jump in profits after tax; its stock price rose 20 per cent to Rs.82, up from Rs.68 a fortnight earlier. Other major gainers in the cash list included Finolex, Kinetic Engineering, Ficom Organics, Crompton Greaves, FAG Precision, Madura Coates and J.K.Industries.

In the forward list, Bajaj Auto followed up its results-induced rise of the earlier fortnight with a further gain of Rs.35 to Rs.307.50. Baroda Rayon announced excellent annual results, reversing a prior year loss of Rs.5.7 crores into a profit of Rs.4.3 crores. The scrip rose by Rs.55 to Rs.305. Premier Automobiles also announced good year-end results with profit after tax rising 30 per cent to Rs.11.2 crores. The scrip was in strong demand, closing at Rs.36.75, up from Rs.29.50. Great Eastern Shipping was actively traded, closing at Rs.31.25, up from Rs.29, after announcing year-end after-tax profit of Rs.15 crores, up from Rs.6.8 crores for the previous year.

Does a strategy of buying high-flying shares make sense at this point when many stocks have already risen strongly? Or is it better to buy those that have not risen as much, hoping they will catch up? Or is it better, perhaps, to wait and watch, hoping for a fall based perhaps on election rumours and then buying?

A strategy of buying the big winners of the week ended 17 September would have included shares like Bajaj Auto, Baroda Rayon and Premier Auto which continued to gain strongly in the next week. However, it would also have included shares like Hindustan Cocoa and Excel Industries,which fell off. For shares on the Bombay forward list, a strategy of buying in equal value shares which rose at least five per cent for the week ended 17 September would have resulted in the purchase of nine shares for an average gain of 4.06 per cent over the next week ended 24 September (while the BSE index rose 2.9 per cent).

On the other hand, a strategy of buying not the nine high-fliers but the nine medium gainers that followed the high-fliers in gains for the week ending 17 September would have provided some evidence of the "catch-up" effect; this group rose 4.89 per cent for the next week. But catch-up is not the whole story, because the third strategy, that of buying only those shares that had fallen over that week (such as Century and Sesa Goa) would have yielded a return of 3.72 per cent the next week, the poorest of the three (but still more than the rise of the BSE index).

As a result of the sharp rises, dividend yields for some stocks are beginning to look very small. This is not in itself a source for alarm because yield is calculated on past dividend whereas future dividends will be the determining factor. For example, Asian Paints has a yield of 1.69 per cent but this is based on dividends announced for the year ended December 1987. So also Food Specialities with a yield of 1.58 per cent . However, even some companies with recently declared yearly or half-yearly results currently quote at unusually low yields, such as Century Enka (2.03 per cent), Colgate (1.85 per cent) and Finolex (1.34 per cent).

The point of concern is that corporate finance managers tend to raise (or reduce) annual dividends more slowly than the annual rise (or fall) in corporate profits in order to protect the image of their firm against the possibility of rapid adverse changes in corporate performance from year to year. But many investors who measure the permanence of corporate performance by the level of dividends (which is perhaps why dividend yields have historically hovered around 3 per cent through good and bad years) will be expecting large increases in dividends next year. (For example, Finolex will have to more than double dividends to reach a yield of 3 per cent given its current stock price). Otherwise they may sell their shares. If corporate finance managers behave in the usual way, this could lead to some unexpected falls in stock prices.

■ RAFIQ DOSSANI

INTERNATIONAL FINANCE CORPORATION

A new look at India investment

The International Finance Corporation (IFC), an affiliate of the World Bank, and by far the largest source of direct project financing for private investment in the developing world, has resolved to distinguish its role as an investor more clearly from its traditional role as a lender to companies. Indications to this effect are seen in the 1988 annual report of the corporation where of the, record 95 new investments totalling Rs.1,859 crores for the year ended June 1988, equity and quasi-equity investments approved by the IFC's board amounted to Rs.369 crores, 20 per cent of aggregate new approvals for the year. IFC has stated that as an equity investor it would be ready to be a "more active shareholder and to accept membership on company boards when appropriate".

Equity participation. The report said the IFC has made "a special effort" to widen its equity investments in India during the past year. One of the aims is to help take significant equity positions in promising new enterprises. Thus during the fiscal year 1988, IFC's focus on equity in India resulted in the approvals of three equity investments in start-up projects, all of which entail the transfer of technology, says Mohan R. Wikramanayake, new chief of regional office, south Asia, stationed in New Delhi.

Wikramanayake says the first project involves a Rs.37-lakh investment in an export-oriented software company, WBI Advanced Technology Limited. The second involves a Rs.38-lakh investment in a project to manufacture modern push-button telephones for Keltron Telephone Instruments Limited. The third involves a Rs.1.52-crore equity investment in a project to manufacture constant-velocity joints for motor vehicles with front-wheel drive for Invel Transmission Limited, a company jointly promoted by a West German firm with Indian public participation; this is a unique case in which there is no Indian company with share-holding status.

Renewed interest. The report states that the business climate in many developing countries is improving; it observes that there is renewed interest among business executives in having foreign companies as continuing partners rather than just sellers of technology. The report points out that the response of private enterprises to structural reforms depends crucially on whether business executives think that the government has the political strength to carry out its programme and on whether the programme itself seems to have a good chance of succeeding. In this context, the report observed that few disruptions are more damaging to private businesses than frequent changes in the "rules of the game".

On investment climate in the developing world, the report said that most of the Third World is turning from state industries to private enterprises as a source of growth; the corporation describes this as "a historic change" in the global investment scenario. The report also notes that the IFC undertook a new major role in corporate restructuring last year. It carried out 12 of these operations during the last fiscal year to help crippled companies become profitable once again.

NEW ISSUES

Cochin Refineries

Phillips Petroleum Company USA, which has a 18.49 per cent equity stake in the public sector Cochin Refineries Ltd is divesting its holding. Under an offer for sale which its constituted attorneys, Standard Chartered Bank is making, Phillips Petroleum is selling 185,007 equity shares (face value Rs.100) at a premium of Rs.100, aggregating Rs.3.7 crores. Out of this, 56,000 shares are being offered to the financial institutions on firm sale basis and to employees of CRL. The remaining 129,507 shares go to the general public. The CRL share, which is listed currently only at the Cochin stock exchange, was quoting around Rs.230 last fortnight.

Phillips Petroleum is the second multinational oil company to voluntarily pull out of India. A few years ago Amoco, which had a similar stake in Madras Refineries, divested its holding to the government. Several reasons have been advanced for the Phillips divestiture. In 1984 and 1985 the $ 10.46 billion company faced two hostile takeover bids. The company could only stave off the takeover bid by picking up available shares in the market. But Phillips apparently lacked the requisite financial resources needed for this buy-out exercise. So a massive corporate restructuring exercise was conducted — loss making divisions were hived off, real estate sold to raise money for the war chest. The sharp fall in oil prices was also hurting. Phillips operates three refineries in the US, has oil and natural gas installations world-wide and also operates several downstream units. So in order to raise additional resources the company is believed to have taken a close look at its overseas investments. And disinvestment in CRL was seen as one of the sources of raising funds.

CRL officials emphasise that the Phillips divestiture was due to the American company's "internal compulsions" and is in no way a reflection on CRL's financial health. Recently Phillips also withdrew its equity stake in another Indian company, the R.P. Goenka owned Phillips Carbon Black. CRL's pattern of shareholding after the Phillips divestiture will be divided between the government of India (62 per cent), Kerala government (5 per cent) financial institutions (15 per cent) and general public (18 per cent). CRL's equity base, which was only Rs.7 crores, was increased to Rs.10 crores in February 1988 through a rights issue at par to existing shareholders. However, Phillips, which originally held a 24 per cent stake in CRL, renounced its portion which reduced its holding to 18 per cent.

Though it has a fixed assets base of Rs.172 crores and reported sales of Rs.1,023 crores in 1987, CRL is smaller in size compared with the big three of the Indian petroleum industry — Indian Oil, Hindustan Petroleum and Bharat Petroleum. The company's single refinery in Cochin has as installed capacity to process 4.5 million tonnes of crude oil each year. Capacity utilisation in the last three years has been 61 per cent (1986), 93 per cent (1987) and 91 per cent (1988). CRL expects to fully utilise its capacity during the current year. Based on certain capacity utilisation norms all petroleum companies are assured a 24 per cent pre-tax return on their net worth.

CRL's performance was adversely affected in 1984-85 when one of its plants was damaged in a fire. In 1985 sales slumped to Rs.167.68 crores and net profit to Rs.2.58 crores. Though sales improved in the following year the company's net profit was a meagre Rs.25 lakhs.

According to J. Jayaraman, chairman and managing director, CRL in its corporate plan has indicated that it would substantially increase its share capital by offering another rights issue. "He adds that given the small equity base currently the new shareholders are assured of a reasonable dividend each year. But the performance of the share in the secondary market will be watched with interest. CRL is currently quoting at Rs.230 in Cochin and the new shares will also be listed on the Bombay and Calcutta stock exchanges. With negligible floating stock initially and marginal trading activity can shareholders look for capital appreciation?

CRL has several expansion plans with a total outlay of Rs.300 crores. In the first phase a Rs.77-crore aromatics complex will be commissioned next year (the benzene plant in February and toluene in August). A 20 MW captive power plant at a cost of Rs.57 crores is expected to be ready by 1991. And refinery capacity will be enhanced to 6 million tonnes at a cost of Rs.100 crores. New storage tanks for crude oil and LPG will account for the rest.

■ S N VASUKI

IF ONLY ELECTRICAL SHORT CIRCUITS WERE FIREPROOF!

The minor short circuit in a panel travels fast in the form of a burning arc – carrying tremendous heat energy – burning all materials/ equipments which come in its way.

"VERSATRIP'S VF Fuses" safeguard your electrical equipments against the deadliest of short circuits.

Here is the proof:

- Our **VF fuses** are designed and tested to withstand as high short circuit currents as 84 & 104 KA. The faults are cleared and isolated within milli seconds by VF fuses blowing off.
- **VF fuses** incorporate silver elements which have precise cut-off characteristic as well as they minimise the "let through energy" of a faulty current.
- All **VF fuses** have been exhaustively tested for **Type Tests** and each and every fuse is tested for "milli ohms drop" test. Therefore their performance during severest of short circuits is guaranteed.

Yet Versatrip VF Fuses do not cost the earth!

For more details please ask for our catalogue : VF-63005.

NOW!
VF FUSES
CARRY ISI MARK!
ULTIMATE PROOF OF QUALITY CONTROL & EXHAUSTIVE TESTING.

VERSATRIP

VCB

We are in Current Control

VERSATRIP CIRCUIT BREAKERS MFG. CO. (P) LTD.
4, Vasan Udyog Bhavan, Sun Mill Compd., Off Tulsi Pipe Rd., Lower Parel, Bombay-400 013.
Tel: 4926359, 4939803. Telex: 011-76227 TRIP IN. Gram: ELECSTORES.

BRANCH OFFICES:

- **DELHI:** 62-A, Cycle Market, Phase-I, Jhandewalan, New Delhi-110 055. Tel: 779657, 735631.
- **BARODA:** 12, Ajanta Society, Race Course Circle, Baroda-390 007. Tel: 320550, 321979.
- **PUNE:** B/14, Gandharva Nagari, Near Kirloskar Cummins, Kothrud, Pune-411 029. Tel: 438816.
- **MADRAS:** Flat No. 4, Door No. 23, 1st Main Road, Raja Annamalaipuram, Madras-600 028. Tel: 455241
- **BANGALORE:** 2nd Floor, Opp. Y.M.C.A., 104/2, Infantry Road, Bangalore-560 001. Tel: 566976

FUSE SWITCHES: 32, 63, 100, 160, 250, 320, 400 & 630 Amps.
MCB'S: 0.5 Amps to 63 Amps.

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 23.9.88	1988 High	EPS in Rs Low	EPS in Rs Year	PE Half-yr	PE Times	Divi-dend %	Yield %	Bonus %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.61	4.50	6.24	2.00	-4.81			NIL	0.00			
ACC,100	07/87	40.85	106.60	360.95	257.50	278.00	120.50	0.83	-0.59	310.24	10.00	3.88	86		1:5
AHM CALICO,125	06/87	13.56	16.43	276.46	28.50	41.00	25.00	134.66		0.21	0.18	0.79	77		1:7
AHM ELECTRIC,100	03/88	18.30	65.26	456.61	137.50	150.00	120.00	35.46		3.86	16.00	11.64	87		1:5
ALFA LAVAL,10	12/87	5.21	15.07	38.93	70.00	74.00	46.00	5.83	1.42	12.01	18.00	2.57	86		1:2
ALLWYN NISSAN,10	06/87	16.54	0.15	10.09	9.50	11.00	3.76	-2.20	-1.27		NIL	0.00			
AMAL RASAYAN,10	03/88	1.48	2.81	28.99	90.00	92.00	42.00	12.16	10.80	7.40	10.00	1.11			
AMB SARABHAI,10	03/88	22.20	-1.72	8.37	12.75	16.00	10.00	0.85		15.00	NIL	0.00	82		1:5
AMFORGE,10	03/88	5.33	8.92	26.99	37.00	37.00	23.00	3.75	4.29	9.87	22.00	5.95			
ANDHRA CEMENT,10	03/87	9.51	11.54	22.13	12.50	14.50	7.75	0.72	-3.99	17.36	10.00	8.00	67		1:2
ANDHRA VALLEY,100	03/88	10.51	38.33	464.70	157.50	195.00	142.50	110.94	121.79	1.42	16.00	10.16	75		1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	19.85	24.00	15.50	217.12		0.09	10.00	5.04	67		2:5
ANNAPURNA FOILS,10	03/88	9.05	0.00	10.00	9.50	12.25	6.00				NIL	0.00			
APOLLO HOSP,10	06/87	5.44	0.14	10.26	14.00	14.00	8.50	1.47	3.16	9.52	10.00	7.14			
APOLLO TYRES,10	10/87	7.75	1.34	11.73	37.75	39.00	22.75	17.22	7.29	2.19	NIL	0.00			
APPLE LEASING,10	09/87	3.56	0.81	12.28	13.50	20.00	11.50	2.03	3.93	6.65	23.00	17.04			
ASEA,10	12/87	3.00	7.33	34.43	62.00	68.00	38.00	3.80		16.32	18.00	2.90			
ASHOK LEYLAND,10	12/87	21.39	72.03	43.67	53.00	53.50	29.00	3.60	1.70	14.72	18.00	3.40	78		1:2
ASIAN CABLES,10	12/86	3.03	5.00	26.50	47.00	50.50	30.00	4.32	7.70	10.88	17.00	3.62	81		1:3
ASIAN HOTELS,10	09/87	13.64	1.30	10.95	39.00	40.50	28.00	1.79	2.80	21.79	10.00	2.56			
ASIAN PAINTS,10	12/87	12.45	32.81	36.35	177.50	181.25	128.75	10.07	3.67	17.63	30.00	1.69	87		1:2
ASSAM CO,10	06/87	7.00	18.20	36.00	97.00	112.50	90.00	6.43	-5.49	15.09	40.00	4.12	85		1:1
ASSAM FRONTIER,10	06/87	3.00	6.80	32.67	114.00	120.00	91.00	11.10	7.30	10.27	50.00	4.39			
ASTRA IDL,10	06/88	2.50	2.17	18.68	31.00	35.50	27.00	2.24		13.84	10.00	3.23			
ATLAS COPCO,10	12/87	7.26	7.96	20.96	51.50	63.50	33.50	1.65	0.17	31.21	16.00	3.11	87		1:2
ATLAS CYCLE,10	06/87	1.15	4.73	51.13	50.00	69.00	36.00	5.00	4.60	10.00	20.00	4.00	87		1:2
AVERY INDIA,10	12/87	4.20	9.34	32.24	120.00	131.00	93.00	8.57		14.00	35.00	2.92	84		2:5
BAJAJ AUTO,10	06/88	18.81	195.82	114.10	307.50	308.50	182.50	15.55		19.77	40.00	1.30	87		1:1
BAJAJ PLASTIC,10	12/87	1.50	4.94	42.93	21.00	36.00	17.00	1.20	-3.80	17.50	NIL	0.00	86		1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.79	87.50	95.00	65.50	3.15	2.53	27.78	12.50	1.43	86		1:1
BAKELITE HYLAM,10	06/88	4.50	8.21	28.24	29.00	29.00	15.00	2.76		10.51	18.00	6.21	80		2:3
BALLARPUR,10	06/87	13.98	266.25	200.45	53.00	53.00	34.00	3.52	2.02	15.06	22.00	4.15	75		1:5
BARODA RAYON,100	06/88	12.14	20.14	265.90	305.00	319.50	140.00	35.50	-0.66	8.59	15.00	4.92	82		1:2
BASF,10	12/87	2.84	11.14	49.23	96.25	100.00	63.33	7.01	4.61	13.73	20.00	2.08	88		1:2
BATA INDIA,10	12/87	10.50	17.18	26.36	69.25	75.00	52.25	3.70		18.72	15.00	2.17	87		1:1
BATLIBOI,10	09/87	2.79	3.90	23.98	13.00	17.50	10.50	-0.50	0.04		10.00	7.69			
BAYER INDIA,100	12/87	16.22	11.19	168.99	515.00	515.00	285.00	27.25	25.46	18.90	16.00	3.11			
BEST & CROM,10	03/88	4.73	18.85	49.85	55.00	79.00	30.00	1.65		33.33	9.60	1.75	82		3:5
BHADRA PAPER,10	09/87	10.57	17.51	26.57	35.00	35.00	22.50	4.16		8.41	20.00	5.71			
BHARAT FORGE,10	09/87	5.27	24.50	56.49	150.00	150.00	103.00	10.21	17.22	14.69	25.00	1.67	81		1:1
BHARAT GEARS,10	07/87	4.03	6.98	27.32	13.00	18.00	10.00	2.08	-2.48	6.25	12.50	9.62			
BIHAR ALLOY,10	12/87	8.20	-11.24	-3.71	21.00	21.00	12.75	1.45		14.48	NIL	0.00			
BIMETAL,10	06/87	1.91	7.73	50.47	82.50	82.50	50.00	7.80	5.24	10.58	21.00	2.55	81		1:2
BINDAL AGRO,10	12/87	3.79	2.85	17.52	105.00	112.00	52.00	11.35		9.25	50.00	4.76			
BIRLA JUTE,10	03/88	20.37	83.19	50.84	47.00	47.00	32.00	0.11		427.27	14.00	2.98	86		1:1
BIRLA YAMAHA,10	06/87	8.00	0.17	10.21	10.50	16.00	8.25	0.21	-1.82	50.00	NIL	0.00			
BLOW PLAST,10	07/87	2.00	3.61	28.05	40.00	62.50	29.00	15.40	-1.85	2.60	30.00	7.50	87		1:1
BLUE STAR,10	06/87	3.55	7.32	30.62	41.25	48.00	37.00	6.51	0.62	6.34	18.00	4.36	86		3:5
BOM BURMAH,100	09/87	5.52	14.56	363.77	400.00	510.00	330.00	36.59	21.74	10.93	20.00	5.00	76		1:4
BOM DYEING,10	03/88	11.24	55.99	59.81	124.00	159.50	94.00	17.22		7.20	30.00	2.42	79		1:1
BOM SUBURBAN,100	03/88	5.85	71.00	1313.68	185.00	240.00	150.00	104.79		1.77	20.00	10.81	81		1:3
BOOTS,10	03/88	8.10	6.76	18.35	103.00	110.00	64.00	4.95		20.81	18.00	1.75	87		1:1
BOROSIL GLASS,10	12/87	2.25	6.83	40.36	71.00	96.00	50.00	5.29		13.42	20.00	2.82	82		1:2
BRITANNIA,10	11/87	12.38	20.98	26.95	93.00	101.00	75.00	7.70	2.57	12.08	24.00	2.58	87		2:5
BROOKE BOND,10	06/87	24.73	22.90	19.26	107.00	107.00	74.50	5.83	5.43	18.35	30.00	2.80	86		3:5
BURROUGHS,10	09/87	3.00	11.76	49.20	182.50	187.50	115.00	3.93	4.17	46.44	15.00	0.82			
C.E.S.C.,10	03/87	16.94	62.17	46.70	14.25	18.50	12.50	5.59		2.55	16.00	11.23			
C.P.TOOLS,100	12/87	4.57	9.43	306.35	405.00	790.00	410.00	57.02	7.88	7.10	18.00	4.44	77		1:3
CABLE CORP,10	12/87	9.00	10.99	22.21	47.50	48.00	26.00	5.19	3.17	9.15	18.00	3.79			
CARRIER AIRCON,10	03/88	6.25	0.00	10.00	23.50	25.50	10.50				NIL	0.00			
CEAT TYRES,10	06/87	9.32	65.94	80.75	81.00	90.00	52.50	13.20	7.73	6.14	25.00	3.09	86		1:2
CEMINDIA,10	09/87	1.28	7.27	66.80	116.25	116.25	82.50	10.16	7.48	11.44	27.00	2.32	84		3:5
CENTURY ENKA,100	12/87	18.61	65.10	668.46	1870.00	1905.00	1080.00	84.03	100.71	22.25	38.00	2.03	86		2:5
CENTURY SPIN,100	12/87	26.62	203.09	862.92	1025.00	1105.00	617.50	59.91	23.78	17.11	24.00	2.34	86		2:3
CHAMPAGNE,10	12/87	2.50	-1.46	4.16	15.00	30.00	12.00	-3.24			NIL	0.00			
CHLORIDE,10	06/87	20.65	13.55	16.56	68.00	79.00	60.00	4.46	5.20	15.25	31.00	4.56	86		3:5
CIFCO FINANCE,10	07/87	4.80	0.41	10.85	8.50	10.00	3.50	1.79		4.75	14.00	16.47			
CITURGIA,10	03/88	3.38	5.02	24.85	77.50	77.50	62.00	8.63		8.98	35.00	4.52			
COLGATE,10	12/87	15.72	15.18	19.66	270.00	272.50	160.00	9.63	6.92	28.04	50.00	1.85	87		1:1
COLOUR CHEM,100	03/88	7.94	12.09	252.27	410.00	420.00	320.00	37.66		10.89	20.00	4.88	80		2:5
COMET STEEL,10	03/87	6.13	0.00	10.00	13.00	16.00	9.00				NIL	0.00			
COROM FERT,10	03/87	24.32	38.61	25.05	27.00	36.00	21.00	-0.53	-3.57		8.00	2.96	86		1:2
COSMO FILMS,10	03/88	2.32	7.24	41.21	51.25	77.50	41.25	5.47		9.37	18.00	3.51			
CROMPT GREA,100	06/88	9.60	62.92	755.42	585.00	585.00	285.00	84.27	55.42	6.79	18.00	3.19	79		1:3
CYANAMID,10	11/87	5.25	10.26	29.54	61.00	62.50	34.50	2.46	1.47	24.80	10.00	1.84			
D.M.MILLS,10	06/87	23.02	52.94	33.00	42.00	43.00	28.75	-1.61	-7.18		NIL	0.00	71		4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 23.9.88	1988 High	EPS in Rs Low	EPS in Rs Year	PE Half-yr	PE Times	Divi-dend %	Yield %	Bonus %	Bonus Year	Bonus Ratio
DCM TOYOTA,10	06/87	15.00	-7.25	5.17	8.75	13.50	6.50				NIL	0.00			
DEEPAK FERT,10	03/88	14.82	7.05	14.76	43.00	45.00	23.00	3.03		14.19	18.75	4.36			
DEEPAK NITR,10	10/87	2.43	4.01	26.50	43.00	44.00	27.50	3.99	1.85	10.78	15.00	3.49	85		1:2
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00				NIL	0.00			
DHARAMSI,10	12/87	6.24	10.44	26.73	28.00	30.00	14.00	1.04	1.47	26.92	10.00	3.57	79		2:5
DR.REDDYS,10	12/87	1.37	0.81	15.91	63.75	80.00	46.25	4.53		14.07	20.00	3.14			
DUNCAN AGRO,100	12/86	2.03	14.11	795.07	150.00	176.00	151.00	92.12		1.63	15.00	10.00	77		1:2
DUNLOP,10	03/88	18.99	84.48	43.95	71.00	83.00	65.00	10.64		6.67	30.50	4.30	76		1:3
E. MERCK,10	12/87	5.94	5.04	18.48	59.00	67.50	44.00	2.22		26.58	16.00	2.71	86		3:5
E.I.HOTELS,10	03/88	23.84	37.31	25.65	54.00	55.00	36.00	2.91		18.56	20.00	3.70	84		2:5
EICHER MOTORS,10	04/87	3.96	1.02	12.58	10.50	10.75	5.50	6.39	-4.85	1.64	12.00	11.43			
EID PARRY,10	06/88	6.28	6.72	20.70	36.00	39.50	29.50	4.55		7.91	20.00	5.56			
ELECON ENG,10	12/87	5.65	24.76	53.82	53.00	73.00	42.00	4.60	2.25	11.52	15.00	2.83	87		3:5
ENFIELD,10	06/88	5.04	9.45	28.75	10.00	11.50	8.25	-1.59	-5.93		NIL	0.00	85		1:1
ENGLISH ELECT,10	03/88	9.00	16.38	28.20	52.50	66.00	47.75	4.88		10.76	15.00	2.86	87		1:1
ESCORTS,10	12/87	27.59	69.82	35.31	60.00	61.50	36.00	2.74	2.36	21.90	22.00	3.67	86		3:5
ESKAYEF,10	11/87	7.50	14.26	43.52	136.25	147.00	97.00	7.72	4.04	17.65	25.00	1.83	88		1:2
ESSAR SHIPPING,10	12/87	34.87	37.98	20.89	20.00	26.50	15.50	2.23		8.97	20.00	10.00			
EXCEL,10	09/87	4.62	7.12	25.41	78.00	84.00	34.00	1.30	7.19	60.00	10.00	1.28	84		4:5
FAG PRECISION,100	12/87	3.36	7.09	311.01	140.00	140.00	105.00	9.79	12.80	14.30	10.00	7.14			
FERRO ALLOYS,100	06/87	5.52	18.78	440.22	360.00	360.00	122.50	13.41	63.42	26.85	5.00	1.39	80		1:2
FGP,10	03/88	4.89	5.82	21.90	34.00	34.00	23.75	4.09	3.73	8.31	16.00	4.71	87		1:2
FICOM ORGANIC,10	09/87	1.29	3.07	33.80	217.50	217.50	125.00	17.03	9.69	12.77	30.00	1.38	87		1:1
FINOLEX,10	11/87	3.24	13.72	94.22	298.75	300.00	154.00	25.06	34.61	11.92	40.00	1.34	86		4:5
FIRST LEASING,10	11/87	3.77	8.76	33.29	14.50	20.00	15.00	6.37		2.28	25.00	17.24	83		1:3
FLAKT INDIA,10	12/87	3.40	2.85	18.38	52.50	73.75	44.00	4.35		12.07	20.00	3.81	86		1:3
FOOD SPECIAL,10	12/87	19.20	20.16	20.50	158.00	160.00	93.75	5.56		28.42	25.00	1.58	86		1:1
FORBES FORBES,10	06/88	4.25	4.96	21.67	29.00	35.00	22.00	2.38	-0.19	12.18	15.00	5.17	82		2:5
FULFORD,10	12/87	0.80	2.28	77.00	285.00	285.00	50.00	8.75		32.57	22.00	0.77	88		1:1
G.E.SHIPPING,10	06/87	67.37	31.07	15.61	31.25	34.00	20.50	0.82	1.44	38.11	12.50	4.00	81		2:3
G.K.W.,10	12/86	24.06	20.83	18.66	10.00	10.00	5.50	-1.67	-1.52		NIL	0.00	83		1:3
G.T.C.INDUST,10	06/87	5.00	9.32	28.64	13.00	16.00	12.50	3.94	3.79	3.30	25.00	19.23	72		1:4
GABRIEL,10	11/87	2.64	3.33	22.61	21.25	37.00	17.00	1.72	1.67	12.35	18.00	8.47	78		3:5
GAMMON INDIA,10	07/87	2.16	13.44	72.22	105.00	134.00	29.00	1.63	5.14	64.42	15.00	1.43	82		2:5
GARDEN SILK,10	03/88	12.57	82.28	75.46	70.00	160.00	66.25	11.14	15.86	6.28	30.00	4.29			
GARWARE NYLON,10	08/87	9.72	13.31	23.69	43.50	49.00	20.00	1.15	2.65	37.83	15.00	3.45	83		1:2
GARWARE POLY,10	06/87	5.81	19.53	43.61	82.00	88.00	72.00	4.39	6.26	18.68	22.00	2.68			
GARWARE SHIP,10	03/88	3.75	0.03	10.08	17.00	19.00	10.50	-3.57			NIL	0.00			
GEN ELECTRIC,10	03/88	7.20	18.92	36.26	45.00	43.50	26.00	3.94		11.42	12.00	2.67			
GENELEC,10	03/88	2.16	5.79	36.81	51.00	88.00	43.75	6.48		7.87	14.70	2.88	84		1:1
GEORGE WILL,10	06/87	6.30	19.69	41.25	95.00	115.00	90.00	7.57	9.98	12.55	35.00	3.68	86		4:5
GERMAN REMEDIES,10	12/87	3.26	4.93	25.12	63.50	67.00	30.00	2.85		22.28	10.00	1.57	82		3:5
GLINDIA,10	06/88	20.00	30.27	25.14	71.00	73.00	51.50	5.08		13.98	20.00	2.82	80		1:3
GODFREY PHILIPS,10	12/86	2.60	3.24	22.46	17.50	20.00	10.00	3.35	2.35	5.22	25.00	14.29	75		1:1
GOETZE,10	06/87	6.93	10.22	24.75	40.00	42.00	25.00	4.40		9.09	22.00	5.50	76		4:5
GOKAK PATEL,10	06/88	6.52	16.51	35.32	82.00	85.00	60.00	10.66	4.22	7.69	20.00	2.44	87		1:1
GOOD NEROLAC,10	06/87	3.24	5.08	25.68	47.50	65.00	45.00	4.16		11.42	20.00	4.21	76		5:7
GOODYEAR,10	12/87	7.48	24.67	42.96	66.00	74.00	48.00	11.58		5.70	30.00	4.55	77		2:5
GRAMOPHONE,10	09/86	1.61	-16.59	-81.66	4.50	5.87	4.00				NIL	0.00			
GRASIM,10	03/88	21.59	178.17	92.52	107.50	109.00	81.50	7.11		15.12	27.50	2.56	88		3:4
GREAVE COTTON,100	06/87	6.57	18.42	380.37	510.00	475.00	295.00	86.60	80.76	5.89	20.00	3.92	84		1:2
GUJ ALKALIES,10	03/88	10.72	22.59	31.07	49.00	55.00	29.00	2.39		20.50	26.00	5.31	87		1:5
GUJ AMBUJA,10	06/88	20.10	4.01	12.00	20.75	21.50	11.00	2.10		9.88	11.00	5.30			
GUJ NARMADA,10	06/87	86.97	95.71	20.76	52.00	53.00	27.00	2.95	2.98	17.63	18.00	3.46			
GUJ STATE FERT,10	12/87	26.95	170.03	73.09	159.00	165.00	75.00	10.11	5.24	15.73	30.00	1.89	87		3:1
HARRISON,10	03/88	9.10	15.62	27.16	61.00	61.00	36.00	5.57	3.02	10.95	25.00	4.10	87		2:5
HERDILLIA CHEM,10	06/88	7.35	39.68	63.99	65.00	65.00	41.00	7.78	7.35	8.35	25.00	3.85	78		1:2
HERO HONDA,10	06/87	15.60	0.84	10.54	23.00	24.00	15.00	-0.20	-0.78		NIL	0.00			
HIND ALLOY,10	12/87	5.89	2.20	13.74	55.00	70.50	28.75	2.41	2.94	22.82	20.00	3.64			
HIND ALUM,10	12/87	15.89	166.64	114.87	103.00	97.50	72.50	8.81	5.31	11.69	22.50	2.18	88		1:3
HIND BROWN,100	04/88	5.47	21.45	492.14	630.00	610.00	265.00	64.17		9.82	23.00	3.65	78		1:3
HIND CIBA,100	12/87	17.71	31.79	279.50	575.00	575.00	332.50	38.11	15.47	15.09	20.00	3.48	80		1:2
HIND COCOA,10	06/87	8.40	7.47	18.89	100.00	100.00	67.50	5.31	3.65	18.83	30.00	3.00	87		1:1
HIND DEVELOP,10	12/87	8.92	82.99	103.04	98.00	107.00	85.00	5.76	6.45	17.01	20.00	2.04	86		1:1
HIND DORR-OLIVER,10	11/87	2.38	10.79	55.34	195.00	205.00	95.00	16.43		11.87	37.50	1.92	86		1:1
HIND FERODO,10	12/87	5.50	1.19	12.16	19.00	23.00	16.00	1.33		14.29	5.00	2.63	83		4:5
HIND LEVER,10	12/87	93.32	90.17	19.86	73.00	81.00	59.50	4.98	2.25	14.66	25.00	3.42	87		1:1
HIND MOTOR,10	03/88	26.35	52.87	29.89	27.50	29.00	15.50	-1.02			7.50	2.73	86		1:1
HMM,10	04/87	14.18	8.12	15.73	147.50	155.00	121.00	7.58	8.52	19.46	55.00	3.73	87		1:1
HOECHST,100	12/87	9.58	25.35	364.61	565.00	610.00	437.00	14.30	3.13	39.51	10.00	1.77	82		1:2
HOGANAS,10	10/87	1.15	0.00	10.00	50.00	62.00	34.00		-1.65		NIL	0.00			
HOTEL LEELA,10	06/88	8.97	-3.59	8.65	15.00	16.00	11.50	-2.43			NIL	0.00			
HOUSING DEV FIN,100	06/88	20.00	33.00	265.00	170.00	172.00	65.00	65.45		2.60	17.00	10.00			
HYD ALLWYN,10	07/87	8.10	10.70	23.21	10.25	12.00	7.50	3.88	4.23	2.79	15.00	14.63			
ICIM,10	12/87	4.18	5.86	24.02	27.00	40.50	23.00	2.34		11.54	NIL	0.00			

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 23.9.88	1988 High	1988 Low	EPS in Rs Year	PE Half-yr	PE Times	Divi-dend %	Yield %	Bonus %	Bonus Year	Bonus Ratio
EL,10	09/87	40.87	72.49	27.74	38.00	44.00	30.00	1.21	0.94	31.40	12.50	3.29	78		1:3
NDIA CEMENT,10	03/88	4.90	46.92	105.76	18.50	22.00	14.50	3.05		6.07	12.00	6.49	70		2:5
NDIA GYPSUM,10	04/87	4.50	0.00	10.00	13.00	16.00	9.50				NIL	0.00			
NDIA POLYFIBRES,10	12/87	29.75	-2.73	9.08	5.50	8.50	4.24				NIL	0.00			
NDIA STEAMSHIP,10	03/88	4.95	-65.15	-121.62	7.85	7.40	4.15	-16.87			NIL	0.00	75		1:1
NDIAN ALUM,10	12/87	41.16	49.09	21.93	31.00	34.00	24.00	0.90	1.21	34.44	14.00	4.52	77		2:5
NDIAN DYESTUFF,100	03/88	7.50	35.98	579.73	240.00	282.50	177.50	818.00	10.62	0.29	15.00	6.25	80		1:4
NDIAN HOTEL,10	03/88	9.92	42.12	52.46	112.50	120.00	95.00	6.81		16.52	30.00	2.67	82		2:5
NDIAN ORGANIC,10	03/88	18.40	17.03	19.44	31.00	35.00	15.00	-6.16			NIL	0.00	85		1:2
NDIAN OXYGEN,10	09/87	14.60	29.94	30.51	41.00	33.75	29.00	2.16		18.98	16.00	3.90	85		1:3
NDIAN RAYON,10	06/88	16.14	160.90	109.69	74.50	75.50	46.00	3.09		24.11	28.00	3.76	80		1:4
INDIAN SEAMLESS,10	12/87	2.21	4.01	28.14	92.00	92.00	47.00	9.50	5.88	9.68	18.00	1.96			
INDOGULF FERT,10	03/88	165.00	0.00	10.00	15.50	15.00	10.50				NIL	0.00			
INDROL,10	06/88	5.09	11.53	32.65	230.00	233.75	135.00	8.74		26.32	20.00	0.87	86		1:1
INDU NISSAN,10	12/87	6.00	1.21	12.02	20.00	25.00	18.00	5.57		3.59	10.00	5.00			
INGERSOLL,10	12/87	7.89	21.32	37.02	315.00	332.50	212.50	10.99	4.58	28.66	30.00	0.95	88		1:1
ION EXCHANGE,10	04/88	3.46	7.20	30.81	70.00	56.25	38.75	4.28		16.36	20.00	2.86	88		4:5
IPITATA,10	06/87	12.00	0.83	10.69	10.25	15.00	8.75	2.44		4.20	NIL	0.00			
ITC,10	06/88	33.17	147.15	54.36	52.50	52.50	30.00	7.47		7.03	35.00	6.67	81		1:5
J.B.CHEMICAL,10	06/87	3.00	2.08	16.93	31.00	32.00	21.00	3.20	2.52	9.69	18.00	5.81			
J.K.INDUST,10	06/88	13.76	16.78	22.19	39.50	43.00	25.00	12.03		3.28	20.00	5.06	67		1:1
J.K.SYNTHETIC,10	03/88	27.25	207.02	85.97	77.50	78.00	45.50	3.06		25.33	20.00	2.58	83		1:3
JAYANT VITAMIN,10	06/87	3.87	3.86	19.97	43.00	48.00	24.50	1.94	1.40	22.16	21.00	4.88	87		2:5
KALYANI BRAKES,10	06/87	3.90	-5.35	-3.72	21.00	25.50	14.50	-4.72	1.02		NIL	0.00			
KALYANI STEEL,10	06/87	1.13	8.76	87.52	430.00	430.00	250.00	31.24	14.34	13.76	50.00	1.16			
KELVINATOR,10	06/87	3.55	19.61	65.24	86.00	86.00	36.00	6.87	10.53	12.52	15.00	1.74	84		1:1
KESORAM,10	03/88	8.85	52.23	69.02	58.00	58.00	32.50	3.41		17.01	23.50	4.05	79		1:2
KHODAY DIST,10	06/87	6.00	8.88	24.80	37.50	56.00	33.00	3.06	2.99	12.18	20.00	5.33			
KINETIC ENGG,10	06/87	1.20	14.87	133.92	275.00	270.00	161.25	20.06	22.13	13.70	30.00	1.09	83		1:1
KINETIC HONDA,10	01/88	9.99	2.63	12.63	29.00	35.50	16.75	-5.89	0.56		NIL	0.00			
KIRL CUMMINS,10	09/87	27.10	37.16	23.71	72.50	75.00	48.00	3.71	1.28	19.54	20.00	2.76	86		1:1
KIRL PNEUMATIC,10	09/87	3.85	3.36	18.73	43.00	36.00	15.00	1.84	1.30	23.37	12.50	2.91			
KIRLOSKAR OIL,10	06/87	6.71	11.55	27.21	22.00	23.00	12.00	-2.23	-5.28		NIL	0.00	76		3:7
KLOCKNER WIND,10	12/87	4.50	3.27	17.27	95.00	120.00	81.25	4.38	2.93	21.69	21.00	2.21	88		1:2
KSB PUMPS,10	12/87	4.35	11.98	37.54	287.50	398.25	220.00	12.34	6.28	23.30	20.00	0.70	86		1:1
LAKME,10	06/87	1.83	5.81	41.75	97.50	97.50	61.25	5.96	4.52	16.36	25.00	2.56	86		2:5
LARSEN TOUBRO,10	09/87	56.37	235.96	56.23	123.00	127.50	75.50	4.90	2.18	25.10	20.00	1.63	86		3:5
LIPTON,10	06/88	15.75	8.19	15.20	72.00	72.00	52.00	4.57	4.99	15.75	22.00	3.06			
LLOYD STEEL,10	03/87	3.38	4.13	22.22	21.50	25.00	17.00	4.73	4.48	4.55	21.00	9.77			
LML,10	10/87	21.05	8.64	14.10	13.75	19.50	9.00	-2.88			NIL	0.00	80		4:5
MACNEIL MAGOR,10	06/86	2.74	41.36	161.02	44.50	47.75	43.75	2.33		19.10	7.00	1.57			
MADRAS CEMENT,100	12/87	3.02	18.65	717.55	750.00	750.00	315.00	-153.31	-79.47		NIL	0.00			
MADURA COATES,10	06/88	21.96	92.32	52.04	84.00	84.00	60.00	6.16		13.64	30.00	3.57	86		1:2
MAFATLAL FINE,100	03/88	14.48	24.38	268.37	185.00	185.00	140.00	6.00		30.83	16.00	8.65	80		1:3
MAFATLAL IND,100	03/88	16.20	52.98	427.04	265.00	275.00	200.00	14.38	12.22	18.43	20.00	7.55	78		1:5
MAHIN & MAHIN,10	10/87	19.26	102.06	62.99	82.00	66.50	48.50	5.48	2.33	14.96	22.00	2.68	84		2:3
MAHINDRA UGINE,10	09/87	7.30	17.76	34.33	91.00	92.00	48.00	6.63		13.73	20.00	2.20			
MANGALAM CEMENT,10	12/87	7.11	11.31	25.91	23.50	24.50	13.00	2.81	1.70	8.36	15.00	6.38			
MANGALORE CHEM,10	12/86	12.45	13.87	21.14	26.00	34.00	15.25	4.53		5.74	12.00	4.62			
MATHER PLATT,10	06/88	10.24	6.57	16.42	61.00	69.00	43.75	3.60		16.94	25.00	4.10	87		3:5
MAX INDIA,10	09/87	2.79	0.94	13.37	44.00	43.00	30.00	4.30	1.76	10.23	18.00	4.09			
MAY & BAKER,10	12/87	4.50	7.18	25.96	51.00	52.00	34.00	3.09	1.24	16.50	10.00	1.96			
MAZDA INDUST,10	06/87	4.32	2.32	15.37	13.00	18.50	13.00	4.54	2.22	2.86	25.00	19.23			
MCDOWELL,10	06/87	7.74	33.05	52.70	93.75	95.00	72.50	9.03	11.34	10.38	15.00	1.60	86		1:1
MCLEOD RUSSEL,10	06/87	6.25	17.13	37.41	92.00	130.00	86.25	8.06	5.20	11.41	45.00	4.89	87		1:1
METAL BOX,10	03/87	14.68	-12.54	1.46	4.90	5.50	4.24	-3.96	-5.01		NIL	0.00	67		1:2
MILES INDIA,10	12/87	0.64	0.91	24.22	160.00	165.00	52.00	9.84	4.84	16.26	30.00	1.88	87		3:5
MILKFOOD,10	12/87	1.14	4.49	49.39	225.00	225.00	75.00	8.95	24.82	25.14	25.00	1.11	87		1:1
MODI INDUSTRIES,10	09/86	2.17	12.66	66.34	44.00	85.00	37.00	-11.94			12.00	2.73	69		1:5
MODI RUBBER,10	04/87	10.36	29.36	36.29	89.00	70.00	43.00	4.13	3.96	16.71	25.00	3.62	84		2:5
MODI XEROX,10	04/87	12.46	-4.90	6.07	38.00	40.00	21.50	1.16	0.07	32.76	NIL	0.00			
MOTOR INDUST,100	12/87	36.05	46.32	221.73	635.00	950.00	447.50	29.38	14.48	21.61	12.00	1.89	86		1:1
MRF,10	09/87	3.86	23.30	70.36	218.00	222.00	127.00	26.14		8.34	40.00	1.83	75		1:2
MUKAND IRON,10	06/88	9.82	72.22	83.54	98.50	99.00	73.50	12.13		8.12	23.00	2.34	88		1:2
MYSORE CEMENT,10	06/87	11.48	19.23	26.75	25.00	27.00	18.00	1.12	0.48	22.32	17.50	7.00	85		2:5
NAGAR FINANCE,10	09/87	2.44	2.70	21.07	12.50	13.00	10.75	5.49	0.37	2.28	23.00	18.40			
NATION PEROXIDE,100	03/88	2.30	9.02	142.03	1450.00	1575.00	820.00	77.83		18.63	30.00	2.07			
NATIONAL RADIO,100	12/87	6.62	2.77	141.84	150.00	150.00	97.50	10.57		14.19	NIL	0.00			
NIRLON,10	09/87	15.76	-25.34	-6.08	10.50	14.75	5.00		-0.12		NIL	0.00	82		1:2
NOCIL,100	12/87	36.00	55.62	254.50	665.00	694.00	390.00	48.22	32.64	13.79	20.00	3.01	86		1:2
ORISSA CEMENT,10	12/87	5.40	31.50	68.33	34.00	34.00	29.25	7.26		4.67	20.00	5.88	67		1:1
ORKAY,10	03/87	41.29	57.09	23.83	34.00	51.00	17.00	1.90	2.63	17.89	20.00	5.88			
OSWAL AGRO,10	06/87	28.52	81.67	38.64	105.00	131.00	57.00	2.82		37.23	50.00	4.76	67		3:5
OSWAL FURANE,10	12/87	15.00	0.00	10.00	41.00	44.50	22.25				NIL	0.00			
OTIS ELEVATORS,10	11/87	5.04	9.62	29.09	181.25	215.00	161.25	7.58	2.56	23.91	25.00	1.38	65		1:1
PARKE DAVIS,10	11/86	3.36	3.79	21.26	42.00	42.00	31.00	1.83	0.24	21.76	25.00	5.95	78		3:5
PEICO,10	12/87	33.32	53.59	26.08	33.00	36.00	21.50	1.21	-1.25	27.27	10.00	3.03	82		1:5
PFIZER,10	11/87	11.72	15.65	23.35	63.00	79.50	50.00	0.27	0.44	233.33	10.00	1.59	77		4:5
POLYCHEM,10	03/88	4.10	9.92	38.94	77.50	81.00	55.00	13.25	13.11	5.85	NIL	0.00	86		1:2
POLYOLEFINS,100	12/87	19.30	24.65	227.72	820.00	743.00	515.00	53.01	45.13	15.47	28.00	3.41	88		1:2
PONDS,10	06/87	6.66	11.38	-27.04	182.50	185.00	127.50	5.40	3.80	33.80	40.00	2.19	87		1:1
PREMIER AUTO,10	06/88	16.20	106.27	75.80	36.75	39.50	23.00	6.91		5.32	25.00	6.80	86		1:1
PROCTER & GAM,10	06/87	3.71	6.50	27.52	325.00	330.00	257.50	10.21	7.28	31.83	45.00	1.38	85		1:2
PSI DATA,10	09/87	1.38	0.65	14.71	19.00	25.50	10.25	1.80		10.56	17.00	8.95			
RALLIS,10	04/88	9.52	28.65	40.09	90.00	100.00	60.00	4.63	3.17	19.44	30.00	3.33	77		3:1
RANBAXY,10	12/87	5.22	12.72	34.37	72.00	92.50	68.00	5.23	2.59	13.77	20.00	2.78	88		2:5
RAYMONDS,10	03/88	24.97	50.11	30.07	58.00	53.00	41.50	3.41		17.01	25.00	4.31	87		1:1
RECKITT COLMAN,10	12/87	4.20	13.80	42.38	140.00	145.00	177.50	12.74	7.62	10.99	30.00	2.14	88		1:1
REGENCY CERAMIC,10	04/87	3.97	-1.29	6.75	14.00	22.50	12.25	-3.88	-2.70		NIL	0.00			
RELIANCE,10	12/86	158.26	873.55	65.20	199.00	231.00	69.00	0.90	1.28	221.11	25.00	1.26	83		3:5
REMINGTON,10	03/88	2.67	4.34	26.25	30.00	30.00	24.75	4.08	2.56	7.35	20.00	6.67	86		1:2
REVATHI C.P,10	06/88	1.60	3.12	29.50	86.25	92.50	51.50	7.21		11.96	20.00	2.32	87		1:1
ROCHE PRODUCTS,10	12/87	4.81	5.38	21.19	54.00	53.00	34.00	2.33	1.41	23.18	14.00	2.59	80		1:3
ROSS MURARKA,10	06/87	3.74	3.29	18.80	15.00	16.00	10.50	4.65	3.42	3.23	26.00	17.33			
S.I.VISCOSE,100	03/88	11.03	13.08	218.59	410.00	410.00	215.00	74.04		5.54	25.00	6.10	87		1:2
SAMTEL,10	12/87	2.74	7.92	38.91	75.00	75.00	33.25	6.27		11.96	25.00	3.33	88		1:3
SANDOZ,10	12/87	5.30	19.68	47.13	76.25	80.00	59.00	2.96		25.76	16.00	2.10	84		2:7
SANDVIK ASIA,100	12/87	5.78	7.54	230.45	645.00	740.00	575.00	23.62	10.73	27.31	20.00	3.10	84		1:1
SCINDIA,20	06/87	18.95	-89.23	-74.17	4.24	5.50	1.76	-28.80			NIL	0.00	77		2:5
SEARLE,10	12/87	3.48	14.57	51.87	175.00	180.00	93.00	8.02	1.24	21.82	20.00	1.14	86		1:1
SESA GOA,10	03/87	5.15	9.42	28.29	25.50	30.00	16.00	7.05	-4.49	3.62	18.00	7.06	86		2:5
SHAW WALLACE,10	06/87	5.96	47.69	90.02	59.00	60.25	52.00	14.11	7.33	4.18	35.00	5.93	87		1:1
SHRI RAM FIBRES,10	09/87	10.33	22.69	31.97	52.00	60.00	34.50	2.70		19.26	20.00	3.85	82		1:2
SIEMENS,10	09/87	20.77	33.08	25.93	86.00	89.00	56.50	3.84	2.18	22.40	16.00	1.86	86		1:4
SILTAP CHEMICAL,10	03/88	1.60	-0.76	10.00	61.25	60.00	47.50	-4.22			NIL	0.00			
SIPTA COATED,10	10/87	9.42	1.84	11.95	17.00	23.00	15.00	3.08	2.65	5.52	15.00	8.82			
SKF BEARINGS,100	12/87	12.35	30.44	346.48	1625.00	1690.00	1058.00	87.77	68.08	18.51	22.00	1.35	86		2:5
SOUTHERN PETRO,10	12/87	34.00	267.86	88.78	48.00	60.00	22.75	1.49	-7.21	32.21	15.00	3.12	86		1:1
SPARTEK,10	06/87	2.85	3.12	20.95	76.00	103.00	58.00	9.51	5.02	7.99	20.00	2.63			
SPECIAL STEEL,100	12/87	7.59	10.79	242.16	760.00	760.00	575.00	104.74	67.33	7.26	15.00	1.97	73		1:1
STANDARD MILLS,100	03/88	11.06	35.92	424.77	296.00	300.00	190.00	31.61		9.36	16.00	5.41	82		2:5
STANDARD MOTOR,10	12/86	2.32	3.98	27.16	11.85	11.85	7.50	-18.15			NIL	0.00	85		1:1
STRAW PRODUCTS,10	12/87	10.14	73.61	82.59	43.50	45.00	29.50	3.99	1.29	10.90	20.00	4.60	72		1:2
SU-RAJ DIAMOND,10	04/88	4.77	4.37	19.16	38.00	39.50	15.00	9.10		4.18	15.00	3.95			
SUND CLAYTON,10	05/87	5.69	23.99	52.16	47.00	52.50	29.25	9.94		4.73	40.00	8.51	87		2:3
SUND FASTENERS,10	03/88	3.19	11.70	46.68	68.50	70.00	53.75	7.43		9.22	25.00	3.65	88		3:5
SUND FINANCE,10	03/88	6.00	11.46	29.10	39.00	39.00	25.50	7.77		5.02	20.00	5.13	86		1:1
SUPREME INDUST,10	06/87	1.80	3.70	30.56	197.50	205.00	137.50	10.11	5.67	19.54	36.00	1.82	87		1:1
SWAD POLYTEX,10	09/86	3.90	36.01	102.33	32.00	42.00	21.50	8.51	14.41	3.76	30.00	9.38			
SYNTH & CHEM,10	03/87	5.81	3.75	16.45	40.00	43.00	28.50	1.41	2.60	28.37	10.00	2.50			
TATA CHEMICALS,10	03/88	37.18	150.35	50.44	88.50	92.00	56.00	7.32		12.09	30.00	3.39	85		2:5
TATA LOCO,100	03/88	90.97	212.99	334.13	728.75	755.00	340.00	45.00	15.09	16.19	23.00	3.16	82		2:5
TATA OIL,25	03/88	8.11	19.78	75.30	63.00	67.00	55.00	4.24	4.31	14.86	10.00	3.97	61		1:5
TATA POWER,100	03/88	21.22	68.24	421.60	240.00	285.00	175.00	69.11	111.31	2.69	16.00	6.67	75		1:5
TATA PRESS,10	03/88	1.57	5.86	47.32	45.00	53.75	33.00	4.46	2.14	10.09	18.00	4.00			
TATA STEEL,100	03/87	136.01	476.33	450.22	911.25	927.50	568.75	67.76	61.71	13.45	25.00	2.74	86		2:5
TATA TEA,10	12/87	12.21	54.82	54.90	124.00	145.00	105.00	8.89	2.09	13.95	45.00	3.63	79		1:3
TATA UNISYS,10.	12/87	4.38	3.62	18.26	80.00	82.50	60.00	3.54	2.17	22.60	22.00	2.75	67		2:5
TEXMACO,10	12/86	1.87	11.06	69.14	26.00	24.00	17.00	-208.56			NIL	0.00			
TINPLATE,10	03/88	10.14	8.26	18.15	19.00	22.00	15.50	2.83		6.71	10.00	5.26			
TUBE INVESTMENT,10	12/87	5.73	28.62	50.96	30.00	30.00	22.00	7.05		4.26	20.00	6.67	85		1:3
TUTICO ALKALIES,10	12/87	12.94	-2.63	7.97	13.00	20.00	11.00		-1.28		NIL	0.00			
TVS SUZUKI,10	02/88	23.10	-6.59	6.28	13.25	16.50	8.50				NIL	0.00			
TWENT.CENT,10	03/88	6.34	12.26	29.34	23.00	27.00	17.00	5.91	5.33	3.89	36.00	15.65	88		2:5
UNION CARBIDE,10	12/87	32.56	38.04	21.68	19.75	15.20	10.00	1.08		18.29	12.00	6.08	80		1:2
UNIT BREWERIES,10	06/87	4.00	9.53	33.82	38.00	40.75	36.50	5.40		7.04	15.00	3.95	86		1:1
UNIT PHOSPHORUS,10	12/87	2.60	2.66	19.50	42.00	52.00	32.50	0.43	-1.11	97.67	10.00	2.38			
UPCOM CABLES,10	12/87	5.92	0.04	10.07	33.75	39.50	21.75	0.07	0.88	482.14	NIL	0.00			
VAM ORGANIC,10	04/87	5.18	11.72	32.71	95.00	103.00	78.00	6.76	10.68	14.05	25.00	2.63			
VARELI,10	03/88	7.29	13.49	26.50	38.75	62.50	29.50	5.65	6.79	6.86	22.00	5.68			
VIDEOCON,10	07/86	2.75	0.29	11.05	25.00	31.00	18.87	0.91		27.47	NIL	0.00			
VINDHYA TELE,10	03/88	3.90	3.34	18.56	98.50	104.00	68.00	11.26		8.75	20.00	2.03			
VOLTAS,100	06/87	12.78	24.40	290.92	395.00	500.00	230.00	53.51	18.31	7.38	16.00	4.05	81		1:4
VST INDUSTRIES,10	09/87	6.03	12.00	29.90	24.00	30.50	19.00	4.64	2.32	5.17	29.00	12.08	77		3:5
WAL NAGAR,100	09/87	3.00	35.39	127.97	8.00	12.00	7.00	1.13	-5.77	7.08	NIL	0.00	82		1:2
WARREN TEA,10	03/88	3.90	11.49	39.48	60.00	65.00	50.50	8.67		6.76	30.00	5.00	86		1:5
WIMCO,10	12/87	6.45	9.56	21.31	19.00	24.00	11.00	-5.79	-4.64		NIL	0.00	70		1:5
ZENITH,10	06/87	9.15	13.04	30.31	64.00	65.00	36.00	2.47	3.54	25.91	30.00	4.69	87		1:4
ZF STEERING,10	06/87	2.25	0.08	10.27	57.00	61.00	30.00	1.07	1.96	53.27	NIL	0.00			
ZUARI,10	12/87	12.43	49.38	49.73	72.00	74.00	34.00	3.50	0.28	20.57	25.00	3.47			

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share Yield: dividend as a percentage of market price.

1824: The ABN Bank's predecessor established to finance international trade.

1988: The ABN Bank, more than ever with you for worldwide service.

One of the finest Dutch traditions is financial entrepreneurship that made Amsterdam the world's financial capital 400 years ago. It was Amsterdam which had the world's first stock exchange.

ABN's predecessor – NTS Bank – added banking activity to its trading and plantation interests, which began in the Far East in 1824. For decades ABN Bank has been providing personalised service to its international clients.

Every branch of ABN Bank is today staffed with highly qualified internationally oriented personnel who are supported by the expertise of a sophisticated banking organisation with a long-standing tradition. ABN Bank is engaged in all banking activities and specialises in financing trade and industry tailored to individual client's needs in each country. Very few banks are comparable for on-the-spot service in so many financial centres around the world.

Today, with over 700 branches in the Netherlands and 250 branches worldwide, the tradition of leadership in international banking flourishes. ABN Bank, business oriented with proven record of reliable service, provides a full range of wholesale and retail banking support.

Call us to find out how ABN Bank can help you:-

Bombay:
Mr. M.V. RAMANAMURTHY
Telephone – 2042331

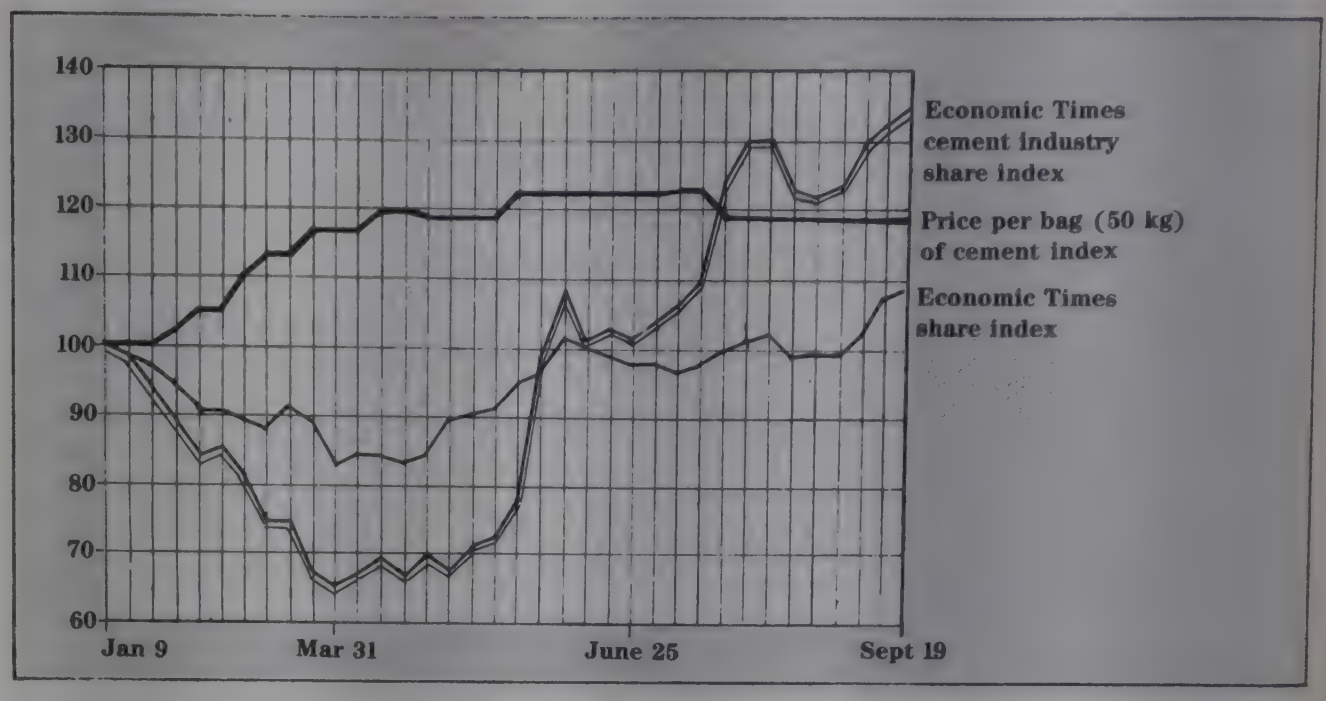
Calcutta:
Mr. A. CHAUDHURY
Telephone – 262160

ABN Bank

Algemene Bank Nederland N.V.

The Dutch Banker – worldwide with you

Cement scrips in the limelight



Markets are booming and most scrips have risen in value. The *Economic Times* share index has risen from 265 (9 January 1988) to 286.5 (17 September), a rise of 8.3 per cent in nine months. However, cement company shares which were languishing for quite some time have risen well over the market average. In fact, the *Economic Times* cement industry index has risen by 34.3 per cent in the last nine months. As a result of favourable conditions the price to earnings ratios (PEs) are at an all-time high — ACC 310, Birla Jute 427.3, Mysore Cement 22.3, and Gujarat Ambuja 9.88. This is despite the fact that the dividends declared have been dismal (very few cement companies declared a dividend over 15 per cent last year).

The popularity of cement company shares in recent months has a lot to do with government policy and changed economic circumstances. This is because the fortunes of the cement industry are linked to the vicissitudes of government policy.

As is well known the cement industry is a controlled one. The levy price and quota set by the government can make or break the industry.

After partial decontrol in 1982 installed capacity has risen significantly from 29.08 million tonnes in 1982-83 to 43.5 million tonnes in 1988-89. The average rate of capacity addition prior to 1982 was around 5 per cent per annum. The post-1982 growth rate is around 18 per cent. The phenomenal growth has led to a mismatch in supply and demand. Also, demand for cement has been suppressed because of two bad monsoons in 1985 and 1986 and the severe drought in 1987. The resulting adverse economic climate hampered growth in the housing sector as resources had to be transferred to fire-fighting economic operations.

It was only in March 1988 that the government decided to reduce the levy obligation of cement plants. The levy quota for units set up before 1982 was reduced from 50 per cent to 30 per cent and for sick units from 30 per cent to 15 per cent. In the case of units which began commercial production after 1 January 1982 the levy quota was reduced from 30 per cent to 20 per cent. There was no increase in the levy price in spite of persistent lobbying by the cement industry.

Because the concessions made by the government fell far below expectations, the cement index declined in March 1988 to touch a low of 66.3 (26 March). ACC was then quoted at Rs.137, Gujarat Ambuja at Rs.12, Mysore Cement at Rs.23 and Orissa Cement at Rs.29.5. So low was the sentiment in cement companies amongst investors that even though the price of non-levy cement had risen by about 16 per cent since January 1988 to about Rs.71 per bag of 50 kg there were few takers for cement scrips.

However, the good progress of the monsoons and the expectations of a general improvement in the economic climate led to the revival of the market as a whole.

In early June, just after the onset of the monsoons, cement company shares were back in demand and the cement share index has risen steadily since then *(see chart)*. To some extent the rise can be attributed to the increase in the price of non-levy cement. However, a major sop to the cement industry came in early September when the cement retention price was raised by Rs.47 in order to offset the rising input costs. Nevertheless the increase was less than what the industry was clamouring for.

As a result of the concessions given to the industry and the favourable economic climate, industry observers feel, the outlook for cement companies over the next two years is bright.

The signals emanating from the companies are already encouraging. Mangalam Cement, for instance, during the year ended June 1988 has increased profits after tax by 157 per cent to Rs.1.21 crores. Gujarat Ambuja Cement also increased its margin substantially (year ended June 1988) and declared a maiden dividend of 11 per cent. Profits after tax jumped from Rs.1.74 crores to Rs.4.22 crores. With an earning per share of Rs.2.10 and a yield of 5.30, market analysts feel that the scrip has good potential.

Recognising the possibility of a spurt in demand over the next few years, financial institutions are once again financing new projects. At least six new projects, it is reported, have been given the green signal to go ahead.

■ ASPI CONTRACTOR

Trend in prices of cement company shares

Company	9 Jan	8 Mar	11 June	10 Sept	% change over Jan
ACC	168	145	222.5	263	57
ANDHRA CEMENT	10.5	10	13	12.5	19
BIRLA JUTE	40	37	44.5	44	10
GUJARAT AMBUJA	15	14	17.5	20.25	35
INDIA CEMENT	16	16.5	20	20	25
MANGAL CEMENT	16	15	19	24	50
MADRAS CEMENT	540	410	525	720	33
MYSORE CEMENT	26	23	25	26	0
NARMADA CEMENT	5.5	5.75	5	4	– 27
ORISSA CEMENT	32.5	30	34	33	1.5
SHREE DIGVIJAY	105	110	100	90	– 14

WORLD BANK-IMF MEETING

Tussle between the haves and have-nots

When bankers meet, the world is usually bored. But this time round at West Berlin everybody was watching. The reason: there was hope that bankers were on the threshold of a breakthrough. Of course, most observers knew better. The fact is that when bankers meet, they bargain for percentage points — never for the poor. They hedge their bets, they rarely trim their sails. And so it was at Berlin. The pin-striped gentlemen from the city and the gnomes of Zurich gathered — in what no doubt must have been a most pleasant paid-for-by-the-bank jamboree. Conviviality was in plenty and generosity in short supply.

For most corporate bankers, Berlin was just another opportunity to meet and exchange visiting cards and renew contacts. The real players, of course, were the lobbyists who seemed to flit on the edges but in reality held all the cards. The global game of bloc geo-politics has no real winners — only constant players. That in effect was the signal coming from West Berlin.

Yet, as we go to press, the much-talked-about meeting of the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development, popularly known as the World Bank, is more than just a conversation topic for listless bankers' cocktails. The meeting in Berlin is being seen by both the media and international finance experts as a tussle between the developing and the developed countries. It has raised a rarely seen quantum of heat and dust over a lot of the basic issues involved. In the days to come, it may become clear which lobby at [illegible] has gained the upper hand. But at the moment, [illegible]

It is no secret that the developing countries need money. Huge sums of money. Very clear too that the World Bank will not be able to cope with the demand. Even by the Bank's own estimates, there will be a shortfall of about $ 8 billion in the capital needed by such countries to rejuvenate development.

Speaking at the Commonwealth Finance Ministers' Conference, S.B. Chavan, India's finance minister, noted that the Commonwealth Secretariat has estimated a financing gap of $ 18 billion per annum for the next five years. The Bank's own target, showing an annual growth rate of 10 per cent in its disbursements to these countries, remains only a target. So, the developing countries hanker for more loans from the Bank and logically, for more money to be provided by the developed countries to the Bank.

The West German finance minister, Gerhard Stollenberg broke ranks, however, and in an unprecedented show of support for the developing nations suggested that the "donor countries should agree next year to increase contributions by at least 35 per cent and probably by 50 per cent". The US (which controls over 6.3 per cent of votes) has not supported an increase in contributions. Ronald Reagan did not assent to general capital increase (GU) in World Bank capital by $74.8 billion.

One of the reasons for their fierce opposition is clear — the failure of certain poor, underdeveloped nations to repay loans. The debts of the Third World have today reached a figure of $ 1.2 billion; a major percentage of this is now considered "bad debts". The lobby of once-stung [illegible] bankers, states that it is not contributing for charity. Michel Camdessus, managing director of the IMF, firmly believes that the developing countries should not rely on debt reliefs as a way to resolve their economic crises. Other IMF officials feel that there is no justification in writing off the loans of some countries while others are paying.

And this is exactly what the G-24 group of developing nations is demanding. In fact last Friday, proponents of a "debt moratorium" held a two-day conference which was attended by many groups from Africa, Latin America and Asia; among those who attended were representatives of trade unions, clergymen and supporters of socialism. This group is a thorn in the side of both the G-7 and G-24 countries since its attempts are aimed at doing away with the ideological gap between the rich and the poor.

However, there are some more grievances that the developing countries have. For example, a reduction in interest rates.

The happy news in all this is that the West German government, perhaps acting the role of generous hosts, is contemplating giving contribution for lending at the same rates based on soft loans (around 0.75 per cent) like not having floating exchange rates for a simple fluctuation hits them on the face. Not surprising therefore that Warnasen A. Rasaputra, governor, Central Bank of Sri Lanka, claims that the so-called floating rates have only added further instability to BOP situations.

In many senses the trap is of the developed countries' making. Most bankers agree that the current nervousness and reluctance is understandable. The Latin debt trap, as J.K. Galbraith himself pointed out recently "is just another demonstration of temporary insanity that we as a people have". If, as Galbraith says, the Latin debt trap is just a passing lunacy, then surely the demands made by the developing countries deserve examination. And perhaps as the West Berlin meetings come to a close, this ought to be the message: forget the lunacy of the past, examine the debilitating reality of today for the developing countries and let us work towards a new future that involves genuine give-and-take, not just the old syndrome of grab-and-run, lend-and-lose.

■ DILIP CHERIAN and ALAM SRINIVAS

THOSE WHOM YOU RELY ON,
RELY ON THE JEEP.

To be a keeper of the law, is no easy task. Help someone out, one minute; chase a dangerous criminal, the next.

Which is why those whom you – and the nation – rely on, have always trusted the Mahindra Jeep.

Safe and sturdy, with amazingly low fuel and maintenance costs.

And that unique Jeep styling which has set an ageless trend. Worldwide.

The Mahindra Jeep.
For you, it's performance you can rely on.

Mahindra Jeep®

Performance you can rely on.

Mahindra

THERE IS NO OTHER JEEP MADE IN INDIA

everest/88/MM/200

Dusk descends on Kundam in Madhya Pradesh. As Sushilabai looks out at the setting sun, she eagerly awaits her husband's return from the fields. Balram, their elder son, is herding the cows home, while she plays with little Rajni. The infant's joy reminds Sushilabai of the time when, as a newly-married couple, they planned their family with care and understanding to bring security and happiness for the future. That was eight years ago when ITC came to their help...

Sushilabai of Kundam. The thought of marriage held out little joy for her. She feared that her life would be like her mother's: burdened with too many children.

Then, ITC showed her husband the simplest way to plan a small, happy family.

Growing awareness: a small family is a happier one

ITC has been a participant in the Government's Family Health and Welfare Programme since 1968. The Company's widespread distribution network and marketing experience are being utilised to promote Nirodh contraceptives in Madhya Pradesh, Karnataka, Kerala, Andhra Pradesh, Tamil Nadu... and now in Delhi and Uttar Pradesh, too.

As India's single largest distributor of Nirodh contraceptives, ITC is making special efforts to increase awareness among country folk on the benefits of a small family. By 1989-90, it will be spending more than Rs 1 crore on this project—in manpower training programmes, on distribution and on promotion.

Working closely with the Department of Family Planning, ITC is helping dispel traditional taboos over an area where more than half the country's population lives.

Where else is ITC working for India and its people ?

Agro-industry: ITC's technological expertise, gained from decades of R&D in seed development, is now being transferred to produce oilseeds. The manufacture and marketing of edible and non-edible oils will help reduce imports and aid thousands of farmers.

Indian Classical Music: At the Sangeet Research Academy in Calcutta, tradition married to technology keeps alive the *guru-sishya parampara.* Through Sangeet Sammelans around the country, ITC is rekindling interest in classical music.

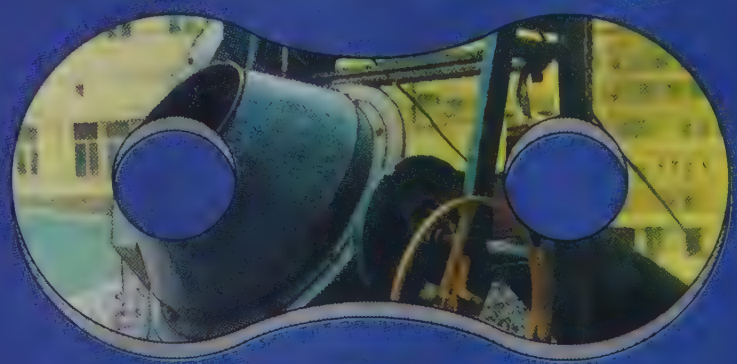
Cottage-sector Craftsmanship: ITC set up Triveni Handlooms to preserve the traditional craft of Shahjahanpur's weavers. Looms, raw materials, technical knowhow are provided; today 2500 weavers are gainfully employed, their carpets exported by ITC.

I.T.C. Limited

New horizons, new hopes.

Contract ITC 56 88 R

The Big.



The Small.

And hundred others in between have a common link.

Diamond Industrial Chains. From 3" to ¼" for hundreds of application areas...

From giant oil rigs to concrete mixers... paper mills, cement plants, textile mills, fertilizer plants and many, many more.

Diamond Industrial Chains is the one name that has chains in pitches varying from 3" to ¼" manufactured to both AS and BS specifications.

Widest range of transmission chains

☐ Single and multi-strand chains ☐ Leaf chains ☐ Carding chains ☐ Extended pin chains ☐ Heavy duty chains ☐ Conveyor chains ☐ Special purpose chains ☐ Standard application chains

A team of highly trained engineers, 17 warehouses around the country and hundreds of outlets give easy access to Diamond Industrial Chains.

Application Engineering Cell for special needs

Diamond Industrial Chains' Application Engineering Cell will innovate the perfect solution — with a custom-built chain for very specialised requirements.

TI Diamond Chain Ltd.,
Madras 600 053.

Diamond Industrial Chains.
Made in technical collaboration with Diamond Chain Co., USA.

REGIONAL OFFICES:

Bombay: United Bank of India Bldg., Sir P M Road, Fort, Bombay 400 001. Phone 2870903. Telex: 011 2216. Grams: TUBEIND
New Delhi: Post Box No 7087, 9 & 10/3 Asaf Ali Road, New Delhi 110 002. Phone: 270535. Telex: 031 2319. Grams: TUBEIND
Calcutta: Post Box No 9151, 27-A Camac Street, Calcutta 700 016. Phone. 442595. Telex: 021 7359. Grams: TUBEIND
Madras: Southern Region, Ambattur, Madras 600 053. Phone 656181. Telex 041 22083. Grams: TICHAIN

HTA 7204

Bullish markets... but no winner in sight

Last fortnight the stockmarkets were in a buoyant mood. Several leading share counters at the Bombay stock exchange registered a sharp increase in prices. According to market watchers, small investors who stayed out for 24 months had once again returned in large numbers. That's the good news. The bad news is that we have no winners for the investor contest.

How to enter

On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these share as on 28 October 1988, and send in your entry by 18 October 1988. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 28 October 1988, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 28 October 1988, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 18 October 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of the **Business India** group of publications is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 23 Sept 1988 (Rs)	Variations permitted from correct prices upto (Rs)	Prices as on Friday, 28 October 1988 (Please fill) (Rs)
Finolex Cables	Bombay	298.75	2.50	
Indrol	Bombay	230.00	2.00	
Kinetic Engg.	Bombay	275.00	2.50	
MICO	Bombay	635.00	3.50	
Mukand Iron	Bombay	98.50	1.00	
Telco	Bombay	728.75	3.50	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC206

NOTICE

It is hereby notified for the information of the public that Shaw Wallace & Company Limited proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant.	**Shaw Wallace & Company Limited** **4 Bankshall Street** **Calcutta 700 001**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Preference** **Rs. 1,00,00,000** **Ordinary** **Rs. 39,00,00,000** **Subscribed** **Preference** **Rs. 75,00,000** **Ordinary** **Rs. 12,00,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr M R Chhabria, Chairman** **Mr K R Chhabria, Managing Director** **Mr R M Moghe** **Mr A K Das** **Mr B S Mehta** **Dr R S Tarneja** **Mr R S Mama** **Mr M L Bhakta** **Mr B Sanghavi**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**New Undertaking.**
5.	Location of the new undertaking unit division.	**JAMMU (JAMMU & KASHMIR)**
6.	Capital structure of the proposed undertaking.	**Same as in item 2.**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or control of any goods/articles, indicate:	
	i) Names of goods/articles	**Potable alcohol from non-molasses based raw materials.**
	ii) Proposal licensed capacity	**50,00,000 Bulk Litres per annum.**
	iii) Estimated Annual Turnover	**Rs. 7,50,00,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value , income, turnover etc.	**NOT APPLICABLE**
9.	Cost of the Project	
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Finance will be arranged partly from internal sources and balance by raising loans.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

S.C. MAJUMDER
SECRETARY &
PRINCIPAL OFFICER

Dated this 6th September, 1988

Khote ki duniya

Tina Khote *is a producer of documentaries and advertising shorts*

Krystyna (Tina) Khote is an unusual film producer. Earlier, as a partner of Durga Khote Productions, and now as a full-fledged owner of the company, she has produced innumerable documentaries and advertising shorts for about 33 years. But overnight, Khote has been catapulted into media fame with the success of her TV serial, *Wagle ki Duniya*.

Mirth-go-round. For years, R.K. Laxman's harassed cartoon strip hero, the Common Man has been a mute witness to bureaucratic bunglings, political shenanigans and other blows of fate. With hilarious results. Khote is the inspiration for another widely acclaimed Laxman creation — the harassed hero, Wagle. When Laxman, an old friend, was seeking a new vehicle for his variety of humour, Khote with her penchant for the film medium, suggested a series based on the assorted situations in his cartoons. The whole thing took off into a mirth-go-round and Khote is one happy producer today.

Born in Poland, Tina fled in the mid-forties with her family to England, and eventually settled in Canada where she completed her secondary education. She did a summer course on French civilisation at the Sorbonne, a brief stint for the International Air Transport Association and met her future husband, Bakul Khote, then an Air-India executive. She came to India in 1953, travelled a great deal and got married. She joined Durga Khote's Fact Films in 1955; the company was later reconstituted into Durga Khote Productions.

Despite the consciously adopted low profile, her company is a well-known name in the documentary and advertising film business. Profitability in documentary films is low and public acclaim is rare, though occasionally, they win an award, more often in foreign film festivals. Khote derives tremendous satisfaction in making documentaries, though the company's advertising shorts bring in the money "to pay the bills". The company produces an average of 10-15 advertising films and 6-8 documentaries a year. The cost of a documentary can range anywhere between Rs.3 and Rs.7 lakhs; an advertising film, Rs.3.5 lakhs.

Khote is a great admirer of her mother-in-law's efficient management of the unit's finances. "I have learnt a great deal from her," she says. When Coke and Fanta were around, the unit made a series of ad films which were very popular and won awards too. The company has made several films for National Insurance, New India Assurance, IDBI, Nirodh etc.

Challenging assignment. Some of her more memorable documentaries are *Kashmir and Ladakh* ("one of our best"), *Indian Carpets* (on behalf of the Handloom Board) and *Bonded Labour* (which won the President's award). The Tata Institute of Fundamental Research commissioned a documentary on cancer and the evils of smoking/chewing tobacco. This was a very challenging assignment as it was aimed at disparate regions — rural Maharashtra, Gujarat, Kerala and Andhra Pradesh. It was differently conceived and made on a folk level, in which the *'Sutradar'* sings, and cancer is depicted as a crab.

Khote emphasises that she is only a producer and has never been involved in direction. She enjoys putting the project together, assuming overall responsibility, including the choice of music. In the pipeline is a series of films depicting the life of children in India, drawn mainly from middle-class families of many regions. These are to be shown in schools abroad: India seen through the eyes of 12-15 year olds. Films on children, women and the environment are subjects that interest her. (As a policy, girls and women are not portrayed as non-participants or as mere spectators in her films.)

The expansion of the Doordarshan network has opened up a whole new vista to create subjects. Earlier, the problems for a documentary maker were enormous. Even if the subjects considered were interesting would they be accepted by the Films Division or Doordarshan? Controversial subjects or themes were out. But the success of 'Wagle' has strengthened the company's position. Small companies often cannot afford even the cost of a pilot, which may or may not be accepted. Often, these projects have a long gestation period from idea to execution, to acceptance for airing. "'Wagle' is our first success, a moderate success and has boosted our standing," she says.

Khote has made a public service documentary for the Clean City Society, Bombay. More and more corporate sponsors are now interested in sponsoring documentaries in the public interest (as distinct from corporate image building public relation films) which highlight a company's concern for community/national problems and other issues.

Khote feels that the country has a fund of talent, especially the aspirants from the Film and Television Institute who are keen on making documentaries on public issues and associated themes. This in turn would mean an increase in the volume of business and employment opportunities for professionals.

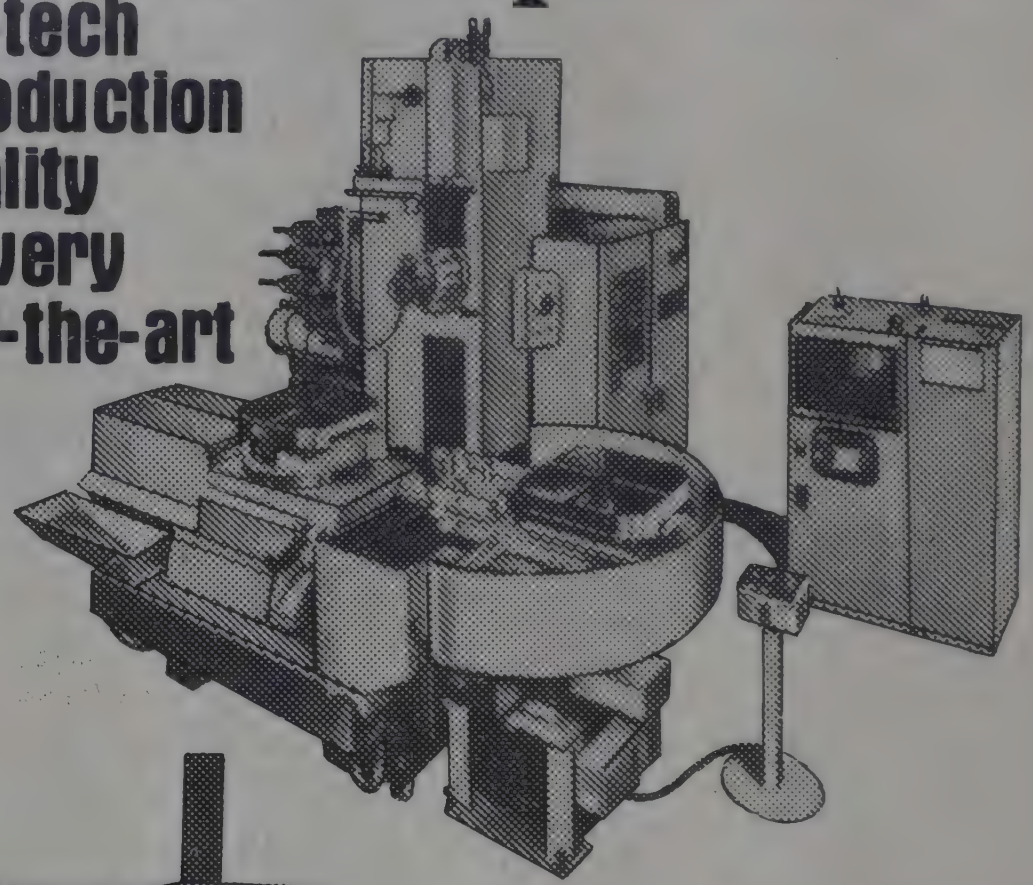
Besides film making, Khote's abiding passion is painting. She also loves Indian and western classical music and jazz

■ PADMA RAMA[illegible]

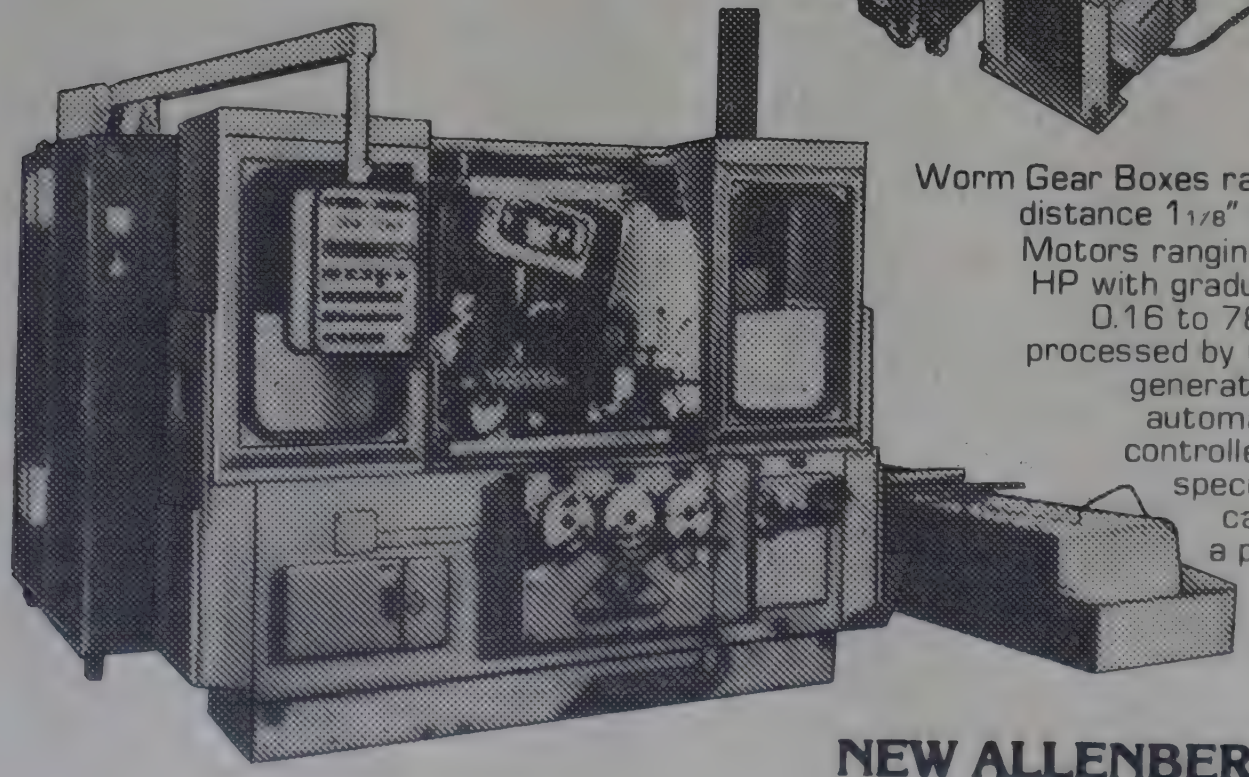
naw

premier manufacturers of ALLROYD worm reduction gear boxes and OPTIMAX geared motors installed new hi-tech machines on production line for high quality and speedy delivery with the state-of-the-art technology.

CNC Horizontal Machining Centre
Model-Mitsubishi MPA-H 50A



KLINGELNBERG
Worm Grinding Machine



Worm Gear Boxes ranging from Centre distance 1 1/8" to 24" and Geared Motors ranging from 0.12 to 40 HP with graduated speeds from 0.16 to 780 R.P.M. are now processed by high precision new generation machines, fully automatic and computer controlled. Whatever your specifications, now you can rest assured of a perfectly matching deal from NAW

naw

NEW ALLENBERRY WORKS

PROP. DEEPAK INDUSTRIES LTD.
62, HAZRA ROAD, CALCUTTA-700 019, PHONES : 47-3651 (5 LINES)
TELEGRAM : "GEARBOX" TELEX : 021-3239 NAW IN

BOMBAY OFFICE : 7/7 EMBASSY CENTRE, NORIMAN POINT, BOMBAY-400 021, PHONE : 23-0232
TELEX : 011-5662 NAW BIN, TELEGRAM : ALLENBERRY

DELHI OFFICE : NEW ASIATIC BUILDING, H-BLOCK, 2ND FLOOR, CONNAUGHT CIRCUS
NEW DELHI-110 001, PHONE : 3320516, TELEX : 031-3576 NAW DIN
TELEGRAM : ALLROYD, NEW DELHI

KANPUR : RESIDENT REPRESENTATIVE, MR. RAVI KUMAR MATHUR.
13/364, CIVIL LINES, KANPUR-208 001, PHONE : 210331 GRAM : OPTIMAX

MADRAS OFFICE : 165 BROADWAY, 3RD FLOOR, MADRAS-600 106, PHONE : 27721
TELEX : 41-6963 NAW IN, TELEGRAM : ALLROYD

BANGALORE OFFICE : 143, INFANTRY ROAD, 1ST FLOOR
BANGALORE-560 001, PHONE : 56-4759

HYDERABAD OFFICE : FLAT NO. 203, 2ND FLOOR, DECCAN TOWERS
MINAR APARTMENTS, 5-9-59 BASHEER BAGH
HYDERABAD-500 001, PHONE : 23-7109

PPS/NAW 2-87 Mag

—Rest assured, they are the latest and the best.

There are ways and ways of being constantly in the public eye. V.G. Paneerdas of the VGP group of companies was a past master at this art. Although he is now no more, his brother **V.G. Santhosham** is proving that he is a chip of the old block. He has come up with a novel scheme wherein the oldest man or woman born before 1900 in Tamil Nadu will be awarded a cash prize of Rs.10,000 and given a gold medal by the group. The next oldest man or woman will be eligible for the second prize of Rs.5,000. The eligible octogenarians, nonagenarians and perhaps centenarians will have to furnish proof of their birth dates. Those who help identify

the seniormost citizens will also be given an award of Rs.500.

All awards appropriately enough will be presented by the former prime minister, Morarji Desai.

"I am doing this so that the present generation will learn to respect the older generation," declares Santhosham. That's not all. Everybody over the age of 65 can apply for identity cards and Santhosham will allow them to spend time on the fabulous VGP Golden Beach free of cost.

Time was when Datta Samant's brand of militant trade unionism froze company managements in the country. Today, it is **D. Thankappan,** the working president of the Kamani Employees Union (KEU), who is sending shivers down management spines, although militancy is not his way of solving

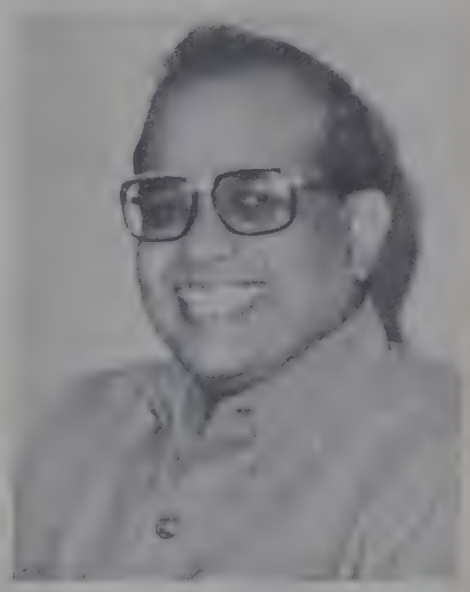
workers' issues. The irrepressible Thankappan is out to prove that workers too can run companies. In a relentless three-year campaign he master-minded, he pushed hard for a workers' takeover of the sick Kamani Tubes Ltd (KTL), and finally won the day last fortnight, when the Supreme Court approved the KEU's scheme for reviving the company.

Thankappan and his band of 600-odd workers, who plan to restart production at KTL in December, will buy the Kamani family's 92.6 per cent stake in KTL's equity through a workers' co-operative society. Today, Thankappan is flooded with calls for his services from trade unions all over the country; several doctoral students too want to record his sagacious battle for control of KTL.

It is probably because there is no statue of a Gandhi family member in Calcutta that the central government is often indifferent towards West Bengal. This is one of the jokes that is making the rounds in Calcutta these days now that ITC chairman **J.N. Sapru's** plan of putting up a statue of Jawaharlal Nehru at Chowringhee is finally materialising. Sapru is the president of the Indian Chamber of Commerce and Industry (ICCI), which is now collecting donations from the public for the Rs.12-crore effort. "We thought of putting up this statue in anticipation of the Nehru centenary on 14 November next year," he says, "especially in view of the fact that the city has no statue of the former prime minister." The statue which will be 12 feet high will, if all goes well, be installed before Sapru's tenure at the ICCI ends next year. The state government has provided the land and the ICCI will meet the shortfall in donations, if any. And then we will have to see if the central government's attitude towards the Marxist government really changes for the better.

For more than three years, **Ramesh Chauhan,** the soft drink magnate and maker of Thums Up, fought tooth and nail to block PepsiCo's entry into the country. The MIT graduate used his huge network of contacts in Delhi to build up a powerful lobby against the US multinational and almost succeeded in his efforts. But now that Punjab Agro-Voltas-PepsiCo is a reality, what are the bruised Chauhan's feelings? "It is a sad thing for the country," he says, "and I am sure that the government will regret the decision. It has all along been misled by the tall talk on food processing." Chauhan says PepsiCo will never be able to meet its export obligation and quotes the example of Cadbury's which failed to do so with apple juice concentrates. Does he plan a change in his corporate strategy

now that Pepsi will enter the Indian soft drink market? "I don't think that is necessary," he claims, "International brand names like Max Factor, Chesterfields and Rothman have not been too successful in India and I don't think Pepsi is going to be either." We'll have to wait and see about that. But to cap it all Chauhan was not even interviewed by Doordarshan which did a feature in its Focus programme on the controversy last fortnight. "Their request for the interview came too late," he says, "and anyway I don't regret not being on television. It was anyway a government propaganda programme trying to justify the Pepsi entry."



Imitation may be the simplest form of flattery, but it can be problematic. **S.Viswanathan,** chairman and managing director of Enfield, in between flogging his two-wheelers, has been for some years organising a dance festival in Madras around September. His Kalamandir Trust is well known for supporting promising young dancers. However, people know a good thing when they see one. Several groups are now entering into Viswanathan's pet preserve, and plan to have dance festivals more or less around the same time. The proposed dance festivals may just about exhaust available talent and the patience of audiences. Viswanathan is, however, not one bit fazed. He sees this development as an opportunity to take the Kalamandir name elsewhere, plans to drop the Madras festival and set it up in important mofussil headquarters like Madurai, Tuticorin, and Trichy. Says he, "Where there is a vacuum, I will fill it. I keep looking out for greener pastures."

■ N. RADHAKRISHNAN

INDIAN TELEPHONE INDUSTRIES LIMITED

(A Government of India Undertaking)

Registered & Corporate Office: No 49 Museum Road, Bangalore 560 001

Indian Telephone Industries Limited, India's first Public Sector Undertaking, is a pioneer in telecommunications and manufactures the entire range of telecommunication equipment from simple telephones to modern fibre optic systems and satellite communication systems.

EXCELLENT OPPORTUNITY FOR INDIAN ELECTRONIC COMPONENT MANUFACTURERS

- ITI currently buys over Rs. 300 crores worth of components and materials every year from sources in India and abroad.
- With increased requirement of Telecom Systems and Equipment in India, this figure is likely to go up at least by 20% to 30% every year.
- A major portion of this requirement is for components and a substantial share is at present met by imports. Therefore, there are excellent opportunities for Indian manufacturers to show their capabilities in meeting this challenging demand.
- Please note that what ITI requires are professional grade electronic components of high quality/reliability and **NOT** entertainment grade components.
- ITI will fully support any genuine competitive attempt to manufacture such components in India and back it up with technical advice and help in rigorous component evaluation formalities.
- A rough idea of the technology, no. of types and quantity of current annual requirements is given below.

	PRODUCT (COMPONENTS)	NO. OF TYPES (APPROX)	APPROX QTY (NOS IN LAKHS)
1.	INTEGRATED CIRCUITS	400	240
2.	OPTO DEVICES	25	40
3.	TRANSISTORS	120	200
4.	DIODES	150	300
5.	THERMISTORS	15	20
6.	VARISTORS	6	25
7.	RESISTORS	3	1200
8.	CERAMIC CAPACITORS	10	50
9.	FERRITE CORES	70	25
10.	CRYSTALS	250	10
11.	RELAYS	50	15
12.	CONNECTORS	200	50
13.	SWITCHES	10	6
14.	MICROWAVE COMPONENTS	25	9000 NOS
15.	MISC. MECHANICAL PIECE PARTS	1200	100

	PRODUCT (OTHERS)	APPROX QTY
1.	RAW MATERIALS – BRASS, COPPER, IRON & STEEL, NICKEL SILVER, SOFT IRON, MAGNETIC IRON AND PHOSPHOR BRONZE	1060 MT
2.	MOULDING POWDER	680 MT
3.	ENAMELLED COPPER WIRE	350 MT
4.	WIRES AND CABLES	30,00,000 KM
5.	PC LAMINATES	1,00,000 SQM
6.	ITEMS LIKE POWER PLANT, BATTERIES, INVERTERS, OMCs AND PERIPHERALS ETC.	—
7.	CHEMICALS & PROCESS CONSUMABLES	—
8.	TOOLS, TESTERS & INST. MATERIALS	—

- If you are interested in taking up this challenging task, please contact any one of the following for further details:

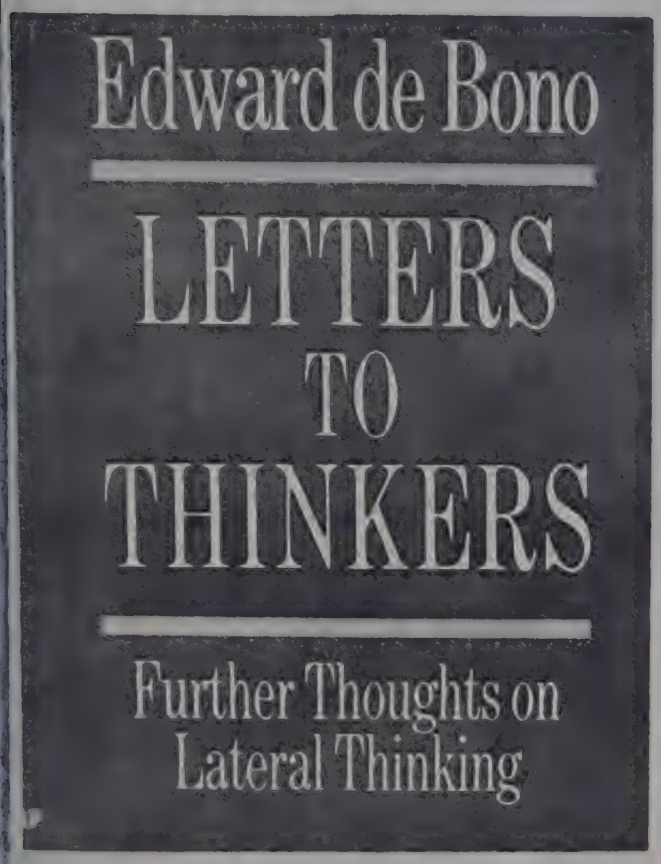
1. Shri Lakshminarayana,
Chief Manager-Indigenisation,
Indian Telephone Industries Ltd.,
2nd Floor, Jubilee Building,
45, Museum Road,
BANGALORE - 560 001.
Phone: 566116-307,
Tlx : 0845-8222.

2. Shri BD Shashank,
Manager-Indigenisation,
Indian Telephone Industries Ltd.,
Sanchar Vihar,
MANKAPUR - 271 302,
Dist: Gonda (UP).
Phone: Delhi No. 3316700-292,
Tlx : 0521-216

3. Shri PV Raveendran,
Manager-Indigenisation,
Indian Telephone Industries Ltd.,
Kanjikode West,
PALGHAT - 678 623.
Phone: 4651
Tlx : 0853-207.

4. Dr Rajeswari Chattopadhyaya,
Chief Engineer-Central Labs (R&D)
Indian Telephone Industries Ltd.,
Dooravani Nagar,
BANGALORE - 560 016.
Phone: 563211.
Tlx : 0845-2222.

How to think creatively



Letters to thinkers: further thoughts on lateral thinking
By Edward de Bono

Harrap, Stockists: UBS Publishers Distributors Ltd, Bombay

Between 1982 and 1984, Edward de Bono issued, through private subscription, a series of letters to businessmen on the practical aspects of thinking — creative thinking in particular. Some of these have now been published for the first time in book form.

Mediocre minds, de Bono tells us, have a horror of the simple. It may be that the mediocre mind feels threatened by the inability to distinguish between something that is simple because there is nothing behind it, and something that is simple because there is a great deal behind it. Mediocre minds are reactive rather than proactive. They prefer to react to what is put before them. They are describers and there must be something to describe. "The richer the picture placed before them," writes de Bono, "the richer their reaction and the greater the sense of achievement. Such minds are most comforted by complex and turgid prose full of multiple references to pundits both obvious and obscure. There must be qualifications sitting upon qualifications and nuances shading into further nuances."

De Bono's letter on 'Thinking and Information' is worth much reflection. He points out the fallacy in the "obvious" precept that the more information we can get the better.

De Bono reminds us that there are many different levels of reading — quite apart from the physical speed of our reading. There is "defensive" reading in which we skim through just to check that everything is as we assume it to be, and with the hope that we shall find nothing in what we read that might change our views. We just have to read through the material in case there is something of significance in it. Then there is what we might call "gist" reading. We appreciate that this may have to be expressed in detail, but we are only interested in the broad picture or the final conclusion.

Then there is "atmosphere" reading in which we read through a piece to get the general feel or mood of the piece, even though we are neither interested in the details nor even in the broad gist of what is said. For example, we may read the comments of a financial journalist in order to get the mood of the market.

Finally there is "information" reading in which what we read has been designed to bring to us information that we want. Here it may be a matter of sorting out the linking material and the tone-setting material from the actual information.

After teaching lateral thinking to thousands of people the world over, De Bono admits that persuading anyone to take an interest in thinking as a skill is a hard task. In the matter of thinking, he feels, the simplest things done consciously and done well can make a quite astonishing difference. Most of us tend to believe that there is a "general problem-solving" technique which should be used on every thinking occasion.

Again, there is a huge difference between a problem and an opportunity. A problem presents itself. We do not have to go out and search for it. Like an ache or a pain it makes itself felt. There is another type of problem which takes the form of an obstacle or a gap which occurs on the road we are taking to achieve something. For instance, an engineer needs to find a metal that will stand up to the great heat in an engine he is designing. But an opportunity does not arise until after it has been seen. By putting a tight specification on the purpose of our creative thinking we can only tackle defined problems. We would be unlikely to come up with opportunities. This requires us to apply our creativity and our lateral thinking tools to what De Bono calls a "general area focus". It involves a broad description of a general area such as hotels, retail banking, airlines, hospital care, traffic in cities, etc.

It is possible to narrow it down a little further. For example, we may want to focus upon hotel restaurants rather than hotels in general. But it would still be a general area focus item. The most important point, says De Bono, is that a specification of purpose must never be used. We must not specify that the purpose of our creative endeavour is, say, "to increase the profitability of hotel restaurants". If that is what we want to do, then we should use a "specific concern area" which is designed for specific concerns. The general area focus is meant to be general. The reason, De Bono feels, is that we want to give ourselves a chance of turning up ideas we had never thought of before. We also want to turn up opportunities.

Every one of de Bono's "letters" helps to loosen the girders of our mind and reveal vistas and vantage points we did not know existed. Whether De Bono is talking to us about being negative, the future of thinking, impediments to creativity, improving our thinking ability, idea flavour in creative sessions, unemployment, why banks are obsolete, or introducing creativity in an organisation, he is always farm fresh, stimulating and unobtrusive, in a Socratic sort of way.

Senior management, De Bono bemoans, is often not interested in lateral thinking. There are senior executives who believe that efficiency and problem-solving are all that an organisation requires. Creative thinking to them seems a luxury and something less than solid. Such an old-fashioned "maintenance" view of management can work when there is market domination or when the particular business segment is still growing. But organisations that are already in trouble tend to blame their trouble on outside forces such as a change in the market, subsidies to the competition, exchange rates, government interference, labour trouble, etc. To deflect the focus on problems in an organisation, De Bono advises the corporate executive to write down some opportunity areas — areas that might benefit from new thinking or better ideas.

■ RUSI J DARUWALA

DRILLING RIGS

for oil and gas well drilling to 2500 m depths

- stepped-up hydraulic and total power
- enhanced performance and specifications
- prolonged service periods
- reliable and durable components
- curtailed time of rigging-up, dismantling and moving from site to site

The Rigs are transportable in large blocks, without disassembly into individual units.

More information available from
NEFTEMASH Firm

CHIMMASHEXPORT

25, Bezbozhnij per. 129010 Moscow USSR
Telephone : 288-36-90 Telex : 411032 SOKEM

SICO's MAPSICON

MICROPROCESSOR BASED AUTOMATIC pH CONTROL SYSTEM

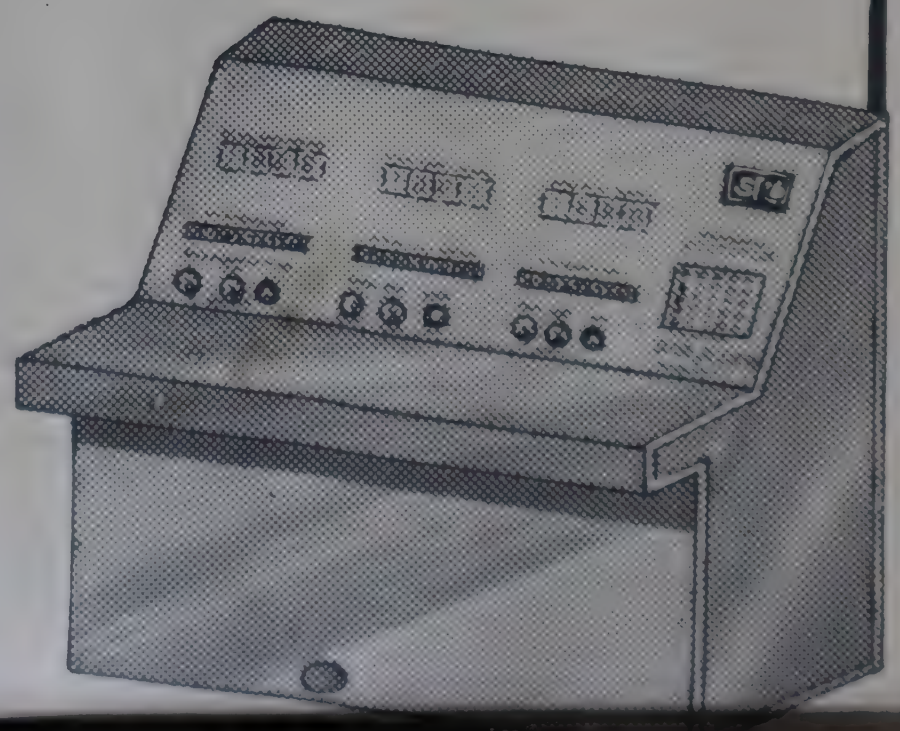
for better quality sugar

FEATURES

1. On-line pH control of preliming, shock liming and SO_2 control system with three independent microprocessor controlled PID controller.
2. Stepper motor driven valve for lime feed and integrated motor driven non-corrosive SO_2 control valve.
3. Linear bar graph display for valve positions with built-in pH recorder
4. Control of pH possible within range of ± 0.15 pH of set valve.
5. Suitable for JPMA, NSI and other types of sulphiters

BENEFITS

1. CaO content in clear juice is reduced.
2. Saving of sulphur consumption.
3. Reduction of final molasses % in cane .
4. Rise in purity- 0.5 to 0.75
5. Higher setting rate leading to increased capacity utilisation.
6. Reduced scale formation in evaporators reducing the frequency of cleaning operations and the cost of cleaning.



SICO
Estd 1911
SERVES SCIENCE

The Scientific Instrument Co. Ltd.,

Head Office Post Box No.1
6 Tej Bahadur Sapru Road. Allahabad-221 001
Phone : 51234/52504/55390 Telex : 0540 - 219 SICO IN
Telegram : SICO

Who is a good employer?

With the job market becoming a "buyers" market, employers are increasingly finding that employees have very decided views on the kind of employer they would like to work for. And making an offer is no guarantee that a recruitment is complete. "I want to work only for a 'professionally' managed company" is an often heard refrain among job seekers.

The term 'professional' of course means different things to different people. So who are good employers, from the view point of the job seekers?

The best paying companies are not necessarily considered good employers. However, it is true that companies considered good employers are generally amongst the better paymasters. This is implicit in the fact that a good employer is a "caring" employer and therefore would pay reasonably competitive salaries across levels. Multinational companies do fall into this category, though several Indian companies, despite being excellent paymasters, fail to make the grade.

The most important factor for managers at middle and senior management levels is the culture of the organisation and the way it handles its managers. The culture of the organisation, in terms of its personnel policies and the "style" of management, are the two major issues that concern prospective employees (and of course current employees too).

Employees are wary of companies that have an *ad hoc* approach to personnel issues, such as compensation and perquisite practices. What is sought is a culture of openness in these matters which, in turn, gives employees the surety that all employees are treated equitably and fairly. In this context, it is very important for employees to feel that decisions on these aspects are based on rational and professional reasons rather than the personal whims of senior management.

Needless to say, basic principles such as that of keeping one's promises and commitments on payments, perquisites, promotions, designations, and job responsibilities have to be met. Too often, anxious employers tend to go overboard with some of these promises at the time of recruitment to get employees on board. Thereafter they keep postponing the date of making good the commitment, resulting with the employees feeling cheated and frustrated.

Being the best paymaster is not the main consideration; what is important is for employees to have the feeling that the organisation can be counted upon in the event of a personal calamity such as serious illness or accident. This means that the organisation is responsive enough in such a situation in terms of using its resources in doing the best possible as well as helping the individual monetarily. Several of the younger organisations do find this difficult, but the fact remains that for most employees the sense of belonging to the organisation comes from its responsiveness to such situations and its capacity for such gestures which indicates "concern" for its people.

The other important aspect of personnel policy for the employee is the scope there is for him to grow in the organisation. It is quite commonplace in several organisations especially family manged ones, for an employee to remain in virtually the same job during his entire service. The individual's need to develop and take on more responsibility is rarely taken cognizance of, resulting in a feeling of stagnation and frustration.

The paternalistic and welfare-oriented culture of some of our best known business houses (such as the Tatas or Godrejs) have earned them good reputations as employers. Of course, fast track managers might not find the culture of relatively slow growth to their liking. But there is no doubting the fact that, along with some of the multinationals, they are considered the "gentleman" employers. Unfortunately some of these companies do not appear to be result oriented, making them less attractive for the ambitious manager. But, on the balance, most employees would rather be with a gentleman employee than a 'racehorse' whose basic values cannot be taken for granted.

In this context, it is important for professional managers to have the confidence that the corporate culture, philosophy and ethics of the organisation are in line with their own values. The personal integrity and ethics of the senior management of the company are therefore very important indicators of the 'values' of the organisation.

Equally important at senior levels is the need for a company to treat senior managers with due respect and consid eration. This is reflected in small things such as the manner in which discussions involving senior managers are conducted, the manner in which communications are handled in the company, and even the way bills and vouchers of managers are handled. It is surprising how many large, successful companies fall short on these issues, resulting in senior managers feeling slighted or ignored and even insulted. Very often, these practices are taken as an indication of the trust placed on senior managers by the top management of the company. And it is here that owner managers often tend to fail in giving their senior managers the confidence that they are part of the "inner" circle.

It is interesting to note that many family managed companies do not have a strong personnel function. In fact several large, family managed companies have only industrial relations officers and the personnel function is dissipated between several senior managers. The chief executive or managing director often takes decisions personally on every small aspect of the implementation of personnel policy. This only weakens the position of the senior managers of the company.

Employees often find that certain companies are "one man" shows, with all powers concentrated in or one at best, two or three persons. The senior managers are so only in name and have no real authority to take any decisions independently. The culture of the organisation is such that, despite trappings of professionalism, there is no scope for mangers to be anything but implementers.

The key virtues sought in a 'good' employer are, therefore, 'concern' for and 'trust' in his employees. These serve to inspire the latter's confidence and, in their perception, become a part of the company's 'values'. Also, the values of the senior management of the company serve to reinforce the company's image as a 'good' employer.

The good employer is, therefore, one who is able to make his employee feel that he is a part of the organisation, by actively involving him both in decision-making (of course, with due consideration to his level in the organisation) and implementation and makes him feel as much a part of the "family". And above all, an employer whose personnel policies are not only rational and fair but are perceived by employees as being so

■ ANITA RAMACHANDRAN

NOTICE

It is hereby notified for the information of the public that Shaw Wallace & Company Limited proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant	**Shaw Wallace & Company Limited** **4 Bankshall Street** **Calcutta 700 001**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Preference** **Rs. 1,00,00,000** **Ordinary** **Rs. 39,00,00,000** **Subscribed** **Preference** **Rs. 75,00,000** **Ordinary** **Rs. 12,00,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr M R Chhabria, Chairman** **Mr K R Chhabria, Managing Director** **Mr R M Moghe** **Mr A K Das** **Mr B S Mehta** **Dr R S Tarneja** **Mr R S Mama** **Mr M L Bhakta** **Mr B Sanghavi**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**New Undertaking.**
5.	Location of the new undertaking unit division.	**Tehsil/Taluk:** **BEHRUR** **District:** **ALWAR STATE: RAJASTHAN**
6.	Capital structure of the proposed undertaking.	**Same as in item 2.**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or control of any goods/articles, indicate:	
	i) Names of goods/articles	**Potable alcohol from non-molasses based raw materials.**
	ii) Proposal licensed capacity	**50,00,000 Bulk Litres per annum.**
	iii) Estimated Annual Turnover	**Rs. 7,51,30,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value , income, turnover etc.	**NOT APPLICABLE**
9.	Cost of the Project	
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Finance will be arranged partly from internal sources and balance by raising loans.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

S.C. MAJUMDER
SECRETARY &
PRINCIPAL OFFICER

Dated this 6th September, 1988

Y. VISWANATHA has been appointed director to represent insurance companies on the board of Karnataka State Financial Corporation.

M. KANNA REDDY has taken over as director, finance, at Hindustan Machine Tools Ltd.

Y. YOSHIZAWA has taken over as general manager of the Bank of Tokyo.

V. ATAL has been appointed as general manager of the State Bank of India.

N. SRIRAM has assumed charge as general manager of SBI Capital Markets Ltd, Madras.

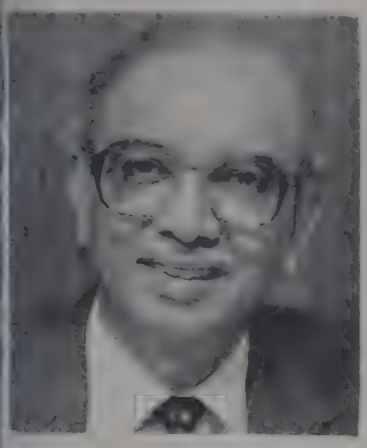
D. KUMAR has been appointed managing director of Haryana State Industrial Development Corporation.

R.K. KHETAN has been appointed general manager, marketing, at National Rayon Corporation Ltd.

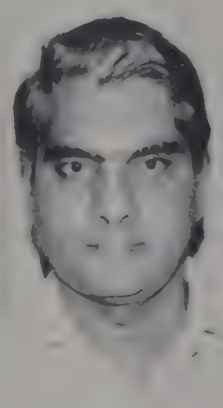
K.R. KRISHNAMURTHY has taken over as executive director of Corporation Bank.

A. SHARMA has taken over as president of the Minimax division of Steelage Industries Ltd.

K.R. CHAUDHARI has been appointed director on the board of Hindustan Photo Films Manufacturing Co Ltd.



P.B. JAYAKUMAR has taken over as executive director of Carborandum Universal Ltd.



R.V. SHAHI has assumed charge as executive director, southern region, of National Thermal Power Corporation Ltd.

V. RAI has been appointed managing director of Rallis India Ltd.

B.K. LASKAR has been appointed executive director and secretary of Rallis India Ltd.

SURAJ R. RATHI has been appointed executive director of Shree Synthetics Ltd.

PRAVEEN NANDA has been appointed general manager of the Centaur Hotel, Bombay airport.

ASSOCIATIONS

N.K. SWAIKA has been re-elected deputy chairman of the Vanaspati Manufacturers Association.

R. MALHAN has been appointed director of Escorts Dealers Development Association Ltd.

U. MOHAN RAO has been elected chairman of the Abrasive Manufacturers Association of India, while A.Y. MAHAJAN and L.V. VISESWARAN IYER have been elected vice-chairman and secretary, respectively.

C. ROSSI has been elected chairman of the Association of the Association of Man-Made Fibre Industry of India.

ASHOK NERKAR has been elected president of the Bombay Master Printers Association.

K.R. SHETH has been elected chairman of the Bombay chapter of the Computer Society of India.

PRAVINCHANDRA V. GANDHI has been elected President of the Indian Newspaper Association.

RICHARD C. WORTLEY has been elected regional president of the Indo-American Chamber of commerce, western region.

Senior executive positions

A compilation of executive positions advertised in **Business India** and other major publications between 12 and 25 September 1988

NATIONAL

PRESIDENT * *Sal* Over Rs.200,000 pa + perks * *Age/Qlfn* NS * NS * *Reqd* Proven leadership and general management skills, 10-15 years experience in the manufacturing industry * *Resp* NS * *Cont* The Managing Director, Spartek Ceramics India Ltd, 52, Chamiers Road, Madras-600028 (BI—19.09)

VICE-PRESIDENT (Finance) * *Sal* Over Rs.150,000 p.a + perks * *Age/Qlfn* NS * NS * *Reqd* Keen financial acumen. Should be fully conversant with formalities and procedures related to banking and institutional finance. Familiarity with commercial taxes (especially sales and exicse taxes) and capital issues is a must. * *Resp* Head of the finance department. Responsible for financial management accounting and management information reporting * *Cont* The Managing Director, Spartek Ceramics India Ltd, 52, Chamiers Road, Madras 600028 (BI—19.09)

VICE-PRESIDENT/GENERAL MANAGER (Marketing) * *Sal* Over Rs.150,000 pa + perks * *Age/Qlfn* NS * NS * *Reqd* Proven marketing prowess with 10-15 years experience in the consumer durable industry. In-depth knowledge of dealership network operations, C&F agents handling and advertising/promotions will be an asset * *Resp* Structure and supervise a new marketing division and handle sales to the order of Rs.100 crores * *Cont* The Managing Director, Spartek Ceramics India Ltd, 52, Chamiers Road, Madras-600028 (BI—19.09)

VICE-PRESIDENT (Commercial) * *Sal* Attractive + perks * *Age/Qlfn* NS * Chartered accountant or MBA (finance) * *Reqd* 15 years experience in reputed companies * *Resp* Provide complete commercial and finance support during the implementation of a petrochemicals project in Gujarat and later take charge of all commercial and financial functions apart from materials management and general administration * *Cont* The Advertiser, Box No.AA/275/RE/8, Business India, Wadia Building, 17/19 Dalal Street, Bombay 400001 (BI—19.09)

WEST

PRESIDENT * Pune * *Sal* Attractive + perks * *Age/Qlfn* Around 35 years * Chartered accountant and/or MBA (finance) * *Reqd* Minimum 10 years experience, with 5-7 years experience at senior level positions in reputed organisations. Familiarity with the leasing industry desirable. * *Resp* Formulate plans and strategies, achieve profitability and growth and function autonomously. Provide effective leadership and direction to his team * *Cont* The Managing Director, Bajaj Auto Finance Ltd, C/o Bajaj Auto Ltd, Akurdi, Pune-411035 (BI—19.09)

VICE-PRESIDENT (Technical) * Gujarat * *Sal* Attractive + perks * *Age/Qlfn* NS * *Reqd* Bachelors/Master's in engineering, preferably chemical/mechanical apart from a degree in management * *Resp* 15 years experience in a major petrochemicals/chemical projects and related industries in projected implementation/production * *Cont* The Advertiser, Box No AA/275/RE/8, Business India, Wadia Building, 17/19 Dalal Street, Bombay-400001 (BI—19.09)

PRESIDENT * Gujarat * *Sal* Negotiable * *Age/Qlfn* NS * Manage[illegible] * *Reqd* 15 years experience at very senior levels in reputed organisations * *Resp* Execute a grass-roots project in petrochemicals. Total responsibility of the unit including growth and profitability * *Cont* The Advertiser, Box No AA/275/RE/7, Business India, Wadia Building, 17/19 Dalal Street, Bombay-400001 (BI—19.09)

NORTH

VICE-PRESIDENT * *Sal* NS * *Age/Qlfn* 45-52 years * NS * *Reqd* specialised experience in any one functional area of marketing, production or commercial with 5 years experience at senior general management level * *Resp* Assisting managing director in implementing company policies * *Cont* Vice President (Soya Project), Glindia Ltd, Dr A B Road, Bombay 400025 (ToI—12.09)

CHIEF EXECUTIVE * New Delhi * *Sal* Rs.150,000 + perks * *Age/Qlfn* 35-45 years * Management degree from a reputed institute * *Reqd* Around 10 years experience with at least 5 years as head of an independent profit centre in a reputed financial services organisation or unit head in a progressive bank. Marketing and leadership skills and sharp business acumen. * *Resp* Take charge of top management functions, including coordination between branches, business development, diversification and developing a team for better task orientation * *Cont* Box No. AA/275/FW/1, Business India, Wadia Building, 17/19 Dalal Street, Bombay 400001 (BI—19.09)

SOUTH

VICE-PRESIDENT (Industrial relations) * Karnataka * *Sal* Attractive + senior level perks * *Age/Qlfn* NS * PG in Industrial Relations/Labour Welfare/Personnel Management * *Reqd* 10 years of senior level experience in a similar function, ability to communicate in Kannada/Telugu an advantage * *Resp* Implementation of cement company's personnel policies, union negotiations * *Cont* Ref MS/4948, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (H—15.09)

EAST

HEAD OF MANUFACTURING * Bhubaneshwar * *Sal* Attractive + perks * *Age/Qlfn* NS * Electrical/electronics engineering degree * *Reqd* At least 8 years experience at a senior level position in electronics production. Should be able to motivate and manage a team of 200 engineers and workers * *Resp* Responsible for all manufacturing activities * *Cont* MS/4793, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (BI—19.09)

OVERSEAS

GENERAL MANAGER (Marketing) * Benin (Nigeria) * *Sal* Attractive * *Age/Qlfn* 35-40 years * Degree in any discipline with PG in business management * *Reqd* 10-15 years experience, 3-5 years at a senior level * *Resp* Develop and guide the sales management team * *Cont* The Managing Director, Unique Pharmaceutical Laboratories Pvt Ltd, Sheth Govindrao Smriti, 83 B&C Dr. A.B. Road, Worli, Bombay 400018 (TOI-25.9)

Executive positions

ToI — Times of India; *H* — Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

NATIONAL

MANAGERS * *Sal* Rs. 100,000 pa * *Age/Qlfn* 30-35 * First class graduate with MBA * *Reqd* 7-10 years' experience in advertising as Senior Accounts Executive or Group Heads in marketing of consumer products/durables * *Resp* Identify business opportunities, prepare plans, make presentations * *Cont* Apex Management Consulting Group Pvt Ltd, C-1 Ram Square 2, Village Road, Madras 600034

GENERAL MANAGER (Commercial) * *Sal* * *Age/Qlfn* 35-45 years * *Reqd* 5 years' experience at senior level in edible oils and oil seeds buying * *Resp* For all commercial functions at the company * *Cont* Vice President (Soya Project), Glindia Ltd, Dr A B Road, Worli, Bombay 400025 (ToI—12.9)

GENERAL MANAGER (Works) * *Sal* * *Age/Qlfn* 45 years * Textile graduate from reputed institution * *Reqd* 15 years' experience of which 6 should be in a similar capacity in a composite mill * *Resp* Job involving ability to plan and execute work as per given targets * *Cont* The Personnel Director, The Raymonds Woollen Mills Ltd, P.O. Jekegram, Pokharan Road, Thane 400606 (ToI—14.9)

MANAGER (Imports) * *Sal* Over Rs.100,000 p.a * *Age/Qlfn* NS * NS * *Reqd* Knowledge of the import/export policy and experience in similar work * *Resp* Head the new import division of a large trading house * *Cont* Box No. AA/275/PE/4, Business India, Wadia Building, 17/19 Dalal Street, Bombay 400001 (BI—19.9)

PRODUCTION MANAGER * *Sal* Liberal + perks * *Age/Qlfn* 35-40 years * MSc/Ph.D in organic chemistry or a degree in chemical technology * *Reqd* 10 years hands on experience in manufacture of basic/bulk drugs-at least 3 years in a similar capacity * *Resp* For all production activities * *Cont* General Manager-Personnel, German Remedies Ltd, Shivsagar Estate, A Block, Dr Annie Besant Road, Worli, Bombay 400018 (ToI—19.9)

WEST

MANAGER * Bombay * *Sal* Rs.100,000 pa * *Age/Qlfn* NS * Mechanical engineering * *Reqd* 10 years experience in machine rebuilding and preventive maintenance * *Resp* Head an independent unit for the special purpose machinery and machine tools of an Indo-American engineering company. * *Cont* MS/3491, A.F. Ferguson Associates, 115, Dickenson Road, Bangalore-560 042 (BI-19.9)

EAST

MANAGER (Quality Assurance) * Bhubaneshwar * *Sal* Attractive + perks * *Age/Qlfn* NS * Electronic/electrical/mechanical engineering degree * *Reqd* 6-8 years experience in quality assurance in professional electronics industry * *Resp* Responsible for quality control at all stages and acceptance of manufactured equipment by government bodies and customers * *Cont* MS/4794, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (BI—19.9)

SOUTH

REGIONAL MANAGER * Madras * *Sal* Attractive + car + house * *Age/Qlfn* 35-45 years * Not stated * *Reqd* 10 years experience in marketing or systems, ability to identify growth and business diversification opportunities * *Resp* To manage and lead a team of 100 people in technical and marketing areas in an information technology company * *Cont* Managing Director, NIIT, B4/144, Safdarjung Enclave, New Delhi 110029 (H—20.9)

OVERSEAS

SENIOR DEALERS (Corporate) * Riyadh * *Sal* USD 30,000 + expatriate benefits * *Age/Qlfn* 30-35 years *Ns * *Reqd* NS * *Resp* Directing efforts of three corporate dealers reporting to him * *Cont* Manager Staff Resources, The Hongkong and Shanghai Banking Corporation, 314 Dr Dadabhoy Naoroji Road, Bombay 400001 (ToI—18.9)

LANDSCAPING ENGINEERS * Dubai * *Sal* NS * *Age/Qlfn* NS * BE (Civil) * *Reqd* 5 years Gulf experience in landscape planning, designing, survey of areas suitable for horticultural production, must not have served PWD/CPWD/any government departments in India * *Resp* * *Cont* Varsha Consultancy Services (P) Ltd, 6, Hari Market, 3rd Road, Khar (West), Bombay 400052 (H—15.09)

MARKETING MANAGER (Consumer Electronics) * Spain * *Sal* USD 20,000 per month * *Age/Qlfn* Late 20's * MBA from recognised university * *Reqd* Some technical background-at least 4/5 years experience working with a consumer electronic company * *Resp* NS * *Cont* P.O. Box 2344, Bombay 400002 (ToI—18.9)

ACCOUNTS MANAGER * Arabian Gulf * *Sal* NS * *Age/Qlfn* 25-30 years * Chartered Accountant * *Reqd* 6 years experience in a reputed concern preferably engaged in export and/or import business * *Resp* NS * *Cont* UAD/F-3114, Datamatics Staffing Services, P.O. Box 106, G.P.O Bombay 400001 (ToI—18.9)

FAST GROWING LARGE BUSINESS HOUSE

Western, Central, Eastern India **Top Management Terms**

We are a fast growing business group having major projects at hand mostly in world class high-tech metallurgical industry. We are looking for top class management professionals for our different enterprises and projects.

PRESIDENTS

They will be top class professionals with sound techno-commercial background. They will be responsible for overall performance of large enterprises with highly sophisticated technology.

The group believes in philosophy of very high task consideration coupled with high consideration for people (9–9). They should be capable of leading a team of highly knowledgeable and specialised group of professionals. Engineering graduates with formal management exposure with proven track record as head of profit centre preferably in chief executive role are likely to meet our requirements.

VICE-PRESIDENT (MARKETING)

Person will be responsible for marketing strategy formulation and achieving large volume sales target in metallurgical industry. Candidates with good engineering degree and MBA in Marketing along with sound track record as GM/VP – Marketing in a large organisation coupled with a very high winning instinct is what the group is looking for.

VICE-PRESIDENTS (FINANCE)

They will be Head of Finance Division responsible for financial policy and strategy formulation, performance monitoring and control. Bright Chartered Accountants and/or MBA with specialisation in Finance from IIMs with GM/VP level experience in a good organisation will only fit into the role.

GENERAL MANAGER (MATERIAL)

Person will be Head of material function of a very large organisation. The material function of company is the key function. Candidate should be an engineering graduate and MBA/M.Tech (Indl. Mgmt) and at Dy. Gm/GM level with proven track record in a large company where the volume of purchase is the key function.

Group believes that Managers are the most valuable asset of an organisation and it must employ the best available professionals. For the right kind of candidates, salary and perks will not be a limitation.

Please apply in absolute confidence with passport size photograph superscribing the post applied for on the envelope to Box No. AA/276/LI/1, **Business India,** Krishna Villa, 100 Park Street, Calcutta 700 017

VICE PRESIDENT
(FINANCE)

Exceptional terms

We are group of business companies with a turnover of around 100 crores and exclusively engaged in the export of leather, garments, electronics, projects etc. and are on the look out for an outstanding professional to head our finance functions and to report directly to the Managing Director.

The responsibilities include —

- **Complete control of all financial, accounting and Tax matters.**
- **Corporate and tax and policy planning and management amongst various divisions of the Company.**
- **Being conversant with financial management, cash management, budgetary control, Misc. & Computer application.**
- **Accounting and management reporting.**
- **Effective interaction with banks and financial institutions.**
- **Ensure efficient management of working capital.**
- **Fully conversance with the formalities and procedures for issue of capital.**

We expect the candidate to be in his forties, with a wealth of experience at the senior most level. We are looking for a steady and mature professional who can financially control a rapidly expanding multi-activity business.

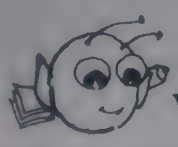
Please apply in confidence with in 10 days to :

Box No. AA/244/BT/3, **Business India,** 59, Regal Building, Connaught Circus, New Delhi-110001.

WE ARE LOOKING FOR A COUPLE OF MARTIANS

Or some one that rare, to be more exact. Honest, we are looking for a couple of truly exceptional computer professionals. The type any company would give its left hand for. And we are willing to do a little more than that. In terms of working environment. Pay and perks. Space for growth. If you are really the hot-shot talent we are looking for, we know you will ask for the stars But chances are we will give you the moon.

Whom are we looking for?



Vice President (R&D)

You are most likely in the age bracket of and 28-35 years and a Post-Graduate in Electronics/Computer Technology. With exposure to new RISC-based processors, Fault tolerant systems, Parallel processing, and UNIX® internals.

That's for starters.

What we are really looking for in you is a drive to create products, the understanding of how to productise a design. The ability to lead a team of hardware and software engineers. The flair for team building. Tall order? Well, the moon doesn't come easy.

Now, what we will do for you, you may ask.

Give you a free hand once a project is accepted. As also a virtually free purse to implement projects. And what would you say to Rs. 2 lakhs plus per annum?

Vice President (Manufacturing)

You are around 35 years and an Electrical/Electronics Engineer with about 10 years' experience. You have had the exposure to assembly techniques using SMT,are familiar with system integration, material planning for productivity and SQC methods. You will be able to expand the facilities, beginning from selection of plant and machinery to designing plant and work-place layouts.

A nuts and bolts man, you love to deliver results. You can lead people, including skilled workers, and manage teams.

For you, we have an opportunity to deal with frontier technologies. Tough targets and hard challenges, matched by recognitition and remuneration. You could expect anything above Rs.1 lakh per annum, to start with.

So, come out of your hiding and be recognised.

Send us your resume within fifteen days and we will get in touch with you.

SUNRAY *A LITTLE AHEAD OF THE REST. A LITTLE BEYOND TOMORROW.*

Executive Director,
Sunray Computers Pvt. Ltd.,
99A/113A Manorayanapalya, R.T. Nagar
Bangalore 560 032

UNIX is a registered trademark of AT&T Bell Laboratories, USA

20th Century Finance Corporation Limited

The Pacesetters

25/26 Maker Chambers III, Nariman Point, Bombay 400 021.

VICE PRESIDENT — PROJECTS

Bombay

20th Century is looking for a dynamic, result-oriented person, who will be identifying and developing new projects in various areas of interest to the Company and assist in implementation of such projects.

The candidate should preferably be a management graduate with multi-functional experience in executive positions. Specific experience in new projects would be an added advantage.

Preferred Age: 35-40 years.

The position carries an attractive remuneration package.

Please apply in strict confidence with full details, including a passport size photograph to the above address within fifteen days, marked 'Attention' to the Chairman and Managing Director.

MEDICAL DIAGNOSTIC CENTRES

Bangalore, Bombay, Hyderabad, Madras, New Delhi.

20th Century is in the process of expanding in different fields.

We are interested in setting up Diagnostic Centres and also joining hands with existing Diagnostic Centres having surplus space, on profit-sharing basis.

Persons interested in such proposals, having space available or having existing Diagnostic Centres looking for expansion, may please write to the above address, providing full details of location, space available, existing facilities, proposed expansion, if any, etc. within thirty days, marked 'Attention' to the Chairman and Managing Director.

Sobhagya-B.88

Our Client, a multicrore Industrial House, has set up a prestigious, totally computerised, magnetic media plant at an important location in Central India. The company is poised to become India's premier magnetic producer. The positions to be filled are:

VICE PRESIDENT (OPERATIONS) : CM/VP/101

The incumbent will report to the Chief Executive and would be a hardcore technocrat with exceptional management skills. The ideal candidate would be a Mechanical/Electrical engineer, preferably with a Post Graduate qualification in Management and an excellent record of 15-20 years in the **Converting Industry.** The incumbent will be responsible for total operations management including, production planning & control, plant maintenance, industrial relations, factory administration, etc. He should be a self-propelled, dynamic manager in the field and should have the ability to coordinate, lead and motivate a team of senior functional managers.

PLANT MANAGER : CM/PM/102

The incumbent will report to the Vice President (Operations). Besides leading a team of qualified and highly motivated professionals he will be responsible for all facets of plant management. The ideal candidate would be a dynamic and mature professional, a Mechanical/Electrical engineer with an excellent record of 10-12 years in the **Converting Industry.**

ASST. MANAGER (ELECTRONICS) : CM/AM/E/103

The incumbent will report to the Manager (Electronics) and will assist him in manning and maintenance of electronic panels, DC drives, microprocessors, etc. The ideal candidate would be an Electronics engineer with 6-7 years of relevant experience and an excellent record.

Salary and perquisites shall match the best in the Industry and shall not be a constraint for the right candidate.

Apply in strict confidence, specifying the relevant code number on the envelope, within 10 days to:

CM

Career Makers & Marketing Services

Personnel Selection Division
241, Defence Colony Flyover Market
(Jangpura Side)
New Delhi 110 024

A well established rapidly growing Indian group, primarily in the chemicals and plastics industry, with a turnover of about Rs. 50 crores and plans to double its turnover over the next three years, wishes to recruit for the following positions.

CHIEF EXECUTIVE (WORKS)

BARODA
(MS/4942)

Attractive salary + senior level perks.

This is a senior management position with profit centre responsibility for a major manufacturing division. The incumbent will have overall responsibility for the manufacturing operations, personnel management and finance and commercial functions at the divisional level. Ability to function autonomously, man-management skills, good financial and commercial orientation and exposure to industrial relations function are essential attributes for this position.

Candidates should be graduates in Chemical Engineering, preferably with additional qualifications in Management from reputed institutes. They should have at least 15 years works management experience in the chemicals/plastics industry, including at least 7 years senior level experience.

Preferred age: 38 — 45 years.

PRODUCTION MANAGER

BARODA
(MS/4943)

Attractive salary + perks.

This position, which reports to the Chief Executive (Works), is responsible for production management function including quality control.

Candidates should be engineering graduates, preferably in chemical engineering, with at least 7 to 9 years experience in production management with reputed companies.

Preferred age: Around 35 years.

An attractive salary and perquisite package would be negotiated for both the positions.

Please apply in strict confidence, within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS reference number. Candidates not contacted within three months of application, may assume that they are not being considered.

STANGEN PHARMACEUTICALS

Division Of Dr. Reddy's Laboratories Ltd

National Sales Manager

(Pharmaceuticals)

Hyderabad **Attractive Salary Plus Perks**

The Company

STANGEN PHARMACEUTICALS is the division of Dr. Reddy's Laboratories Limited, pioneers and trend-setters in the manufacture of basic drugs and formulations. Dr.Reddy's group of companies are acknowledged as leaders in various high technology frontline basic drugs like Methyldopa, Ibuprofen, Norfloxacin, Cephalexin, Naproxen, Ranitidine, Minoxidil, with more on the anvil. The current group turnover of Rs.40 crores is expected to reach the Rs.100 crores mark by 1991.

STANGEN, the formulations division, in a little over 2 years has established itself to be an all India set up with field staff over 200. Innovation in technology, product mix and marketing, supported by highly professional environment has contributed to the success of STANGEN. The current turnover of Rs.4.5 crores is expected to go beyond the Rs.10 crore mark in 1989. To spearhead this ambitious and trail-blazing growth, we are on the look out for a dynamic leader.

The Job

The National Sales Manager will be expected to contribute actively to policy formulation and shall be fully responsible for its implementation down the line. Leadership and coordination has to be provided to the 200 plus good and experienced field staff. Meeting the forecasted sales objective, effective distribution, control of accounts receivables and continuous on the job development of field force will be his prime responsibilities.

The Person

The right candidate should be highly result oriented with proven skills in man management areas. He should be a graduate in science or pharmacy, preferably with a degree in Business Management. He should have atleast 5 years of Sales Management experience with a proven track record as a zonal head in a company of repute. Those having exposure at the all India level will be given preference. We are essentially looking for a very high calibre professional around 35 years.

The position carries attractive salary and perks. Remuneration will not be a limiting factor.

Interested candidates may please apply within ten days providing full bio-data alongwith the present and expected salary to:

The General Manager (Personnel)

Stangen Pharmaceuticals

Division of : Dr.Reddy's Laboratories Ltd

1-11-200 Begumpet Hyderabad 500 016.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Software Packages • Organised Cost Reduction • Systems & Procedures • Data Processing • Materials Management • Project Reports • Computer Feasibility • Socio-Economic Studies • Insurance Consultancy •

CHIEF SALES MANAGER
CAPROLACTAM SALES

Bombay **Good Terms**

Our client is a premier public sector organisation engaged in manufacture of Chemicals & Fertilisers with a turnover of over Rs. 350 crores. The company is shortly commissioning a new unit for manufacture of **CAPROLACTAM** which is the raw material for the fast expanding Nylon Filament Yarn/Nylon Tyre Cord industries. This new business alone is expected to bring a turnover of Rs. 200 crores. The company wishes to appoint a seasoned marketing professional at Bombay to take care of the marketing of Caprolactam in the Western region which is the predominant segment.

The incumbent will spearhead marketing activities, establish close contacts with the industrial customers, obtain orders, co-ordinate with plant for timely supply and provide feedback on market situation, product performance, etc. This being a key position, the company is looking for a highly competent marketing professional with an excellent track record in marketing Industrial Chemicals. Candidates should preferably be MBAs with 10–12 years relevant experience at fairly senior levels. Exposure to sale of inputs to man made fibre industry is desirable. Age: Around 40.

Emoluments will be in the region of Rs. 55,000/- per annum plus HRA at 30% of basic pay, conveyance allowance, LTC, PF, medical facilities as per Company rules.

Apply, within ten days, with detailed bio-data marking envelope and application with job title & code CSM/MDS/1517. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

Personnel Selection Division
ABC CONSULTANTS PRIVATE LIMITED
4, Jagannathan Street, Madras 600 034. Tel. 470778

OKS Speciality Lubricants (India) Private Limited is a joint-venture for the manufacture of a range of high technology, high value speciality lubricants, maintenance and corrosion-protection products; this is a technical & financial collaboration between a well-established business group of over 130 years standing & OKS Spezialschmierstoffe GmbH, Munich, West Germany. The Company has successfully launched this product range in a number of key test markets and now seeks to fill the following senior positions:

MARKETING MANAGER

(MS/4953)

Bangalore — **Attractive salary + housing + car + driver**

The Marketing Manager is to head the sales & marketing function, with responsibility for a rapidly growing team of sales engineers and distributors, and all areas of marketing, including product promotion, pricing, market intelligence, and identification of new product opportunities.

Candidates must be mechanical or chemical engineers with about 10 years' experience in the marketing of industrial consumables. Applicants should have a high degree of self motivation, a positive personality and demonstrated ability in developing & implementing innovative strategies.

The position calls for a man with marketing flair and technical excellence, capable of leading a team of qualified, problem-solving oriented engineers. Prior experience in handling lubrication, maintenance & corrosion products is desired, but not critical, as the Company and its collaboration partner will provide the necessary training. The right candidate will have had direct responsibility for sales in excess of Rs. 5 crores per annum.

MANUFACTURING MANAGER

(MS/4954)

Mysore — **Attractive salary plus housing**

The Manufacturing Manager is to be responsible for all production & quality control activities and the management of works personnel. He will be in charge of the day-to-day operations of the plant. Moreover, he will have direct responsibility for implementing the Company's technology absorption programme, and for developing product adaptations in consultation with the joint-venture partner and the marketing group.

Candidates should be graduates/post graduates in chemical engineering and should have at least 5 years' experience in manufacturing, or product development/application engineering, including experience in supervising a team of chemists and workers.

The right candidate will have a good technical base, a flair for analytical chemistry, and an ability to innovate, adapt, and manage costs. He should be an effective communicator and have the potential to head the new product development function.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS reference number. Candidates not contacted within three months of application, may assume that they are not being considered.

KERALA STATE INDUSTRIAL
DEVELOPMENT CORPORATION LTD.

Kerala State Industrial Development Corporation (KSIDC) is the premier Governmental agency promoting medium and large scale industries in Kerala. Professionally managed, the Corporation and its personnel are a vital element in the process of Industrial Development of the State.

KSIDC Require a GENERAL MANAGER (FINANCE)

- Candidate should be a Chartered Accountant with around 20 years of experience, of which at least 5 years should be in a comparable position of responsibility.
- The experience should be in a reputed manufacturing concern or financial/consultancy organisation, with an exposure to appraisal of project finance relating to various industrial units. A combination of experience in industry and in financial/consultancy organisation, preferred.
- He will be independently responsible for planning and control of the financial assistance to various projects promoted/assisted by the Corporation and will also be concerned with Budgetory Control, Tax Planning, Control Systems, Liaison with Central Financial Institutions, MIS, Computer Applications, etc.
- We are looking for outstanding and mature professionals who will lead a team of Chartered Accountants and other professionals.
- Scale of pay Rs 2500-125-3250. The above scale of pay is under revision. The gross monthly emoluments at the present rate in the minimum of the scale would be around Rs 4,500/-. He will also be entitled for benefits such as House Rent Subsidy, Conveyance Allowance, Reimbursement of Medical Expenses, Contributory Provident Fund, Gratuity, etc.
- Age preferably between 45 and 50 years.
- If called for interview, candidates will be paid first class train fare from usual place of residence to Trivandrum and back.
- Application with full bio-data furnishing date of birth, examinations passed, record of experience with period and nature of work, name of organisation, etc. should be sent within 15 days to

Manager (Personnel & Administration)
Kerala State Industrial
Development Corporation Ltd.
Keston Road Kawdiar
Trivandrum-695 003.

KSIDC

Mudra:Cn:IDC:101

GENERAL MANAGER – MARKETING

Our client is a reputed, diversified, multi-product and professionally managed group with a turnover of around 80 crores. The group's Automobile Division, a pioneer in the field, manufactures and markets a large range of automobiles. The company has made in-roads into the export market. A capacity expansion is also proposed. The Automobile Division requires a person to head the Marketing Department.

The General Manager – Marketing would be responsible for all-India marketing and sales operations. His Key Result Areas would be achievement of the desired level of market penetration and sales targets and maximisation of customer satisfaction. Other key responsibilities include dealer development, team-building and product management activities. Reporting to the Profit Centre Head of the Division, he would be supported by a team of senior marketing personnel and an all-India sales/marketing organisation.

The Company is looking for a result oriented person, interested in the challenges presented by the competitive market and having atleast 12 years experience in marketing consumer durables with minimum 3 years in a senior position.

The compensation package would be in line with the best in the industry.

Detailed resume superscribing ES – 833 should be sent within 10 days to :

S.B. BILLIMORIA & CO.,
Post Box No. 176,
70/3, Miller Road, BANGALORE – 560 052.

All applications will be treated in strict confidence.

The Satya Group is a multi-product, multi-dimensional group having diversified interests in the fields of wire products, copper alloy strips and wires, cold rolled and hardened and tempered steel, speciality papers, textile and jute mill accessories and pharmaceuticals.
We are looking for the following personnel for our unit in Nasik engaged in the manufacture of copper alloy strips and wires. The products are marketed under the brand name SWIL.

GENERAL MANAGER—OPERATIONS (RT/2/88)

The incumbent would be responsible for the overall administration of the unit, achievement of production targets, increasing productivity, ensuring optimum use of all resources leading to higher profitability. He should possess strong commercial and marketing acumen to spearhead the Company's marketing and growth plans.

Applicants should preferably be metallurgical/mechanical engineers with minimum 15 years experience of which at least 5 years should be in a senior managerial capacity. Experience in profit centre management and commercial activities along with the ability to lead a strong team of professionals is essential.

MANAGER—PERSONNEL & ADMINISTRATION (RT/3/88)

The incumbent would be responsible for the entire personnel administration as well as the industrial relations of the unit. Job responsibility would include maintenance of cordial industrial relations, union negotiations, wage agreements, handling of strikes and any other form of labour dissent, disciplinary proceedings, personnel administration etc..
Applicants should be graduates, preferably with postgraduate qualifications in personnel management or law, with a minimum of 7 years of similar experience of which 2 years should be in a managerial capacity. Familiarity with labour laws is essential.
Salary for both posts would be no constraint for the right candidate.
Only candidates willing to relocate to Nasik should apply.
Please apply within ten days along with complete bio-data to:

SATYA SONS SERVICES LIMITED
SCO 55, 2nd FLOOR SECTOR 26-D CHANDIGARH-160 019

satya group

OPA-SG-288

Falconware

Falcon Gulf Ceramics Ltd.

FALCON GULF CERAMICS LIMITED, an NRI Company with West German collaboration has set up a plant at Alwar to manufacture international quality Sanitaryware with several unique features including water saving systems. Trial runs have already commenced and commercial production will begin shortly. The Company requires the following personnel to join its team of dedicated professionals:

GENERAL MANAGER/SENIOR MANAGER-MARKETING

The incumbent will be responsible for all marketing functions including assessment of demand, formulation of strategies and monitoring of dealer network. Applicants should have a proven track record in innovative marketing of consumer durables covering all aspects like product planning, product launching, pricing and promotion directed towards achieving a high share of the market. The job also involves marketing to institutional clients as well as leading a team of marketing personnel to penetrate the highly competitive market. Candidates should be MBA from a premier institute with at least 10 years of successful marketing experience of which about 5 years should be at a senior level in a reputed company. Experience in the Sanitaryware/Ceramic industry will be an asset. Age group 35-40 years. Posting at Head Office in New Delhi.

INSTRUMENTATION ENGINEER

Candidates should be Diploma/Degree holders in Instrumentation Engineering with at least 5 years experience in the process industry, preferably in kiln operations, and with knowledge of microprocessor- controlled systems. Experience in Ceramic & Allied Industries will be an added advantage. Age group 30-40 years. Posting at the Plant in Alwar.

PLANT ENGINEERS (ELEC. & MECH.)

Candidates should be Diploma/Degree holders with at least 5 years experience in handling various equipment like Generators, Compressors, Continuous Operating Kilns, Grinding Mills and Material Handling Equipments. Electrical Engineers should be conversant with HT/LT Distribution Systems and its maintenance.
Age group: 30-40 years. Posting at the Plant in Alwar.

Excellent work environment and attractive remuneration package awaits the right candidates. Please apply with detailed biodata, indicating salary drawn and expected to:

The President

FALCON GULF CERAMICS LIMITED

A-2/11 Safdarjung Enclave,
New Delhi 1110 029.

Sobhagya/219/88

SHOES

PHOENIX started Shoe Upper Production in 1987 at NOIDA with BRITISH TECHNICAL expertise, modern production techniques and new machines. Today Phoenix has four production facilities with three more to start within 6 months. We emphasie quality, meeting targets, efficient use of raw-materials and growth. We are unique in this industry to introduce the concept of PROFIT-SHARING.

GENERAL MANAGER — **200K + CAR + PROFIT SHARING**

The General Manager will have complete control over this division and will be responsible for all aspects of production, quality control, plant maintenance and plant administration etc. He will be the top man of the division and would work as HEAD OF THE **PROFIT CENTER**. Experience of setting up new organization will be an added advantage. An awareness of the footwear industry is necessary but more important is the ability to use the resources provided and direct them into a **PROFITABLE ORGANIZATION**. Our British consultant would be available for advice and support as necessary.

FACTORY MANAGER — **(4 POSTS)** — **150K + CAR + PROFIT SHARING**

Responsible for each unit as a separate PROFIT CENTRE. Must be experienced in Shoe production planning, motivating operatives and staff for production and achieving targets.

ASSISTANT MANAGER (PRODUCTION) — **(9 POSTS)** — **100K + PROFIT SHARING**

Organize production to meet targets. Must have shop floor experience.

ASSISTANT MANAGER (PLANNING) — **(7 POSTS)** — **60K + PROFIT SHARING**

Must have experience of modern production planning from stores to work in progress to the packing department. Knowledge of using PC will be desirable.

ASSISTANT MANAGER (PROCUREMENT) — **(2 POSTS)** — **60K + PROFIT SHARING**

Knowledge of shoe-making material sourcing is vital.

ASSISTANT MANAGER (ADMINISTRATION) — **(4 POSTS)** — **60K + PROFIT SHARING**

Factory laws and personnel management experience is critical. House keeping will be part of the responsibility.

ASSISTANT MANAGER (DESIGNING AND PATTERN CUTTER) — **60K + PROFIT SHARING**

Must be able to understand pattern, gradation and production techniques.

ASSISTANT MANAGER (MACHINES) — **60K + PROFIT SHARING**

Qualified mechanical engineer with experience of stitching machines in particular and hydralic and pneumatic machines in general.

PRODUCTION MANAGEMENT EXECUTIVE — **(10 POSTS)** — **RS. 2500 PER MONTH GROSS**

All the other posts advertised here are basically for those with experience. However, this post, is for those very dynamic, self-motivated, result-oriented people who want to make a switch from existing production based jobs to shoe manufacturing. The future in shoe export is brighter than garments etc. If you have the zeal we shall train you, and in less than 12 months you should be earning twice the starting pay.

Those who can join WITHIN A MONTH will be given preference. Phoenix would welcome your response giving your background, experience achievements and salary history.

Write in confidence, subscribing the envelope with the position applied for, to :

PHOENIX

The General Manager (HRD)
PHOENIX INTERNATIONAL LIMITED
3rd/4th FLOOR, GOPALA TOWER, 25, RAJENDRA PLACE
NEW DELHI-110 008
TELEPHONE : 573 4952/3/4.
TELEX : 3177149 PXHQ IN
FAX. : 573 3629.

hindustan teleprinters ltd.

(A Govt. of India Undertaking)

G. S. T. Road, Guindy, Madras-600 032.

HINDUSTAN TELEPRINTERS LIMITED, a Government of India Undertaking under the Ministry of Communications has the following vacancies to be filled up quickly.

DY. GENERAL MANAGER (FINANCE) (1 POST)

Minimum Qualification : SAS/ACA/AICWA
Experience : 15 years experience in a reputed organisation, out of which 3 years as Manager (Finance) **Scale of Pay :** Rs. 2,700-100-3,100 **Age :** 50 years

MANAGERS (2 POSTS)

(Electronic Teleprinter Project)
(One Post Reserved for SC)

Minimum Qualification : I Class degree in Electronics and Communication Engineering/Computer Science.
Experience : 12/15 years Industrial Experience in Electronic Field/ out of which 3 years as Dy. Manager
Scale of Pay : Rs. 2,425-100-2,825 **Age :** 45 years

MANAGER (TOOLING) (1 POST)

(Reserved for SC)

Minimum Qualification : I Class degree in Mechanical Engineering **Experience :** 12/15 years Industrial Experience in Tool Design, out of which 3 years as Dy. Manager.
Scale of Pay : Rs. 2,425-100-2,825 **Age :** 45 years

DEPUTY MANAGERS (2 POSTS)

(One Post Reserved for SC and One Post Reserved for ST)
(ST candidate can apply against SC vacancy)

Minimum Qualification : I Class degree in Electronics and Communication Engineering/Computer Science.
Experience : 10/12 years experience in Electronic & Telecommunication System, out of which 3 years as Senior Engineer. **Scale of Pay :** Rs. 1,800-70-2,080-80-2,480
Age : 40 years

SENIOR ENGINEERS (2 POSTS)

(One Post Reserved for SC and One Post Reserved for ST)
(ST candidate can apply against SC vacancy)

Minimum Qualification : I Class degree in Electronics and Communication Engineering/Computer Science.
Experience : 5/8 years experience in R & D connected with Electronic and Telecommunication System. **Scale of Pay :** Rs. 1,450-60-1,750-70-2,240 **Age :** 35 years

ENGINEERS (7 POSTS)

(One Post Reserved for SC and five Posts Reserved for ST. Out of 5 Posts of ST against one Post SC candidates can also apply. They will be considered only in the event of non-availability of ST candidates).

Minimum Qualification : I Class degree in Electronics and Communication Engineering/Computer Science.
Experience : 3 years experience in R & D connected with Electronic and Telecommunication System. **Scale of Pay :** Rs. 1,100-60-1,940 **Age :** 30 years

ACCOUNTS OFFICER (1 POST)

Minimum Qualification : SAS/ACA/AICWA **Experience :** 5 years experience in Audit/Finance/Accounts/Costing Departments of a reputed manufacturing Organisation/ Govt. after passing professional Examination. **Scale of Pay :** Rs. 1,100-60-1,940 **Age :** 40 years

NOTE :

a) RELAXATION : Age and experience may be relaxed at the discretion of the Management, if the Candidates are otherwise found suitable. In the case of Schedule Caste/ Schedule Tribe candidates age is relaxable by 5 years.

b) OTHER BENEFITS : Conveyance Allowance, Contributory Provident Fund, Leave Travel Concession, Medical Reimbursement facilities. Adhoc relief and Interest Subsidy for Housing Loan etc. are as per Company Rules.

c) TRAVELLING ALLOWANCE : Single to and fro I Class Train fare will be paid to the candidates called for Interview as per Company Rules.

d) Candidates employed in State/Central Government/ Public Sector Undertakings should apply through proper channel. In the event of selection and on joining the Company, he would forfeit his lien over the present job.

HOW TO APPLY :

The prescribed application forms with other details can be had within TEN days from the date of the Publication of the Advertisement, from the Dy. General Manager (Personnel & Administration), Hindustan Teleprinters Limited, G S T Road, Guindy, Madras 600 032 on request enclosing a self-addressed envelope of 23 cms x 10 cms size, duly affixed with Rs. 1.80 ps. stamp.

Candidates who wish to apply for more than one post should send separate application for each post indicating on the envelopes the post applied for.

DEPUTY GENERAL MANAGER (P & A)

A large multi-divisional industrial organisation with diverse interests and a current annual sales turnover of Rs. 65-70 crores wishes to recruit the following management personnel for its forgings unit located in Central India. There are similar requirements for other units in the group in South India and elsewhere.

WORKS MANAGER

(MS/4835)

The Works Manager will be overall in charge of all technical functions at the manufacturing unit and would be expected to spearhead the company's drive towards maximising capacity utilisation while adhering to customers' quality specifications.

Applicants should be mechanical/metallurgical engineers with around 8-10 years experience in the forgings/steel wire rope industry. Familiarity with modern developments in forging/heat treatment techniques is necessary. Persons who have worked in a unit producing automotive forgings would be preferred.

MAINTENANCE MANAGER

(MS/4836)

Reporting to the Works Manager, the incumbent would be responsible for efficient operations and maintenance of all machinery and utilities, maintenance staff productivity, preventive maintenance and the development of sound maintenance management systems.

Candidates should be graduate mechanical engineers with around 7 years relevant experience. Some exposure as head/deputy head of the maintenance function in an engineering industry is essential.

MARKETING MANAGER

(MS/4837)

The incumbent who will be a key member of the top management team would be responsible for ensuring growth in sales of the unit's products which cater largely to the automotive sector. Key areas of the job would be new product/market development, senior level customer contact, finished goods inventory and receivables management.

The person selected would be a graduate engineer preferably with a post graduate qualification in management/marketing. Industrial selling experience of around 7-10 years is essential. Exposure to marketing to the automotive/steel wire rope sector would be desirable.

QUALITY ASSURANCE MANAGER

(MS/4838)

The selected candidate will be overall in charge of the unit's quality control function. Responsibilities will include laying down quality standards for incoming/process material, dies, jigs and fixtures and finished goods and for formulating and implementing inspection procedures to ensure adherence to such standards. Additionally he would be involved in investigating customer complaints regarding quality.

Persons applying for this position should be metallurgists/engineers with a specialisation in metallurgy. Experience of 7-10 years with some involvement as head/deputy head of quality control in an engineering industry is required. Exposure to the forgings industry would be an advantage.

FINANCE MANAGER

(MS/4839)

The Finance Manager as a member of the units top management team would have a major role in the formulation of decisions affecting its future growth and profitability. Responsibilities will cover control over the finance, accounting and management information functions, budgeting and cost control and close liaision with banks & financial institutions.

Applicants should be finance professionals — preferably Chartered Accountants — already functioning as head/deputy head of the finance and accounting department in their organisation. Exposure to computerised management systems would be desirable.

Compensation for the above positions is negotiable and is unlikely to be a constraining factor

Please apply within 10 days giving details of age, qualification, experience etc. to

A F Ferguson Associates
Hansalaya, Barakhamba Road
New Delhi 110 001

Applications and envelopes must be marked with the appropriate MS reference numbers

Rasna

Soft Drink Concentrate

Pioma Industries, manufacturers of RASNA, India's largest selling soft drink concentrate, require the following personnel to spearhead the expansion and diversification plans of the company.

Works Manager

Should be a mechanical/electrical engineer with 10 years' shop-floor experience in food/dairy/ pharmaceutical/soft drink industry. Preference will be given to those experienced in Liquid-Filling, Bottle-Washing, Form-Fill-Sealing and Automatic Carton Machines. The incumbent is expected to achieve ambitious production targets, quality control, industrial relations and factory administration. He will maintain high quality standards and achieve overall productivity.
Preferred age: Around 35 years.

Project Manager

Should be an engineering graduate, preferably with 5 years' experience in executing projects preferably of soft drink/ice-cream/food industry. He should be familiar with PERT-CPM techniques. The incumbent will be responsible for identifying products and planning and executing their successful launch in the shortest possible time. He will render excellent support to franchisees.
Preferred age : Around 30 years.

Product Manager

Should be an MBA in marketing, having successfully managed a consumer product for 5 years. He will be responsible for selecting and successfully promoting new products. The incumbent should have an exceptional ability to formulate promotional strategies and implement them. A good grasp of the techno-commercial aspects of the product category is essential.
Preferred age : Around 30 years.

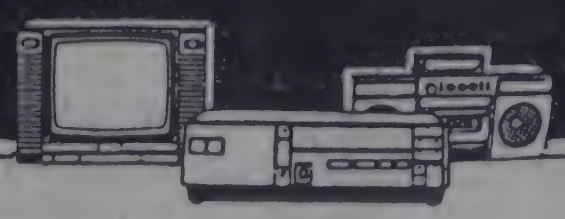
Personnel and Administration Manager

Should possess post graduate qualification in law. The incumbent should have 5 years' experience in personnel management and general administration. He will be totally responsible for industrial relations, wage administration, estate management and security. He will be in charge of sales tax, excise and compliance with all Government regulations for the factory.
Preferred age : Around 35 years.

All the positions are based either at Ahmedabad or at Kalol (30 kms. from Ahmedabad). All posts carry an attractive compensation package comparable to the best in the industry. Please apply in confidence to :

The Chief Executive
Pioma Industries
Asarwa Bridge, North End
Ahmedabad 380 016.

VIDEOCON



We are an Organisation having leading Japanese Collaboration and committed to high growth. Our activities encompass the manufacturing, marketing and distribution of wide range of home entertainment products some of which include TV/VCR, Hi-Fi Music System, Two-in-Ones and Washing Machines. The wide acceptance of these products is a testimonial of their quality and reliability. The Group turnover is Rs. 175.00 Crores.

Now,we are setting up our Regional Office based at Eastern Region.

For this we require : –

REGIONAL SALES MANAGER (EASTERN REGION) :

The applicant must be Graduate in any faculty from any recognised University with minimum 7 to 10 years experience in Marketing TV, VCR, Two-in-Ones, other house hold electronic equipments and consumer durables.

The job entails setting up of a Sales-Service Network of dealers for CTV & B/W TV and other electronic products in above States, appointing Sales Manager, Sales Executives, Sales Officers, Service Engineers and Technicians spread all over the Zone, ensuring efficient after sales service through Service Executives and subordinates. We are looking for a dynamic result oriented person who can take charge of the Eastern Zone independently and run it as a seperate profit centre.

THIS IS A SENIOR MANAGEMENT POSITION IN THE EASTERN ZONE. THE COMPANY OFFERS A LIBERAL COMPENSATION AND REMUNERATION PACKAGE INCLUDING HOUSING AND OTHER SENIOR LEVEL PERQUISITES.

AREA-SALES MANAGER FOR (BHUBANESHWAR CUTTACK/PATNA/GUAHATI/ RANCHI – BRANCHES)

One Post for each of the above Branches. The applicant must be Graduate from any recognised University with 5-7 years experience in selling TV sets, VCR, Tape-Recorders etc. The job calls for an aggressive yet balanced sales personality capable of leading a team of Sales Officers and network of dealers to achieve the target fixed for the assigned areas. He will report to the Regional Sales Manager Eastern Zone based at Calcutta.

SALES OFFICERS (WEST BENGAL/ORISSA/BIHAR/ ASSAM)

The incumbent will be based at any major city of the above states and report to the Area Sales Manager

The applicant must be a Graduate with 5 to 7 years selling experience in consumer electronics durables like TV, VCR, Tape-Recorders. The job entails extensive travelling and selling to dealers in the specified territory. We are looking for young men with an aggressive and dynamic sales personality.

SENIOR SERVICE ENGINEERS

The incumbent will be based at any of the cities like Bhubneshwar, Cuttack, Patna, Ranchi, Guahati etc. and report to the Service Executive of the relevant States. Diploma in Electronics from ITI with 5 to 7 years experience in servicing B/W & CTV is essential. Candidates having 5 years experience in production line will be preferable.

ACCOUNTANT

Candidate should be a Graduate with basic knowledge of accounts and capable of handling branch office accounts independently. Experience in a reputed company for 5 years is desired.

SERVICE TECHNICIANS

Diploma in electronics with 2/3 years experience in servicing B/W & Colour TV sets is essential.

SALARY FOR THE ABOVE POSTS WILL NOT BE A LIMITING FACTOR FOR THE RIGHT CANDIDATE.

Please apply superscribing the envelope with post applied for within 10 days to :

BOX NO. AA/276/LM/2, **Business India,** Wadia Building, 17/19 Dalal Street, Bombay-400 001.

69

TATA STEEL

NEEDS

CHIEF OF OPERATIONS
SONADIH (M.P.)

for its Cement Project

Tata Steel has received necessary clearances from Government of India for a 1.7 million tonnes per annum capacity, split-located Slag Cement Plant with a million tonne capacity Clinkerisation Unit, to be set up at Sonadih in Raipur district of Madhya Pradesh.

Job Profile

a) Project stage: Close involvement in project planning and execution, organising manpower, materials and all utilities for commissioning and continuous running of the Plant.

b) Operation stage: Overall management of the Clinkerisation Plant and Quarry, and ensuring maximum production and despatches of high quality product in close co-operation with the Slag Cement Grinding Unit. Setting up an efficient organisational structure commensurate with the needs of the Plant and the environment, maintaining harmonious labour relations and close liaising with Government bodies both at the Centre and the state levels.

Emoluments: This is a senior Management position where emoluments and perks will be no bar for the suitable candidate.

Qualifications and experience: Degree in Engineering from a recognised University/Institution with good academic record. Minimum 15 years' experience in cement industry of which at least five years in a senior capacity. Experience in project planning/execution is preferable.

Age: Around 45 years.

How to apply: Application with curriculum vitae, detailing experience and qualifications, and stating Employment Notification No. 271/88, along with a recent passport-size photograph, should reach the **Asst.Chief Personnel Manager (Employment), Employment Bureau, The Tata Iron and Steel Company Limited, Jamshedpur 831 001,** within 15 days.

Note: Applicants working in Government or semi-Government establishments, public sector undertakings and sister concerns should apply through the proper channel.

3473

s memorable advantages include
n-the-spot-expandable memory and other capabilities.

Most electronic typewriters have limited memory. Each time you exhaust the specified memory, you have to send your typewriter back to the company for upgradation. You are left in the lurch for days. Sometimes even weeks.

But FACIT has more brains and talents in its 10 kg body than you'll find in most others.

It has unique memory modules expandable to 16K, 24K or 30K – **instantly.** You can just slip-in an extra memory pack without any fuss.

Yes. FACIT can do almost everything that others can – and lots of things others can't.

Look what unique features FACIT offers:

- Unique memory modules expandable to 16K, 24K or 30K right on the spot. You can slip-in an extra memory pack without any fuss or loss of time.
- Very user-friendly. Even the most sophisticated functions achieved through plain language.
- Unique 2-line LCD display adjustable for better viewing.
- 4 regular typing modes plus two exclusive modes.
- Easy line editing and text editing.
- File copying and retrieval ability.
- Instant text printing in any format, pitch or line spacing, through auto-scanning.
- Automatic bold printing.
- Computer inter-facing capability.
- Exclusive PS printing with Right Hand justification in inter-face mode.
- The quietest electronic typewriter available.
- Most ergonomic design, with choice of models.
- Unique 106-character print wheel plus high-yielding ribbon cassette for lowest running cost.
- Reliable after-sales service.

Sleekest looks – sophisticated features – good economy – ergonomic designs! FACIT has it all!

FACIT ASIA LIMITED
Perungudi, Madras 600 096.
In technical & financial collaboration with FACIT AB, Sweden

FACIT

The ultimate electronic typing system

For details/demonstration, contact: **Forbes Forbes Campbell & Co Ltd.– Latham Division: BOMBAY** Ph. (2048081), **DELHI** (279268), **MADRAS** (86157), **BANGALORE** (223383) and at Chandigarh, Jaipur, Baroda, Ahmedabad, Secunderabad, Bhopal, Pune, Cochin. Also: **Continental Commercial Co Ltd – CALCUTTA** Ph. (204252), Delhi, Lucknow, Kanpur, Patna, Gauhati, Dhanbad, Gorakhpur, Allahabad and Cuttack and: **CICIKO Office Machines Pvt Ltd – CALCUTTA** Ph. (282150), Siliguri, Gauhati and Agartala

When MARUTI de
carbide cutting tool
the challenge effortl

Innovation and flexibility. That's the WIDIA advantage responsible for state-of-the-art tools, specially developed for Maruti Udyog. Tools that enhance productivity, offer increased tool life and bring about large scale import substitution.

WIDIA plays a major role behind the scenes of India's most popular car. By supplying a wide range of turning and milling tools, gundrills, burnishing drills, solid carbide multipoint tools, wear parts...

A number of these products are manufactured only by WIDIA. A clear reflection of technological supremacy and product development capability.

While R&D sets the pace at WIDIA its product engineering ensures world class quality and precision. That's what results in extraordinary performance from a high-tech product range - both standard and custom built.

Product Innovation. A constant commitment to customer needs. Effective response. Together with the right technology and support services to upgrade productivity. Ensuring the WIDIA advantage on the customers' shop floor.

WIDIA. The dynamic innovato

led to indigenise
VIDIA took up
sly.

hard-metal technology

CLARION/BL/WIDIA/6846

The European Connection.

Short transit times, fast ground handling facilities and excellent onward connections make Lufthansa's Frankfurt the best gateway to Europe and the world.

Lufthansa

PUNWIRE

OFFERS

SENIOR AND MIDDLE MANAGEMENT POSITIONS

CHANDIGARH

THE COMPANY

PUNWIRE, a Punjab State Public Sector Enterprise, wholly owned by Punjab State Industrial Development Corporation (PSIDC), is a leading name in the country in the field of Hi-tech electronic communication equipments and systems. PUNWIRE products covering VHF/HF transreceivers, HF transmitters and transreceivers, MF Beacon transmitters, Electronic Push Button Telephones alongwith a host of options and accessories — are being manufactured in technical collaboration with some of the leading companies of the world. The Company's prestigious customers include Defence, Police, Para-military, Oil sector, Aviation, Railways, Mines, Electricity Boards, Irrigation departments and other major Government and Business organisations.

PUNWIRE is a professionally managed company which has recorded a phenomenal growth rate of over 500% in just 4 years. The Company is now expanding to take up manufacture of military HF and VHF equipment, TDMA as well as Digital Radio Relay Equipment.

QUALIFICATIONS	B.E./B. Tech in ELECTRONIC/ELECTRICAL/MECHANICAL/ PRODUCTION/ INDUSTRIAL ENGINEERING. Additional weightage will be given for higher technical/management qualifications.
EXPERIENCE REQUIRED	For senior management positions, experience at senior management level with a proven track record is essential. Minimum five years experience is essential for the middle management positions.
AREAS AND EXPERIENCE	
Electronic/Communication Systems	Experience in project as well as contract management covering planning, designing, engineering, execution, installation, commissioning, servicing and customer service support for Electronic/ Communication Systems.
Product Technology Management	Experience in technology transfer, design & development, engineering & production documentation, component engineering for electronics and mechanical parts, assembly, testing, quality assurance and customer service support for electronic/communication products.
Techno-Commercial Experience	Techno-commercial experience relating to electronic/communication systems/equipments with user organisations such as Defence, Police, Para-Military, ONGC, GAIL, OIL, Electricity Boards, NHPC, NTPC, DOT, Railways, Steel & Coal Industry, DGS&D, Aviation agencies, business and industry.
Production, Planning and Control	Experience in product planning, production planning and material planning.
Imports & Exports	Experience in imports and exports procedures, documentation agencies related to imports and exports such as DOE, DGTD, CCI&E, RBI etc.
Purchase Management	Experience in import/purchase of parts and components for electronic equipments from world-wide and indigenous sources. Experience in using modern management techniques for efficient management of supplies from vendors.
Stores/Spares Management	Experience in efficient management of stores, using modern techniques for stores and spares management including Store Accounting, Inventory Management, Evaluation and Kitting. Experience in efficient management of excise matters, managing modern packing shops, ability to organise safe and efficient transportation.
Mechanical Engineering	Experience in design development & fabrication of mechanical items such as sheet metal turned, pressed, die cast parts, plastic extruded/moulded parts, mechanical assemblies/sub-assemblies used in professional electronic equipments. Knowledge of tool design for these mechanical items is also required. Work experience and exposure relating to the latest CNC machines will be an added advantage.
Industrial Engineering	Experience in all aspects of Industrial Engineering relating to an industrial organisation

PUNWIRE is looking for accomplished professionals who can handle the assigned responsibilities independently with confidence and initiative. Candidates who consider themselves suitable may apply, giving detailed account of year by year nature of experience. Applications with inadequate details of experience will be rejected without notice

ELIGIBLE DEFENCE SERVICE OFFICERS MAY ALSO APPLY.

Designation and salary package will be commensurate with qualification and experience.

Apply within fifteen days in confidence to :
The Managing Director,
Punjab Wireless Systems Limited,
SCO 165-166, Sector 8-C, CHANDIGARH-160 008.

TATA STEEL

NEEDS

SENIOR MANAGER (TECHNICAL)

for its Cement Project

Tata Steel has received necessary clearances from Government of India for a 1.7 million tonnes per annum capacity, split-located Slag Cement Plant with a million tonne capacity Clinkerisation Unit, to be set up at Sonadih in Raipur district of Madhya Pradesh.

Duties and responsibilities: Close co-ordination and supervision of activities connected with the engineering of the Cement Project at the design, execution and commissioning stages. Close liaison with all connected agencies, specially consultants (Indian and foreign), equipment suppliers, statutory bodies, etc. Project progress monitoring at the design, construction/erection stages to ensure time-bound project implementation. The candidate on completion of the project would be expected to take up an appropriate position of responsibility in the operating Plant.

Emoluments: This is a senior Management position where emoluments and perks will be no bar for the suitable candidate.

Qualifications and experience: Degree in engineering from a recognised University/Institution with good academic record. Minimum 15 years' experience in engineering industry of which at least seven to eight years in project engineering in cement industry. Operating experience in cement or allied industry would be considered an additional qualification.

Age: Around 35-40 years.

How to apply: Application with curriculum vitae, detailing experience and qualifications and stating Employment Notification No. 272/88, along with a recent passport-size photograph, should reach the **Asst.Chief Personnel Manager (Employment), Employment Bureau, The Tata Iron and Steel Company Limited, Jamshedpur 831 001,** within 15 days.

Note: Applicants working in Government or semi-Government establishments, public sector undertakings and sister concerns should apply through the proper channel.

3472

HOLTEC ENGINEERS PRIVATE LIMITED

NEW DELHI

HOLTEC, a premier engineering and management consultancy organisation is now consolidating its position in certain select areas, in collaboration with **HOLDERBANK MANAGEMENT AND CONSULTING LIMITED, SWITZERLAND.**

We are looking for young and dynamic professionals with excellent communication and marketing skills in the following specific areas:

1. TECHNOLOGY TRANSFER:

Covering intermediary services for facilitating technology transfer, market research activities in India for overseas firms interested in selling technology, preparation of technology transfer contracts and technology development studies.

2. HUMAN RESOURCES DEVELOPMENT

Covering manpower planning, selection and audit, manpower inventory systems and databases, manpower productivity studies, job description and organisation manuals, vocational training, and HRD programs on a wide range of technical, commercial and managerial subjects.

3. TURNAROUND MANAGEMENT

Covering strategic planning, SWOT analysis, resource analysis, environmental scanning, diversification studies and strategy/action plan formulation.

4. COMPUTER AIDED DEPOSIT EVALUATION & QUARRY PLANNING:

Covering drill hole and exploration database, data analysis and interpretation (statistics), model construction, reserve calculation and quarry design.

The selected candidates for Area Nos. 1,2 and 3 would be Graduate Engineers in any discipline with MBA with a minimum of 3-4 years of relevant experience with reputed companies.

The selected candidate for Area No. 4 would be a Geo-statistician or a Geologist strong in Mathematics or a Mathematician keen to pick up certain aspects of Geology. He would be a computer oriented person with high perception, logical thinking and with 2-3 years of experience in PC based software application.

The jobs involve interaction with personnel from HOLDERBANK, SWITZERLAND and client organizations and would require extensive domestic and overseas travelling.

Compensation for these positions is attractive and is designed to attract the best available talent.

Please apply within ten days, detailing the nature of work done so far, alongwith a recent passport size photograph to:

The Managing Director
HOLTEC ENGINEERS PRIVATE LIMITED
Corporate Centre,201/202 Ashok Hotel
Chanakyapuri, New Delhi-110 021

Engineering and Management Consultants

READY TO TAKE OFF

OFTWARE FROM INDIA

Consider these statistics.

India has the third largest pool of chnically trained manpower.

The global Software market is estimated at S $ 80 billion in 1988.

India's share? Estimated at US $ 80 million, a ere 0.1%. Clearly, the potential for us Indians is vesome. Can we realise this potential? India's dgling efforts in exporting software indicate yes.

How will it happen? Governmental efforts will course have to play a significant role. But, in e final analysis, it is the software companies, d the individuals working in them, who will engthen India's toe-hold in international ftware.

Now consider one such company, a relatively w entity but one with loads of experience and nbition.

K TECHNOSOFT

JK Technosoft is a software house of growing repute.

K Technosoft is setting up an advanced software evelopment facility at the Noida Export rocessing Zone (NEPZ), on the outskirts of elhi. An IBM main frame is to be installed ortly.

JK Technosoft has accumulated extensive perience in the overseas market—in Australia, pan & US. In the domestic market K Technosoft has proven its skills in various i-tech application areas.

This wide ranging expertise is the heart of K Technosoft.

Now JK Technosoft is expanding its ternational operations. That's where you could t in, in software or marketing.

YOU

You are a dynamic **software professional** with at least 2 years of experience in the areas of software design/development. You are fully conversant with any of UNIX/IBM/VAX/BURROUGHS environments.

You can grasp problems quickly and think objectively. You are willing to learn new software tools and techniques and can adapt yourself to different project environments at short notice. Good inter-personnel skills would be essential.

(Professionals with engineering/finance background would be preferred.)

You are an ambitious, result oriented **marketing professional** with over 7 years of experience in computer related areas with at least 3 years in systems consultancy. You have an enviable track record in marketing and are good in price estimation, proposal preparation and making presentations. You possess a sound technical base and clear knowledge of business applications. In short, you are a winner !

You are expected to formulate and implement sales strategies on a world wide scale, develop new markets and organise promotional campaigns.

(MBA's with an engineering background would be preferred.)

High levels of initiative and enterprise are demanded. In return, we offer an environment that is professionally, and monetarily exciting.

Interested ? Write to :
Dr. B.K. GUPTA
Ashoka Estate, 2nd Floor,
24, Barakhamba Road, New Delhi-110 001.

JK TECHNOSOFT

(A division of JK Synthetics Ltd)

MADRAS INDUSTRIAL LININGS LIMITED

Ours is a leading Medium-Size company manufacturing Anti-corrosion/Anti-Abrasion products and involved in Design, engineering, supply and installation of Air Pollution Control and Solvent Recovery Systems in collaboration with well known international firms. We are diversifying into manufacture of hi-technology engineering plastic products used in chemical, mechanical, electronic applications, in technical collaboration with a renowned U.K. firm. For this new product line, the company expects an initial turnover of Rs.4 crores rising to Rs.10 crores in 3-4 years time.

To spearhead the marketing activities we have the following immediate opening:

MARKETING MANAGER

(Head Quarters at Madras)

We are looking for a high calibre marketing professional proficient in identification of customers, technical selling, interaction with technical departments on specific user requirements and achieving set sales targets.

Candidates should be Engineering Graduates with proven track record in marketing engineering products to OEMS such as manufacturers of valves, pumps, machinery, etc., and through Distribution network. Additional experience in selling engineering products to process industries, will be an advantage. Age 35-40. Remuneration for this position will be attractive and will not be a constraint for the right candidate.

Apply with detailed Bio-Data and passport size photograph within 10 days to:

EXECUTIVE DIRECTOR ENGINEERING
MADRAS INDUSTRIAL LININGS LIMITED
425, PANTHEON ROAD
EGMORE,
MADRAS 600 008. Tel: 566192-196

SPEL SPEL SPEL SPEL

SPEL

(Promoted by SPIC)
Invites
Applications for the post of

MANAGER (R&D)

SPIC Electronics and Systems Ltd. (SPEL) has set up the most modern, hi-tech plant for assembly and packaging of 25 million Integrated Circuits (ICs) per annum. Besides, SPEL is setting up a plant for manufacture of Computer Tapes/Diskettes also at Maraimalai Nagar Industrial Complex near Madras. The Company is looking for a person having excellent knowledge and experience in design of electronic equipments and systems based on IC, LSI and VLSI for its R&D division. The incumbent should also have thorough knowledge in applications of various integrated circuits used in consumer, communication, computer and professional instrumentation areas. Knowledge of MIL specifications as applicable to ICs will be added advantage.

Qualification : Master's Degree in Electronics

Experience : 5 to 10 years experience in R & D Dept. of a reputed Electronics Industry.

Age : Around 35 years

Emoluments : Commensurate with qualification and experience.

General : Candidates fulfilling the above requirements may apply in confidence within 7 days with complete bio-data and passport size photograph to :

The Managing Director
SPIC Electronics and Systems Ltd.
Maraimalai Nagar Chingleput Dt., Pincode - 603209.

SPEL SPEL SPEL SPEL

SOMANY-PILKINGTON'S

REQUIRE

COMPANY SECRETARY

THE CANDIDATE SHOULD BE PROFICIENT IN HANDLING COMPANY TAXATION MATTERS AND EFFECTIVE IN INTERACTING WITH GOVERNMENT BODIES. HE SHOULD BE WELL CONVERSANT WITH CORPORATE, SECRETARIAL, LEGAL AND STATUTORY OBLIGATIONS AND CAPABLE OF INDEPENDENTLY HANDLING ALL MATTERS RELATED TO COMPANY LAW AND OTHER COMMERCIAL LAWS. PREFERENCE WILL BE GIVEN TO CANDIDATE HAVING ACCOUNTING BACKGROUND.

THE CANDIDATE SHOULD BE IN HIS EARLY THIRTIES WITH POST-QUALIFICATION EXPERIENCE OF 3-4 YEARS.

PLEASE APPLY WITHIN 10 DAYS WITH DETAILS OF QUALIFICATIONS, EXPERIENCE AND SALARY DRAWN TO:

SOMANY-PILKINGTON'S LTD
A-14/1 NARAINA INDUSTRIAL AREA
PHASE-1, NEW DELHI-110 028.

Business India

PERSONNEL & ADMINISTRATION MANAGER

Bombay **Attractive Salary**

The Business India Group of Publications would like to recruit an Administration Manager. The Group is expanding fast and offers an interesting and challenging environment in which to work. The management team is young and growing as the Group prospers.

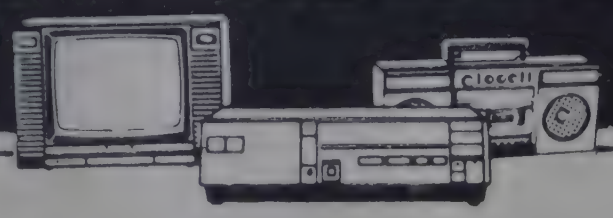
Candidates should be fully conversant with all industrial and labour laws, matters involving Provident Fund, ESIC, and Bombay Shops and Establishment Act, etc. Candidates should have some background in law and labour welfare and those having worked in a magazine or newspaper environment will have a definite advantage. The Manager would be expected to be the kind of person who can deal with people and perform as a 'hands-on' Manager.

Candidates should preferably be Post Graduates in Personnel Management and have had about five years experience in a middle management position.

The prospects are very good in a growing organisation and the salary and terms will be attractive and negotiable for the right candidate.

Please apply to: **The Executive Director, Business India, Nirmal, Nariman Point, Bombay 400 021** giving full details of age, qualifications, experience and salaries drawn.

VIDEOCON



We are leading manufacturers of Colour & Black/White TV's, Washing Machines, Two-in-Ones and other home entertainment products.

We invite applications from practising electronics/electrical engineers for our Training Dept. located at our factories in

Aurangabad & Ahmednagar.

MANAGER TRAINING/ INSTRUCTOR :

The incumbent should have dynamic ability to teach and train a team of Technicians/ Engineers in various fields like Production, Maintenance, Process Improvement, and other aspects of manufacturing. He will be responsible for identifying, evolving and imparting need-based technical training for these people.

He should have the ability to function autonomously and execute the task in an innovative manner to guide technical personnel, to enforce productivity standards and provide effective leadership. He must be in a position to plan and implement a successful strategy to uplift the technical personnel through effective & impressive coaching.

Candidate must be an Engineering Graduate in electronics with 10/15 years of good teaching experience. A candidate with profound knowledge of consumer entertainment products and their servicing will be preferable. The candidate who is in the same job will be given preference.

The Company offers a liberal compensation and remuneration package including housing and other senior level perquisites.

Please apply to :

BOX NO. AA/276/LM/3, **Business India,**
Wadia Building, 17/19 Dalal Street, Bombay 400 001

B595

Please superscribe the envelope with post applied for :

Blow Plast Ltd.

We are a young, professionally managed organisation with an enviable marketing record in a fast paced and competitive business environment. Our luggage brands V.I.P., Odyssey, Skybags and International Tourister are leaders in their respective segments. The Company's turnover currently exceeds Rs.110 crores.

We need bright young men for the following positions in the Luggage Division at our Corporate Office:

PRODUCT MANAGERS/ PRODUCT EXECUTIVES

Location: Bombay Age: 24-28 years

The incumbent will be responsible for all product management activities including design and development, advertising, marketing research and sales promotion for the brands assigned.

Candidates should be MBAs with specialisation in Marketing from one of the premier institutions, with good exposure to marketing research, advertising and quantitative techniques. Relevant experience in marketing/sales of about 3 years for Product Manager and 1 year for Product Executive positions would be desirable. In addition to an attractive compensation package, the position provides for a professional yet informal work environment and ample scope for demonstrating individual merit in the functional area.

Please write within 10 days giving details of age, qualifications, work experience and current emoluments etc. superscribing the envelope with the position applied for, to:

Manager — Personnel & Administration

Blow Plast Ltd.
Post Box No. 9145, Bombay 400 025

New Commercial Advtg

AMERICAN
EXPRESS
BANK

TREASURY POSITIONS

American Express Bank Limited invites applications from Top Professionals for the following positions:

TREASURY PRODUCT MANAGERS

Target candidates are MBA's/Chartered Accountants working in a Bank, Brokerage House, Financial Institution or Finance/Leasing Company with 3/4 years experience of marketing/ dealing in financial instruments traded in both the primary and secondary markets. The successful candidate should be an innovative deal maker, result oriented and with a proven track record of achievements with private and public sector corporations.

FOREIGN EXCHANGE DEALER AT BOMBAY

We are looking for an aggressive inter-bank trader with at least 2 years experience of independently and actively handling cross-currency transactions. Should be thoroughly knowledgeable about FERA, FEDAI and Exchange Control Regulations.

SETTLEMENT MANAGERS – BOMBAY/ CALCUTTA/NEW DELHI

The incumbent will be responsible for handling complex trades in a variety of financial instruments, monitoring trading positions, and setting up appropriate MIS systems. Successful candidates should be graduates with a good knowledge of FEDAI rules, FERA and Exchange Control Regulations and proficient in handling Settlement Procedures relating to various money market instruments. Experience in an automated environment will be an added advantage.

The positions carry outstanding remuneration packages with challenging growth opportunities. Candidates with required qualifications should write within 7 days, providing full details on background, experience, achievements and current emoluments to:

The Personnel Manager
American Express Bank Limited
Dalamal Towers, 211 Nariman Point
Bombay 400 021.

All applications will be treated as Confidential.

An American Express company.

CLARION/B/AE/16/202

Business India

PRODUCTION CONTROLLER

The Business India Group of Publications, publishers of **Business India, inside outside** and **the India magazine** invites applications for the post of Production Controller.

The incumbent will be responsible for the production of all printed material produced by the Group from magazines to promotional brochures and stationery.

Candidates must have extensive knowledge and hands-on experience of all printing processes, as well as be knowledgeable about colour and black and white processing. He must have an eye for detail and be very particular about quality.

The incumbent will lead a small team of production personnel and liaise with senior personnel within the organisation and a wide spectrum of personnel at the presses where our magazines are printed.

This is a senior appointment in a critical area of the Group's operation and remuneration will not be a constraint for the right candidate.

Interested applicants should apply within 10 days of this advertisement with full bio-data and references to:

The Executive Director,
Business India,
Nirmal, Nariman Point,
Bombay 400 021

giving full details of age, qualifications, experience and salaries drawn.

CHIEF EXECUTIVE

Large Spinning Mill requires a Chief Executive to look after all aspects of business. Must have held No. 1 position in Textile Industry for minimum 5 years. Very attractive terms.

JR. MANAGER

Textile technologist cum MBA with minimum 5 years practical experience.

CHIEF ACCOUNTANT

C.A. with minimum 5 years experience in any Industrial Concern.

Apply to Box No. AA/276/CG/4, **Business India,** 59 Regal Building, Connaught Circus, New Delhi 110 001.

GENERAL MANAGER MARKETING

Gents Wear & Accessories

DELHI **ATTRACTIVE TERMS**

Our client is a reputed and growing business group engaged in exports of Garments and Carpets. They are planning to start a new venture for manufacture and marketing of high fashion gents wear and accessories on an all India basis and are on the look out for a creative and result oriented marketing professional for this new venture.

The incumbent shall be initially involved in market research, establishing appropriate product mix & distribution channels and evolving effective marketing strategies. Subsequently he would be required to build up appropriate sales organisation, product launching, sales promotion and ensuring that the sales targets are achieved. He should be a Post Graduate in Marketing from a well-known institution with around 10 years experience in consumer/consumer durable industry. Must have proven experience in launching new products and establishing extensive dealer network. Age: 35-40 years.

This is an outstanding opportunity for an above average professional to promote a high profile product from concept stage. The job offers a highly satisfying work environment and good growth prospects. SALARY PACKAGE FOR THE JOB IS TOTALLY NEGOTIABLE AND SHALL NOT BE A CONSTRAINT IN FINALISING THE SELECTION. Please apply in strict confidence within 10 days marking the envelope and enclosures with the job title & code: 8832.

PERSONNEL SELECTION DIVISION
MANTEC CONSULTANTS P LTD
(Management & Technical Services)
Post Bag No. 33, Kalkaji
New Delhi 110 019 Tel : 637023

Now undertaking world wide assignments in association with MSL INTERNATIONAL, Subsidiary of SAATCHI & SAATCHI, U.K.

TATA REFRACTORIES LIMITED

REQUIRES

Deputy General Manager (Research & Development)

The Company is a leading manufacturer of refractories with a turnover of about Rs. 50 crores, having its main plant at Belpahar, another plant for calcining magnesite at Salem, Head Office at Jamshedpur and Marketing Division at Calcutta, apart from its mines at Talbasta.

The Company is poised for large scale modernisation. Most of the operations on the shopfloor and in the offices are computerised. Paramount importance is attached to Research and Development and the R&D Division is manned by highly talented and trained personnel and equipped with sophisticated instruments, many of which are computer controlled. The Company has recorded a substantial growth in recent years and is looking for result oriented professionals. TRL will pay remuneration at levels comparable with the best. The package will also include Company Housing and a Company Car.

Qualifications : M. Tech in Ceramic Engineering/Technology or M.Sc. in Chemistry with specialisation in Refractories. A Doctorate in the above discipline would be preferred.

Experience : At least 15 years' experience, in a senior responsible position, in applied research work on refractories in a ceramic research institute of repute or in a well-equipped R&D Laboratory attached to a multicomponent modern refractory manufacturing plant/steel plant is essential. The incumbent must have proven track record in development of sophisticated new generation refractories. In addition, he must be well conversant with the latest trends in application of refractories in iron and steel, cement, glass and various other industries.

The applicant should have thorough knowledge in usage and application of latest tools in refractory research e.g. XRF, XRD, SEM, DTA/TGA, Creep, Hot MOR, etc. He should be able to lead a group of qualified scientists and ceramists engaged in the development of sophisticated refractories.

The incumbent will report to the General Manager (Technical) and shall be responsible for all R&D activities of the Company, with Head Quarters at Belpahar.

Apply with complete bio-data, giving details of experience, positions held, break-up of present emoluments, photocopies of certificates and a recent passport size photograph within 10 days from the date of publication of this Advertisement to:

Chief General Manager,
TATA REFRACTORIES LIMITED
P.O. BELPAHAR, DISTRICT: SAMBALPUR, ORISSA 768 218

nss TRL 8848 A

A German collaborated high precision engineering company having an All India marketing network to handle substantial growth in turnover requires

SENIOR MANAGER – MARKETING

MAJOR CITY IN WESTERN INDIA (NOT BOMBAY)

Rs. 90,000/- p.a. + HOUSE & CAR

A Mechanical Engineer preferably with an MBA degree having 12 years relevant experience in marketing of engineering items would suit this senior position based at corporate headquarters and report to Head of Marketing. Age around 38 years.

Responsibilities include formulation and implementation of strategy for achieving continued sales growth through creation of major enquiries, providing pre-sales technical support, commercial negotiations and action on post-sales customer feedback in respect of major institutional customers. The job involves extensive travel.

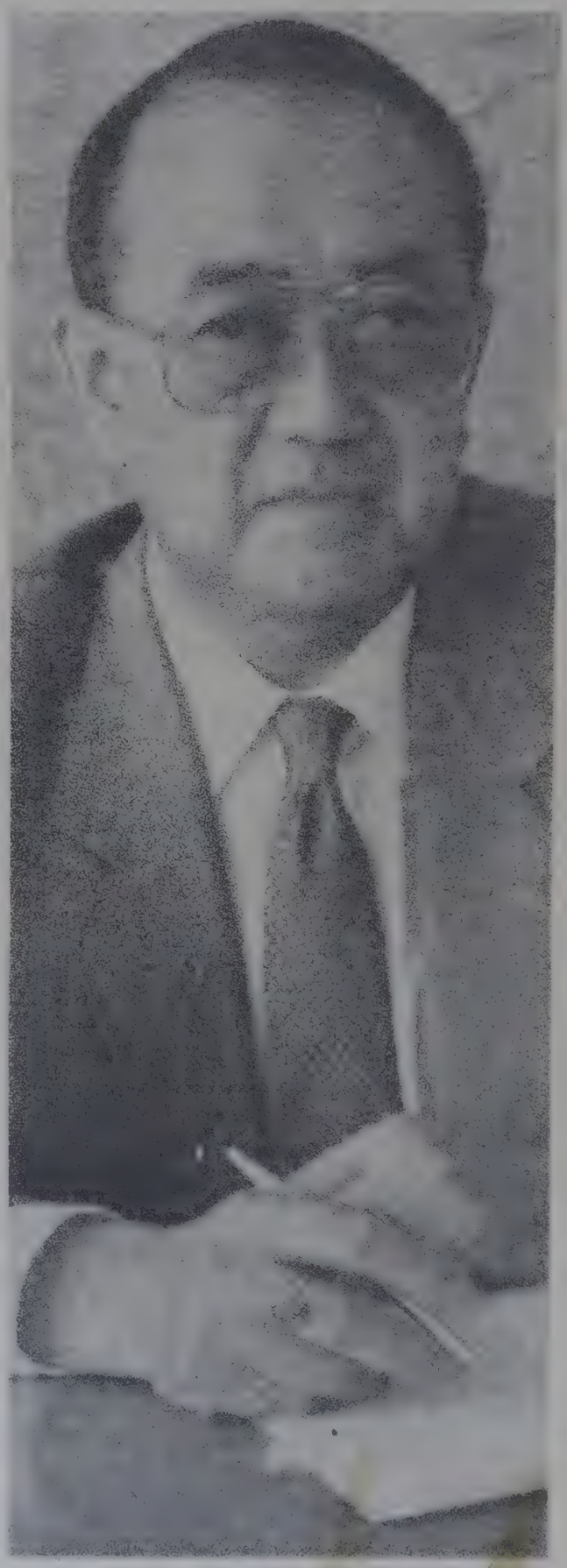
Stature coupled with technical and commercial abilities to interact at senior level, strategic orientation and self-motivation are pre-requisites.

Experience of managing agency division for sale of foreign engineering products/familiarity with purchase and QC procedures of Railways would be a distinct advantage.

Please apply in strict confidence within 10 days to **A. F. Ferguson Associates, Post Box 1786, Bombay 400 001,** attaching **a recent photograph**. All applications and envelopes should be marked "Ref. MS/4950"

"We are placing more stress on practical programmes"

The World Health Organisation's (WHO) new director-general, **Dr. Hiroshi Nakajima,** *promises "more practical" programmes at both the country and the regional levels. Nakajima, 60, is the first Asian to head this UN body. On his visit to India to commemorate the 40th anniversary of the organisation, Nakajima spoke to Siddharth Dube of* Business India *exactly two months after his term began. Nakajima is a specialist in psycho-pharmacology and previously served for nine years as the director of WHO's Manila-based Western Pacific office.*



What will be the major areas that WHO is likely to concentrate on during your tenure?
The goal of "Health for all by 2000 AD" is already in everybody's mind. This is the achievement of the past decade. I feel countries are now waiting for solutions and that WHO must develop technical and human resources for this. We are now placing stress on more practical programmes at the country and regional level.

It has been a full decade since the "Health for all" aim was enunciated. But does not the poor performance of programmes such as the ambitious universal immunisation programme signal a need for revaluation?
This programme has fared well although large countries like India have faced certain logistic problems. Coverage also varies from vaccine to vaccine. In India, coverage is 30 per cent for some vaccines while for others it is nearly 50 per cent. But we think that by 2000 AD India should be able to achieve the 100 per cent goal.

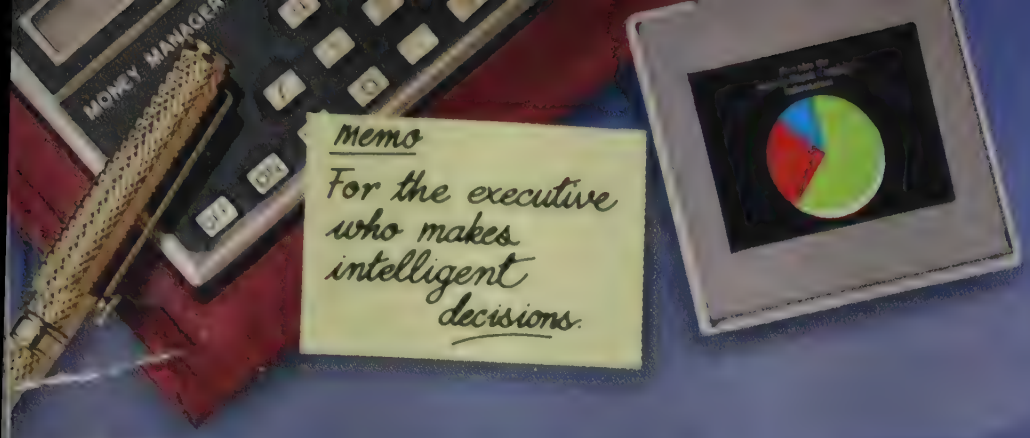
Infant mortality which is one of the two indicators of progress in immunisation has been steadily decreasing in every country and is likely to fall below 50 per thousand births which is our target. Unfortunately, maternal mortality has not decreased; in developed countries there are virtually no deaths during childbirth

WHO has been criticised for concentrating too much of its energies on AIDS (Acquired Immune Deficiency Syndrome) to the neglect of the more pressing concerns of third world countries.
First, funds for AIDS research do not come out of WHO's general budget; they come from countries willing to pay additional funds for special programmes. Secondly, AIDS is a major disease and the only infectious disease prevalent in the West. The battle against AIDS is also an opportunity to develop health systems in the third world — in health education and blood bank systems.

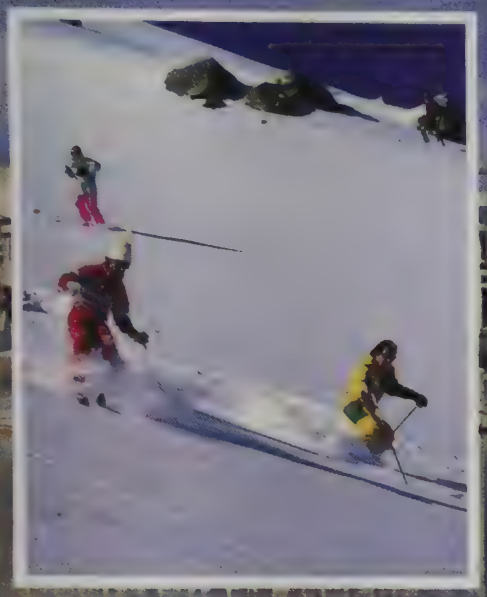
What would be a rational and effective public health policy for countries that still have a low incidence of AIDS? Is testing of foreign tourists or mandatory testing of citizens called for?
The only way of protecting people against the spread of AIDS is public awareness. We must announce that "AIDS has no cure and therefore, one must take no risks". Testing of foreigners is not only practically impossible but also of no help at all. The situation is the same as in cholera epidemics when the movement of foodstuffs is banned, which is a useless step. However, testing policies are a matter of national sovereignty and WHO can only advise the member countries.

What is WHO's position on checking population growth and family planning strategies?
Well, I must agree with your prime minister, Rajiv Gandhi, that family planning programmes must be integrated with broader social services and should not remain isolated. At the very least, they must be integrated with the mother-child health programme.

A recent press report charged that only a small portion of WHO's budget goes into actual health programmes while 75 per cent is spent for administrative purposes.
This really depends on how you interpret the administrative costs. If you include salaries paid to technicians and experts in such costs, well yes, these costs are high. A more accurate breakup is that within countries, 70 per cent of WHO's budget goes for health programmes. Of WHO's global budget, 60 per cent goes for the regional offices and the rest is used for inter-regional programmes. My estimate is that only one-fourth of the budget is used for the staff at the headquarters in Geneva.



"Great things are done when men and nature meet."



Meet in Kashmir where business is always a pleasure

Kashmir...
the playground of the world is also the meeting place for world-class conventions. World celebrities and jet setters flock to Kashmir for fun and frolic. And the same happy valley, with its Sher-i-Kashmir International Conference Centre, is the spectacular setting for high-powered conventions. At the Sher-i-Kashmir International Convention Centre you will be enchanted by the friendliness that immediately surrounds you ...from our usherette to our efficient secretary promising you a smooth, well orchestrated business meeting.
The SKICC is built to the best international standards of a world convention centre with the latest audio-visual equipment, relaxing accommodation and unrivalled executive service.
The next time you plan a convention, meet with pleasure at the country's premier meeting place — Sher-i-Kashmir International Conference Centre.

For a free colour brochure/reservation contact:
Sales Marketing Division
Sher-i-Kashmir International Conference Centre
Chashma Shahi, Srinagar-190 001. Kashmir (India)
Tel: 79601,75631 Telex: 375-318 SKCC IN
Grams: KASHCONFER Fax: 79720

Sher-i-Kashmir
INTERNATIONAL CONFERENCE CENTRE

Member ICCA

World Class Convention Facilities in the 'Happy Valley'

RN 35850/78

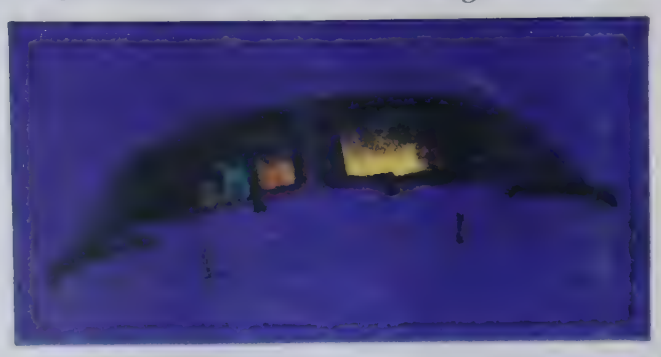
REG. No. M
SOU

THE FINE ART OF FLYING

by Kolar.

«Je suis la Beauté - Paris». When we asked the Czechoslovakian artist, Kolar, to interpret The Fine Art of Flying he responded with his famous, multi-image rollage technique. "Paris", he reflected, "is a love affair with a fascinating woman - she will open many worlds to you and yet always draw you back". Air France leaves Paris for the world more than 150 times every day. And every flight is a love affair.

Connections make the world go round.



THE FINE AR
OF FLYINC

AIR FRANCE

6, Scindia House, Janpath, New Delhi 110 001 Phone: 3312853
Maker Chamber VI, First Floor, 220, Nariman Point, Bombay 400 021 Phone: 2024818

Business India

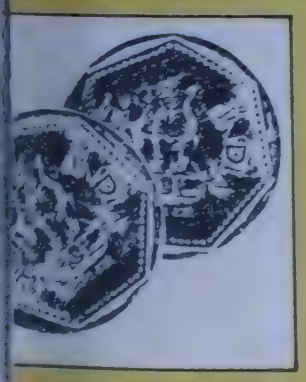
agazine of the corporate world

October 17 to 30, 1988 Rs. 6

The Reliance Alliance

INSIDE

IDEOCON



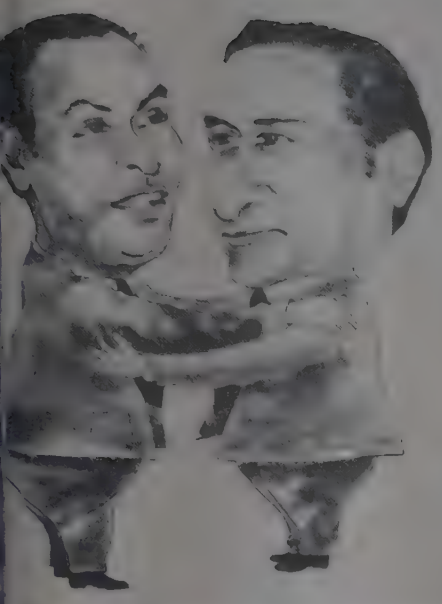
EW CREDIT POLICY

AFATLAL

YEARS OF ROGRAPHY

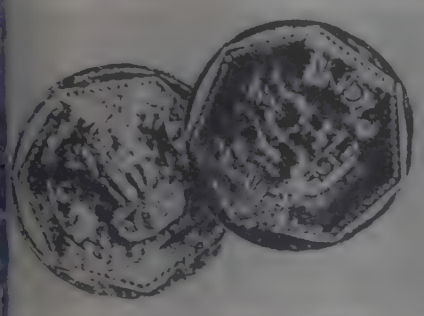
AINFRAMES

NOW A
WHOLE
FLOOR
FOR ME
UPSTAIR
Benzer
of course?
TER SURPRISE IN STORE FOR YOU
INDIA'S BIGGEST
SHIRT SHOP
AND THE BEST!



COVER FEATURE

44 Larsen & Toubro
The Reliance alliance
With the Ambanis of Reliance becoming the largest non-institutional shareholders of engineering giant L&T, the intense speculation as to who will guide its destiny after chairman N.M. Desai, who retires in March next year has now been put to rest. And the Reliance group seems all set for a scorching pace of growth aided perhaps by a few more "strategic alliances"
MUKARRAM BHAGAT



SPECIAL REPORT

57 New Credit Policy
A whiff of liberalisation
Partial deregulation — the hallmark of the new credit policy — is very much in line with liberalisation in other sectors of the economy
KEYA SARKAR

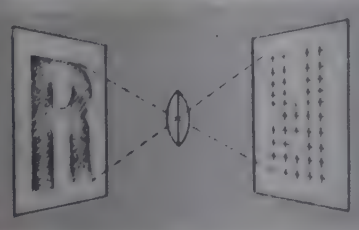
CORPORATE REPORTS

63 Videocon
Growing out of the small screen
Known until recently as a producer of television sets, the Videocon group is now also manufacturing a host of home appliances
DILIP MAITRA

69 Arvind Mafatlal Group
Going all out to export
An ambitious export plan for petrochemicals and cotton textiles has thrust the Arvind Mafatlal group into the news
KEYA SARKAR

77 Wimco
Matchless no more
The prospects for Wimco today are gloomy. Match production, its mainstay, has become unprofitable, and its diversification into processed foods has yet to show results
EAPEN THOMAS

81 Grasim Industries
Rebirth at Mavoor
An epochal agreement for the reopening of the rayons unit at Mavoor, Kerala
K.G. KUMAR



FEATURE

103 Fifty years of xerography
Xerography turns 50 on 22 October. A look back on the five decades of the copier industry
N. RADHAKRISHNAN

27 BUSINESS NOTES
Darjeeling, Benzene, Cotton, Food processing, Pulses, Air-India

40 ECONOMY
Ninth Finance Commission
A tactful performance
D.T. LAKDAWALA

43 CENTRE
Why did Ghose have to go?
Undermining itself
Loan talk

83 INDUSTRY REPORT
Computers
Mainframe warfare
Until a year ago, mainframes were considered too complex to be manufactured in India; in any case they comprised an insignificant segment of the computer industry. Now the demand for mainframes has grown to constitute one-fourth of the total market
S.N. VASUKI

89 BANKING
Credit camps
On a more sober scale
KEYA SARKAR

92 FINANCE
CFC-Lazard
RBI sets a precedent
BASUDEV DASS

94 CITIES
Amusement parks
Fun City rides again
ALOYSIUS FERNANDEZ

99 COMPUTERS
Computer trends
Small systems will get an edge
VIJAY MUKHI

109 INTERNATIONAL
The success of Seoul
RAJKUMAR ADVANI

200 INTERVIEW
Eduardo Faleiro, minister of state for banking and economic affairs
KEYA SARKAR

89 Banking
155 Books
27 Business Notes
22 Businessmen in the News
43 Centre
94 Cities
99 Computers
113 Corporate Affairs
International
129 Corporate Monitor
63 Corporate Report 1
69 Corporate Report 2
72 Corporate Report 3
77 Corporate Report 4
81 Corporate Report 5
44 Cover Feature
144 Deposits
37 Economic Indices
39 Economic Outlook
40 Economy
159 Executive Ladder
103 Feature
92 Finance
10 For Your Information
83 Industry Report
109 International
200 Interview
149 Investor Contest
157 Jobwatch
3 Letter from the Publisher
5 Letters to the Editor
13 Listening Post
137 Market News
162 National Executive Appointments
14 News and Events
153 People
151 Professional Profile
160 Reader Service
57 Special Report
140 Stockmarkets
117 World Paper

Published and printed by
A.H. Advani
of BUSINESS INDIA
Wadia Building
17-19 Dalal Street, Bombay
400 001, at the Tata Press
Limited, Bombay 400 025
& Phototypeset by
Business India Photosetters

THE HARVARD BUSINESS REVIEW LIBRARY

An Indispensable Assembly of Management Know-how

THE HARVARD BUSINESS REVIEW LIBRARY	HARD BOUND (HB): SOFT COVER (SC):	
Code No. *Volume title*	**HB*	***SC*
PART I General Management		
PART IA Business Policy & Leadership		
1.013 Corporate Strategy	—	331
1.014 Strategic Planning Comes of Age	—	378
1.061 Leadership Part I	—	283
1.062 Leadership Part II	—	283
1.063 Leadership Part III	—	283
1.141 Boards of Directors Part I	—	310
1.142 Boards of Directors Part II	—	378
PART I B Business Ethics and Strategy		
1.043 The Business of Ethics and Business	—	378
1.051 Guides to Corporate Responsibility	—	331
1.132 Public Policy and Private Enterprise	—	378
1.133 Legal Issues in Doing Business	567	378
1.134 Rethinking Business Government Relations	—	378
1.151 Managing Creativity	—	310
1.161 Strategy and Tactics in Mergers	441	331
1.181 From 1980: New Worlds for Business	472	310
PART IC Managing Special Organizations		
1.072 Saving Our Health Care System	—	378
1.082 Management of Nonprofit Organizations Part II	367	—
1.091 McKinsey Award Winners	430	310
1.101 Philosophy of Business Part I	430	331
1.102 Philosophy of Business Part II	430	331
1.111 Small Business Part I	430	331
1.112 Small Business Part II	430	331
1.113 Small Business Part III	—	331
1.114 Small Ventures: Tactics & Strategies	494	331
1.115 Trials and Rewards of the Entrepreneur	—	378
1.121 Public Relations	—	283

PART II Organizational Behaviour		
PART II A Effective Organizations		
2.011 Case Method Part I	—	310
2.012 Case Method Part II	410	310
2.013 Case Method Part III	410	310
2.091 Organizational Development Part I	—	331
2.092 Organizational Development Part II	—	331
2.093 Organizational Development Part III	—	331
2.094 Organizational Development Part IV	—	331
2.151 Developing an Effective Organization Part I	—	362
2.152 Developing an Effective Organization Part II	—	362
2.181 What's the Future of Labour Relations?	430	310
PART IIB Managing Human Resources		
2.021 Conflict & Cooperation in Management	—	331
2.022 Dealing with Conflict	—	378
2.101 Performance Appraisal	—	28
2.121 Renewing the Will to Work	—	31
2.141 Effective Communication	—	33
2.161 Executive Power — Its Use and Misuse	—	28
PART IIC Developing Human Resources		
2.031 Executive Compensation Part I	410	—
2.032 Executive Compensation Part II	—	28
2.044 Essentials in Executive Developments	—	37
2.071 Equal Opportunity in Business	430	31
2.111 Personnel Management Part I	—	33
2.112 Personnel Management Part II	—	33
2.113 Personnel Management Part III	—	33
2.131 Training and Developing Executives	—	31
2.171 Employee Rights and Employer Programs	462	31
2.191 When the Executive is a Woman	—	37
2.201 Managing to Save Time	—	37
PART III Managerial Economics: Quantitative Approaches to Decision Making		
3.015 Basic Concepts In Quantitative Management	—	3
3.016 A Sampling of Quantitative Methods for Managers	—	3
Part IV Marketing		
4.015 Marketing Planning & Strategy Part V	—	3
4.016 Marketing Planning & Strategy Part VI	—	3
4.017 Marketing Planning & Strategy Part VII	—	3
4.018 Basic Concepts in Marketing Management	—	3
4.021 How to Improve Sales Management	—	3
4.041 Pricing for Profit	—	3
4.051 Product Policy for Consumer Goods Companies	—	3
4.052 Product Policy for Industrial Goods Companies	—	3
4.061 Advertising: Better Planning Better Results	—	3
4.071 Implementing Marketing Strategies Part I	—	3
4.072 Implementing Marketing Strategies Part II	567	3
4.081 Marketing Communications in a Changing Environment	—	3
PART V Finance		
5.022 Finance: Part III	—	3
5.023 Finance: Part IV	—	3
5.024 Finance: Part V	—	3
5.041 Pension Management	—	2
5.051 Transformation of Banking	567	3
PART VI International		
6.011 International Business	410	—
6.021 Managing the Multinationals	472	3
6.031 Selling in Foreign Markets	—	3
6.041 How Japan Works	—	3
PART VII Planning and Control		
7.011 Computer Management Part I	430	—
7.012 Computer Management Part II	430	—
7.013 Managing and Using Computers Part I	—	3
7.014 Managing and Using Computers Part II	567	3
7.042 Management Information Part II	—	3
7.053 Planning Part III	—	3
7.054 Planning Part IV		3
7.055 Planning Part V	—	3
PART VIII Production and Operations		
8.011 Managing Projects and Programs	—	3
8.024 Manufacturing: Reconsidering Old Solutions	—	3
8.025 Behind the Productivity Headlines	—	3
8.032 R & D Management Part II	430	
8.041 Inventory Policy	410	
8.051 Service Management	—	2
8.061 Manufacturing Strategy	—	
8.071 The Management of Technological Innovation	—	
8.081 Manufacturing Management: Logistics, Materials Inventory	—	3
8.091 Shop-Floor Management	—	3

*HB HARD BOUND **SC SOFT COVER

While any combination of the Library's 8 component parts or individu volumes can be ordered, the complete Library, is supplied surface-post free- a saving of up to Rs. 3,500/-

Note: 1. Add 10% to the total price for export packaging charges from U.K. to incl on subject parts orders

2. Full set can be supplied in a combination of Hard Bound/Soft Cover also.
PS: Don't forget — this is a tax deductable expenditure.

ADVANCED MANAGEMENT INSTITUTE

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Editor	Rusi Engineer
Deputy Editors	Dilip Cherian (Delhi) Vijayan Kannampilly (Bombay) Mukarram Bhagat (Bombay)
Assistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Sr. Correspondent	S. N. Vasuki
Correspondents	Shankar P. (Bombay) K. G. Kumar (Trivandrum) N. Radhakrishnan (Bombay) Dilip Maitra (Bombay) Siddharth Dube (Delhi) Eapen Thomas (Bombay) Keya Sarkar (Bombay)
Staff Writers	Madhumita Bose (Calcutta) Dharani K. Pani (Madras)
Chief Sub-editor *Sub-editors*	F. S. Pinto, Gouri Dange, Tushar K. Das
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Cama 2041974/2253
Asst. Advt. Manager (Madras)	Vimal Shivdasani 474964
Sr. Advt. Executives *(Bombay)* *(Calcutta)* *(Hyderabad)*	 Ferzine Esmail 2041974/2253 P. L. Baluja 448455 Minal Jagtiani
Advt. Executives *(Bombay)* *(Delhi)* *(Madras)* *(Bangalore)*	 Elizabeth Jason, Himanshu Chitnis 2041974/2253 Prabha Nair, Archana Pillai 350135/350253 Annapurna Vancheswaran 474964 Purnima Shah 74149
Marketing Manager Sales & Planning	Pheroza Sutaria 2041974 2253
Subscription Manager	Anita Mehta 274161
Regional Sales Representatives *(Bombay)* *(Delhi)* *(Madras)* *(Hyderabad)* *(Bangalore)*	 S. Ravi N. Iyer 274161 Sumati Bedi 350135/350253 S. Kannan 474964 Minal Jagtiani Purnima Shah 74149
Design	Trilokesh Mukherjee
Layout *Artists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
Madras Office	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

SUBSCRIPTION RATES

INDIA: ANNUAL SUBSCRIPTION Rs. 125
Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)
Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58,
West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of ***Business India***
Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage

Dhirubhai Ambani never ceases to amaze. The Ambanis have pulled off a most successful coup in bagging Larsen & Toubro. Almost every businessman would love to have done it himself. There is no doubt that Ambani will add significant strengths to L&T and in business terms it makes great sense.

However the Reliance — L&T link raises a number of very serious issues. We at *Business India* have consistently argued for freer play of market forces and have welcomed even hostile takeovers as being both logical and necessary. In no other country in the world are existing managements protected against such takeovers, except in rare cases where monopoly or national considerations weigh against them. But do we really have free markets? Or has Ambani been favoured in any manner by government.

The institutions control over 40 per cent of L&T's equity. Ambani could never have attempted this feat without a clear nod of approval from government. And as is well known this could have been cleared only at the level of the prime minister. What could be the reason for this?

There are several other extremely successful businessmen in the country who also would have liked to try and take over L&T. Would say a Tisco or a Birla or Thapar or any one else for that matter, have been permitted to use their corporate resources to mount this takeover by whatever name one calls it. In no free market is one group given preference over others.

Then, L&T has been one of the best professionally managed companies in the country. It has a great track record and has grown into one of the largest companies in the country. No one family has controlled the company. Just as no one controls IBM, or Citicorp or ICI. Can we also not have professionally run giants compete against family dominated companies?

What is worse, is that nowhere else in the world is there such secrecy in deals involving public companies. Reliance has used public funds for this acquisition, a significant portion of which must have come from recent public issue of RPL which is a subsidiary of Reliance Industries. Yet only days ago the Ambanis were denying any takeover. L&T is also a public company with thousands of shareholders. Surely the management owes a duty to its shareholders to inform them about any pending deal. These considerations, not only common, but mandated by law, in every other free market are entirely absent here. But it must also be pointed out that, unfortunately inspite of a plethora of laws on every subject, there are virtually no effective laws in this respect. Of course we have the MRTP act and a Companies Act that is the longest in the world. Yet even the layman knows that where the government so chooses it can either tie-up any company in knots forever — or it can simply ignore them entirely.

We must have a level field for all. It is these considerations that mar this coup.

Ashok H. Advani

WHAT THE
WELL DRESSED
MAN
IN INDIA
HAS IN COMMON
WITH THE
WELL DRESSED
MAN
IN ITALY.
INTERMEZZO
L·I·N·E·A

31 M
Oct 1988
C.F.T.R.I., MYSORE

• Pepsi impact

Your article, 'Pepsi blockaded?' (Cover Feature, 19 September) was interesting but rather incomplete. It talked only of bottled soft drinks popular in Bombay, in a story meant to look at the national industry and Pepsi's impact on it. Further, the soft drink market does not mean only bottled cold drinks any more. One has to take into consideration squashes, crushes, concentrates, milk-based drinks, the tetrapack, and so on. Your article seems to highlight the battle against the entry of Pepsi as a personal one, particularly, of Ramesh Chauhan. Any other industrialist would react as he has in his attempt to knock some sense into the politicians.

Will the entire industry be hit with the entry of Pepsi, now that it is through? Will they really be able to meet their export commitments? If they fail, what will be the options left to them? Will the economy of Punjab flourish? And in the final analysis, if a cola-based drink can do so much for the Indian people, why did Coca Cola, the greatest and the very biggest have to go?

B. THADHANI
Bombay

• Mastershares

If shares held in a minor's name are to be sold, the prevailing practice is to ask the seller to produce a court order before the sale can take place. The Unit Trust of India has exempted Mastershares from this rule. Despite this, brokers continue to insist on a court order.

As a result, Mastershares are not very liquid. People who have invested in these shares in the names of their minor children are stuck with the shares as they cannot sell them without a court order. Will the stock exchange authorities please bring out a notification informing the brokers and the public for this exemption? And will the Unit Trust please do the same?

Z.A. D'SOUZA
Bombay

• Vindhya Telelinks

This refers to your Corporate Monitor on Vindhya Telelinks (19 September). The company has been promoted by the M.P. Birla group and not the S.K. Birla group as mentioned.

A.M. LALLJEE
Advertising and Marketing Associates
Bombay

• BP's white elephant

This refers to the item, "BP's white elephant" (Listening Post, 19 September). We would kindly draw your attention to the fact that the Bombay-Pune oil pipeline belongs to Hindustan Petroleum Corporation and not to Bharat Petroleum Corporation.

A.S. KOTWAL
Manager (Public Relations)
Bharat Petroleum Corporation Limited
Bombay

• Conservation not favouritism

With reference to your article "Organising villages against development" (Speaking Out, 25 July), we would like to point out that Sweden, with an eigth of the land area of India, produces 8 to 15 times every item of forest based industrial product that we produce. Sweden continues to be green but India has gone brown. It has become fashionable to condemn forest based industries as the cause of destruction of forests and government departments as corrupt. The fact of the matter is that we have the same share of corrupt men in the Forest Department, as we have in other walks of life, nothing more nothing less. It is the same genepool and we claim no exception; but we are not its only members.

The statement that the area of plantation was increased from 10,000 hectares to 30,000 hectares, has absolutely no basis. The agreed area, to be planted over 10 years, is 30,000 hectares in all cases, and Karnataka Pulp Wood Ltd, has only 6,000 hectares so far.

The Ranebennur sanctuary was created through eucalyptus plantations in a totally degraded and treeless area. Today it has 3,000 black bucks and several Great Indian Bustards, considered to be "extinct" in the region. Condemn M/s Harihar Polyfibres, Condemn Karnataka Pulp Wood Ltd, but please don't condemn an innocent species which has a useful role to play. Charges against eucalyptus have been manufactured by the multinationals manufacturing paper and pulp based in the temperate region, against the tropical countries, which can produce it through eucalyptus at half the cost.

The condition that the Chief Conservator of Forests may permit marginal adjustment of areas does not refer to making available areas with tree growth. It relates to making available areas from reserve forests or revenue lands transferred to the

LIKE FATHER, UNLIKE SON

by Joran

THIS IS FANTASTIC!
AMBANI AND LAT
I TELL YOU, WE CAN DO THE SAME THING!
...IMAGINE... ME ON THE MANAGING COMMITTEE OF TATAS .. YOU ON BIRLAS!
...the phone
RING
..IT'S DHIRUBHAI! . HE SAYS HE'S PATENTED THE IDEA!

department, not included in the provisional transfer permitted by the government. This is to provide for a manageable extent for the raising of plantations only. The areas handed over to Karnataka Pulp Wood Ltd, are barren areas, degraded beyond redemption by overuse through grazing and hacking and misuse through incendiary fires. The sites have practically no soil and much less a tree cover to support "cattle and sheep grazing, gathering of grasses and vines by craftsmen, and picking of seasonal fruits and herbs by women". In reality, the area being barren does not support any of these. Incidentally, the use of the bulldozer is for ripping the soil which is infertile and compacted and not for clearing forests.

The formation of joint sector undertakings for raising captive plantations was floated by the government of Karnataka in 1978 — not in 1984. It was an offer to all the 20 forest based industries in the state to raise captive plantations to meet their raw material requirements at their own cost in degraded areas rather than depend on the forest department or on plantations raised at government cost in the reserve forests. There was no response except from the government owned Mysore Paper Mills. In 1981, the Forest Act was amended empowering the government to annul the rates entered into in the agreements with the forest based industries by which the rate for eucalyptus to Harihar Polyfibres, was increased from Rs.24 per tonne to Rs.264 per tonne (today the rate is Rs.490 per tonne). This resulted in a spate of writ petitions against the government and, simultaneously, approaches for forming joint sector undertakings. In case of Harihar Polyfibres, set up in collaboration with Karnataka Pulp Wood Ltd, the offer was agreed to in 1983, subject to the withdrawal of writs. Incidentally, thereafter, in 1984, the Forest Act was again amended to empower the government to free itself of the commitment to supply the quantity specified in the agreement. Thus, against 190,000 tonnes specified to be supplied per annum, today in case of the Jurla unit, the supply averages [illegible] at Rs.490 per tonne.

Samaja Parivarthan Samudaya had filed a writ against Harihar Polyfibres regarding pollution. It may be a strange coincidence that just prior to the dates of hearing of the case, every time, fish were found floating in the river making headlines in the journals. It is the same party which has filed the writ against Karnataka Pulp Wood Ltd.

It is for the country to decide. Shall we import paper and pulp though it would cost us, in terms of foreign exchange, Rs.2,000 crores per annum? If we are to meet the need internally, shall it be at the cost of the state from plantations in reserve forests? Or shall we offer wastelands, not to the private sector, but to joint sector undertakings in which government holds the majority share? What are the alternatives? Are we clear about them.

As long as industries exist, they will find their raw material at any cost from any where unless we decide to close them. Harihar Polyfibres and Mysore Paper Mills are already procuring 60 per cent of their raw material from private farm lands. This is because, the government withdrew from supplying the committed quantity in the interest of meeting the rural needs. Even now, if 30,000 hectares of degraded/wastelands are not utilised for raising captive plantations, 30,000 hectares of farm land would go under eucalyptus, or to the extent of what would have gone to meet the small timber and firewood needs would be diverted to the industry, while these public lands will continue to remain degraded.

S. SHYAM SUNDER
Principal chief conservator of forests;
S. PARAMESWARAPPA
Chief conservator of forests (general)
Bangalore

• Best & Crompton mess

Your report on Best & Crompton (22 August) was revealing as well as startling. After a long innings two of its top executives left it when things became too hot. Some managers leave behind a healthy organisation, while others leave behind a trail of bitterness. The executives left probably because it was difficult for them to continue in the messy state of affairs created by them. What has happened to professional management?

EXPORT

Success often comes to those who dare and act, it seldom goes to the timid.

- Jawaharlal Nehru

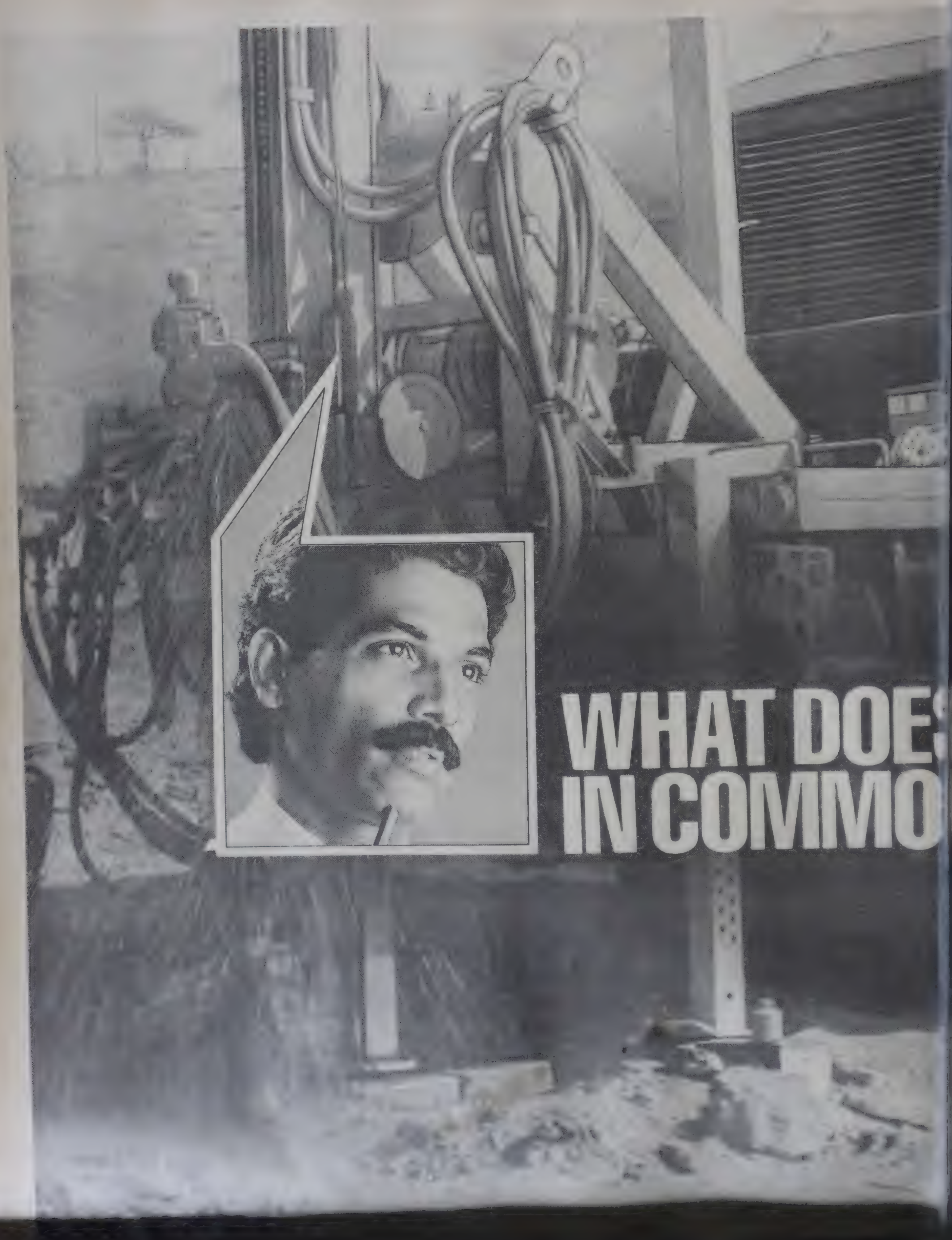
Dear Export Executive,

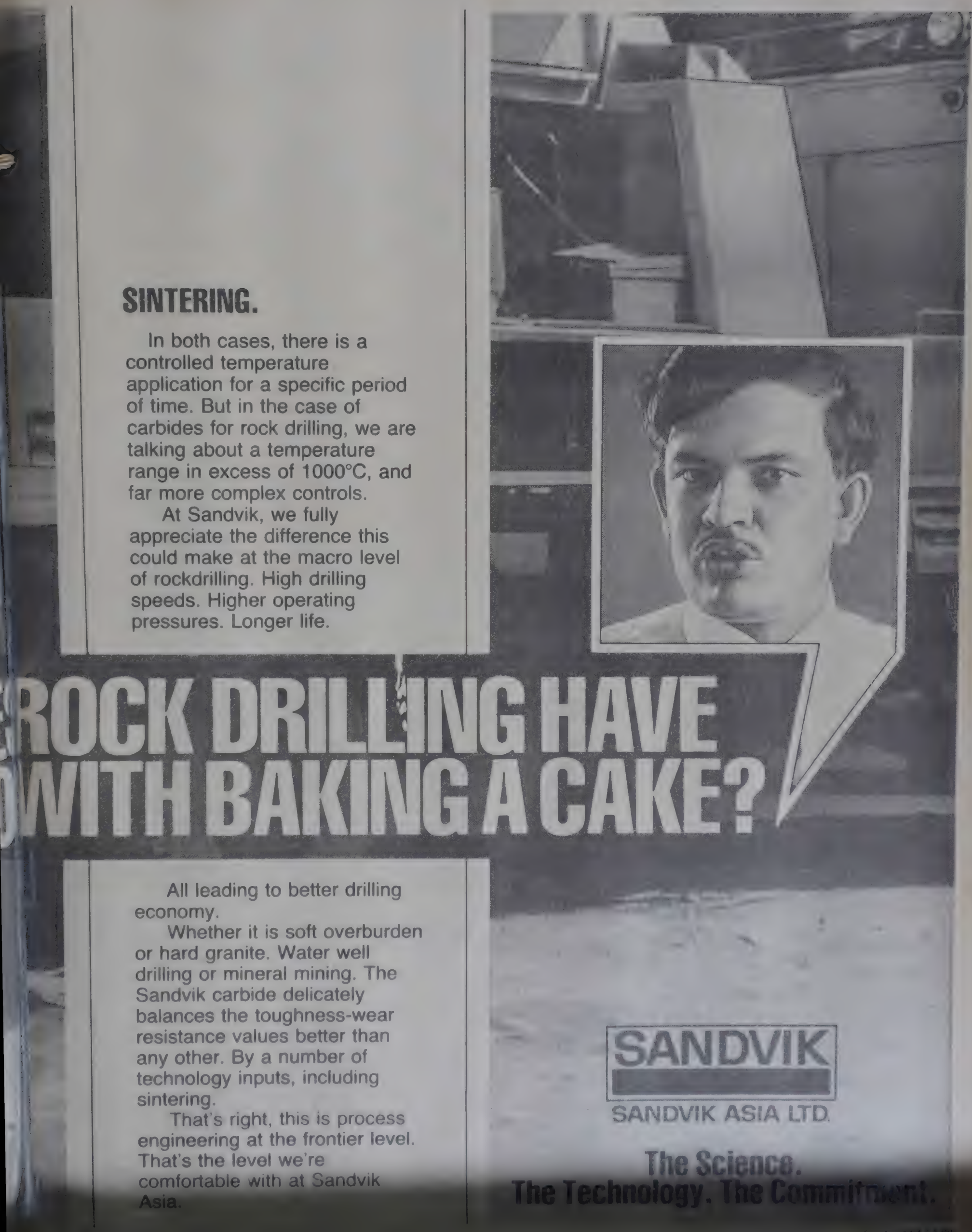
We offer attractive partnership terms.

Please write with details.

Box No. DA/277/AS/1
Business India
Krishna Villa
100 Park Street
Calcutta 700 017

We uphold every woman's right to exclusive taste.
Borosil Bake & Serve glass dishes. To raise your life above the ordinary. To make it a celebration.
You can choose from a number of different shapes and sizes. The pie dish. The casserole set. The mixing bowls. The cake dish. And many, many more still taking shape. So your dinner table can look just that little bit more interesting.
It's a woman's right.
BOROSIL®
BAKE & SERVE
IT'S A WAY OF LIFE
BOROSIL GLASS WORKS LTD.,
AN ASSOCIATE OF CORNING GLASS WORKS, U.S.A.


WHAT DOE
IN COMMO



SINTERING.

In both cases, there is a controlled temperature application for a specific period of time. But in the case of carbides for rock drilling, we are talking about a temperature range in excess of 1000°C, and far more complex controls.

At Sandvik, we fully appreciate the difference this could make at the macro level of rockdrilling. High drilling speeds. Higher operating pressures. Longer life.

ROCK DRILLING HAVE WITH BAKING A CAKE?

All leading to better drilling economy.

Whether it is soft overburden or hard granite. Water well drilling or mineral mining. The Sandvik carbide delicately balances the toughness-wear resistance values better than any other. By a number of technology inputs, including sintering.

That's right, this is process engineering at the frontier level. That's the level we're comfortable with at Sandvik Asia.

SANDVIK

SANDVIK ASIA LTD.

The Science. The Technology. The Commitment.

Dabbas, Bangalore style

In emulating Bombay, Bangalore has taken one more important step. On the heels of industrial expansion, pollution, parking problems, *bhel puri*, congestion, traffic snarls, *pav bhaji* — all a la Bombay — comes the quintessential Bombay feature, the *dabba*.

R. Chandramouli of Indira Nagar provides "Mouli's home made lunch". Chandramouli is a commerce graduate and has a diploma in computer science, but decided to dabble in *dabba* operations a year back. The client makes a refundable deposit of Rs.125 and each lunch costs Rs.6.60. The menu includes tongue twisters like *vetthakozhambu* and *morukozhambu* or there is avial, or elicheri. The sambar is not watered down. Though the service is currently confined to Indira Nagar and Mahatma Gandhi Road, Chandramouli obviously plans to expand operations because he has submitted a proposal for a Rs.2-lakh project to his bankers. Will the city also duplicate Bombay's unique dabbawalla network?

ARUN BHATIA, *Bangalore*

Ramayana at TTD

To relieve the tedium for devotees queued up for darshan at the Tirupati temple complex, the Tirumala Tirupati Devasthanam (TTD) had installed closed circuit TVs. During the long, shuffling wait — which lasts for eight hours at times — devotees could watch programmes of devotional music or dance.

In keeping with the new shape of things though, the TTD has now started playing videos of Ramayana, the TV serial epic. For the common man among the devotees at least, this should be a real boon, from TTD and Ramanand Sagar, ill-equipped as he is to appreciate the finer points of archanas and kirtanas.

UPADHYAYULU B.S. CHANDRA SEKHAR, *Tirupati*

Sacred polythread

The sacred thread worn by many Hindu men is a religious symbol. It is generally made out of handspun raw cotton. However the man who wears it finds it difficult to maintain the thread since it often snaps due to wear and tear and needs frequent replacement. And each replacement means another religious function. As we head into the twenty-first century, with technological innovations coming up every day, some Hindus in Madurai city in Tamil Nadu have introduced a thread

A sacred thread made of terry cotton fibre is now on sale in Madurai. The manufacturers claim that this thread lasts longer and is easily maintained. A set of three threads costs Rs.1.50 whereas the cost of the conventional thread set is Rs.0.50.

V. THIAGARAJAN, *Bangalore*

Conflicting interests!

In front of the eletricity office in our town is a board which exhorts citizens to switch off lights when not in use. In the same office, however, there is a 100-watt bulb which is always on, even though there is enough natural light during the day. When asked about it, an employee told me that it was kept on as an indicator of voltage fluctuations!

B. RAMA RAO, *Yemmiganur*

Arms and the nation

Consider the following; arms trade in the world in 1987 totalled $ 35.1 billion. The Third World made purchases equalling two thirds of that, or $ 24.7 billion. Of that, in turn, India spent $ 5.2 billion. Iraq, who was at war with Iran at the time, bought $ 3.5 billion worth of weaponry

These figures, recently published in the annual report of the Stockholm International Peace Research Institute (SIPRI), show that India was the largest arms importer in 1987. If not more — ie, apart from the multitude of moral, political and other questions that this gives rise to — at least we have one answer to how our already meagre foreign exchange reserves are down.

This age we live in!

Family man to friend: "Lisa is now 14 and quite grown up. So I bought her a TVS-XT."

Friend: "Is it 100 per cent IBM compatible?"

P.B. GURUDUTT, *Bangalore*

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs 50 paid for each published contribution

Cure for work

Japanese companies are taking steps to wean their employees from workaholism. STARTS, a Tokyo real estate company, with 400 employees, started giving their people an extra 1,000 yen for every day of paid vacation they actually took. But only four or five people take a vacation each month and most of the time, it is the women who take leave. Daiei, an Osaka medical equipment maker with 300 employees, has issued a company fiat that the management (36 people in all) must take 10 consecutive days of vacation at least once a year. They get 100,000 yen to spend when they do it, too. Daiei went on the five-day week, back in 1973. Mitsuwa, a Tokyo electric equipment manufacturer with 460 employees went on a five-day week from this June. They have had a "take your birthday off" programme since 1964; each employee receives on his birthday 500 yen for every year of age! Susumu Kogyo, a Kyoto electronics parts maker with 400 employees, gives 10-year veterans an extra five days and 20-year people an extra week's vacation. But the best part of all is the 600,000 yen bonus and free airline ticket to anywhere in the world on a person's fifteenth anniversary at the company.

After 10 years in the Long-Term Credit Bank, people can have an extra 30 working days off as study leave — paid, of course. Of these 10-year people, 53 per cent go on overseas trips, 28 per cent go on domestic trips, 2 per cent spend the time on hobbies and exercise, and 17 per cent study for specialist exams. The bank foots study bills upto 200,000 yen and so far every 10-year person has taken the extra time off.

R. RAGAVAN, *Bombay*

Unusual school

In the recently held all India competitive entrance examinations for the various IIT's and other engineering and medical colleges, students of the Sector 10 school, run by the Bhilai Steel Plant, secured 32 positions, the maximum from one school in the whole country. And this is not a flash in the pan — the school has been turning in similar performances for years, and setting some kind of a record in the process. Because of this, the school was the target of an investigation, a couple of years ago, to ascertain if any malpractices were contributing to such results. The investigators, however, did not find anything incriminating. The total number of students from the Bhilai Steel Plant township who have secured admission in medical and engineering colleges this year is around 300.

PUSHPINDER BAKSHI, *Durg*

Captive cup

If you ever visit the Seshasayee Paper and Boards Ltd .(SPB) plant at Erode (near Salem) in Tamil Nadu, you'll probably get a pleasant little surprise. Visitors to the plant are served tea in paper board cups styled in Origami, the Japanese art of paper modelling. Apparently, the employees of SPB use the waste paper board to make the cups. After use, the cups are repulped and recycled.

Luckily, for SPB, the excise authorities have not yet taken exception to this one instance of "manufacture for captive consumption"!

RAVI PADAKI, *Goa*

White business in the capital

All the concepts of marketing, business promotion, entrepreneurship, and managerial effectiveness — learnt otherwise at great cost by the sons of the rich at American business schools — are well used in the milk booths of New Delhi. An observer will notice how effectively the principles of time management and profitability are applied by small-scale industrialists who do "business in business".

While colony residents strive hard to maintain a queue to collect one or two litres of milk, our time-conscious manager steps into the scene, muscling past all those in the queue, with milk cans of capacities ranging from 10 to 20 litres. He — now playing the role of the situational manager — exercises his authority with coarse abuses, and silences the resisting public. If yet another well-built and stronger entrepreneur does manage to supersede him in the queue having adopted the same strategy, he protests and preaches discipline, murmuring at the same time, "There is absolutely no discipline in the country. God alone can save our motherland."

In the meantime, the babu in charge of the vending booth maintains the status quo by remaining silent. He, of course, is using the technique of management by indifference.

Going back to the time-conscious manager, who now turns entrepreneur: collecting milk from a number of booths, he optimises inputs by adding 40 to 50 per cent of water to produce value-added milk, of "superior" quality.

The adulterated milk is then delivered punctually at the doorsteps of citizens. The more enlightened among the latter seem to have carried out a cost-benefit analysis and concluded that the time wasted in the queue is costlier than the premiums they pay for "superior" quality milk.

Profit is estimated at Rs.5 to Rs.5.50 per litre of fresh milk. Thus, he can earn Rs.50 to Rs.100 a day. The investment required for this business is very small — about Rs.50. The business seems to be quite remunerative since within a short time of starting their business, one can see these promoters visiting the milk booths on new scooters or motorcycles, with huge cans.

G.G. RAJAN, *New Delhi*

Starting from square one

The following comments on the Soviet Union by D.C. Kothari, prominent industrialist, appeared 25 years ago in the *Economic Times*.

"The Soviet Union," he said, "is drifting from its original path of uncompromising Marxist-Leninist communism to a course of realistic revisionism.

"This drift," he added, "is exemplified by the remarkable disparity in emoluments and status among the workers, the attempt to provide them with an increasing variety of the comforts of life, the recognition by the state that incentives are necessary for better efforts on the part of human beings.".

AN ELECTRONIC TYPEWRITER SO ADVANCED, IT CAN EVEN CHECK YOUR SPELLINGS

ACN. INDIA'S ONLY ELECTRONIC TYPEWRITER WITH THE SPELL CHECK.

Buy an ACN Electronic Typewriter and you will never make a spelling mistake again. Because the moment you do, the ACN Spell Check will stop you. Then refer to its mammoth, over 80,000 word dictionary and, before you know it, correct the mistake.

Now imagine how it can improve the efficiency of your office. Give you clean, crisp, flawlessly typed documents. Even when you're rushed for time.

After all, it's technology from Nakajima All, Japan. The world's largest electronic typewriter manufacturer. The technology behind the success of best-sellers like Triumph Adler, Smith Corona, Sears, Olympia and now ACN.

ACN
FROM
NAKAJIMA ALL, JAPAN.

INTERNATIONALLY, THE BEST.

For further information, contact Auto Controls Private Limited, 414, New Delhi House, Barakhamba Road, New Delhi-1. Tel.-331 0137, 331 6464. No. 12, Embassy Centre, Nariman Point, Bombay-13. Tel.-23 4424, 492 7125. S-1, Stephen Court, Park Street, Calcutta-16. Tel.-29 1759. 4, Parsan Menere, 602, Anna Salai, Madras-6. Tel.-47 6723. Natraj Complex, 9, Residency Road, Bangalore-25. Tel.-57 8846. 1108, Sector 35C, Chandigarh-1.

Enterprise D A

All sewn up?

Have the Chhabrias sewn up the battle for Gammon? Does Subba Rao, the long time Gammon chief have a chance?

It is reported that the Chhabrias will have a 33 per cent block of shares in the company by the time they are done. They have already bought a 13 per cent shareholding from the Gammon family, have picked up another 10 per cent from the market and are expected to pick up yet another 10 per cent.

Subba Rao claims to have had the support of 41 per cent of the shareholding in the company at the last annual general meeting. That was before the Chhabrias had begun their buying spree.

Subba Rao has made it amply clear that he does not intend to transfer the Chhabria shares. In his view, since they intend to take over the company, he is fully justified in his actions.

With the current 'liberal' policy towards takeovers it is unlikely that the company law board will take kindly to such a refusal by a chief executive.

A pitched battle between the two seems inevitable.

Is Delhi a must?

Ashok Goenka, chairman of the General Insurance Corporation, has been continuing on a virtually day-to-day basis, ever since his term expired almost two months ago.

Apparently Goenka has adopted too low a profile, and not pushed hard enough and therefore his situation was literally forgotten. Reportedly his extension till he retires early in 1991 is likely to come through.

The government took several weeks to give Nadkarni of IDBI his five year extension. Surely the finance ministry knows when the terms of the heads of the most important financial institutions expire.

Or is visiting Delhi a must?

Three tiers for the market

The age of multiple level primary and secondary market is not far away. According to knowledgeable insiders, the Bombay Stock Exchange (BSE) commissioned a report on the possibility of introducing multi-tier stockmarkets in India. The study was undertaken by the Bombay branch of the international accounting and management consultancy firm, Arthur & Andersen. Entitled "A report on the multi-tier market structure" it recommends two and half levels in the stockmarkets roughly corresponding to an over-the-counter market, an unlisted securities and a market with full listing which exists currently.

Reports indicate that the BSE has accepted the recommendations. These have now been forwarded to the ministry of finance, whose reactions are awaited.

World links

Air-India is planning to join hands with one of the four computerised reservation consortiums in order to protect its yields. The airline business worldwide is increasingly becoming dependent on sophisticated computerised reservation systems. This allows travel agents from all over the world to access the airlines' booking system directly. Several European and Far East carriers in recent years have collaborated to develop reservation systems, with esoteric names like Galileo, Amadeus and Abacus. Air-India officials feel that in the next five years any airline would have to necessarily depend on such systems for a substantial portion of business. Rather than develop an independent system which would cost tens of millions of dollars its much cheaper and quicker to plug into an existing network.

Going great guns

Since R.P. Goenka's loss of Dunlop, he has developed a large appetite for new acquisitions. Clearly not satisfied with Harrisons Malayalam, ICIM and perhaps General Foods (see *Business India*, 3 October, 1988), Goenka continues to look for new alliances.

As part of the Dunlop deal, Chhabria has had to bow out of Bayer and Goenka has taken over his share. While the Germans have over 51 per cent, there were two Indian groups earlier represented on the board. Now there will be only one. Goenka has taken over the Raychem company in India. Earlier this was a small professionally run company that ran into problems inspite of the backing of the American giant. Raychem sells a variety of hi-tech products to a wide spectrum of organisations from ONGC to BEST.

Inspite of all these deals, merchant bankers in Bombay know that Goenka is happy to look at more companies still.

Vimal again and again

Not satisfied with the L&T coup, (*see Cover Story*), the Ambanis have done it again. This time with Wang computers, from Boston, USA.

It is well known that Wang has been looking at setting up a manufacturing facility in India. But having had problems in China with a local company, Wang only wanted to offer a technical collaboration without an equity commitment.

The others in the race were the Thapars and Ashok Birla. The Ambanis are apparently quite happy to do business on Wang's terms. A few years ago Reliance was considering a tie-up with IBM but Big Blue's terms were believed to be stiff.

The flow continues

There seems to be a new entrant into the detergent business almost every month. The latest company that has decided to join the flow is Henkel, the West German chemical giant.

Their partners for this new venture will be Tamil Nadu Petrochemicals.

Speculation continues

Some of the top economic and financial slots have been finalised recently, with Bimal Jalan going to the IMF, Arjun Sen Gupta continuing at the IMF as special advisor to the IMF chief, Montek Ahluwalia continuing at the PM's office, and Nadkarni being extended for five years.

But speculation still continues about a few other jobs. Inspite of vehement denials by all, reportedly Malhotra may not remain as Governor at the Reserve Bank much longer. It is said that his wife Anna, also a senior IAS officer, currently chairman of the Nhava-Sheva Port Trust in New Bombay is likely to go to GATT in Geneva. Malhotra himself may then also get a prestigious overseas assignment. D.N. Ghosh of State Bank who has been both a bureaucrat and a banker is being tipped to be the new Governor.

And who will take his place? Reportedly none other than Ratnakar former chairman of Canara Bank who has been waiting in the wings to be called for a larger assignment

Camdessus delivers Deshmukh lecture

Speaking at the Reserve Bank's fifth C.D. Deshmukh Fund Memorial Lecture in Bombay on 4 October 1988, Michel Camdessus, managing director of the International Monetary Fund, expressed appreciation of Deshmukh's support of multilateratism. Camdessus spoke on the evolving international monetary situation, focusing on the stability of the exchange rate, the role of the SDR and symetry of adjustment.

Speaking about the stability of the exchange rate, Cam-

Camdessus: India has been cautious

dessus said that while volatility in exchange rates had "prompted nostalgia, a return to the Bretton Woods system is not feasible in a world in which capital markets are the prime determinants of exchange rates, and in which governments are no longer the dominant actors they once were in international financial markets". Camdessus however stressed that there was a need for the development of international co-ordination on economic policy similar to that being practised by the group of five or the group of seven.

Speaking about special drawing rights, Camdessus said that they were created with two basic purposes in mind, as a supplement to existing reserve assets and to serve eventually as the principal reserve asset of the international monetary system. The SDR is still not used as a medium of exchange, though it is used to some extent as a unit of account. There is no broad support among the Fund's membership to add to the stock of SDRs and it is unlikely that the SDR is likely, in the short run, to become the principal reserve asset of the international monetary system.

Camdessus complimented India on its cautious financial policies which has enabled it to avoid debt-related problems, but he stressed the need for responsibility of economic adjustments to be shared more equitably worldwide and thus made more manageable.

Rupee-rouble exchange rate revised

The exchange rate between the Indian rupee and the Russian rouble has been revised to Rs.16.8969 per rouble with effect from 7 October 1988. The earlier rate was Rs.16.3924 per rouble.

The revision is in terms of the protocol signed between the governments of India and the Soviet Union on 25 November 1978, providing for periodical adjustments in the rupee-rouble rate on the basis of changes in the value of the Indian rupee in terms of the multi-currency basket.

US considering request for super computer

The United States has informed India that its request for a second super computer was being processed expeditiously contrary to reports suggesting that Washington had reservations about safeguards to ensure that the technology is not passed on to other countries

India's request for the $ 15 million YMP-132 supercomputer was among the subjects discussed at an hour-long breakfast meeting in New York between external affairs minister P.V. Narasimha Rao and the US secretary of state, George Shultz.

CSIR's risk report on Hazira in

The Council of Scientific and Industrial Research (CSIR) last fortnight presented the risk analysis report on the Hazira gas processing complex to Col. S.P. Wahi, chairman, Oil and Natural Gas Commission. The study, a culmination of six months of efforts by five CSIR laboratories has identified parts of the complex prone to hazards, predicts frequency of failure of equipment and determines risk potential. The report suggests measures to mitigate risk, and improve general safety and reliability of the complex. It also suggests plans to deal with emergencies effectively to minimise damage to human life and environment.

BHEL bags Malaysian order

An export order worth Rs.5.56 crores for setting up 132 KV substations in Malaysia has been bagged by the state owned Bharat Heavy Electricals Ltd.

The contract awarded by National Electricity Board, Malaysia, envisages installation of one substation each at Upper and Lower Sungai Piah Hydro Station. It involves supply, erection and commissioning of generator transformers, circuit breakers, power cables and other auxiliary equipment. The work is scheduled for completion in 1991-92.

BHEL will set up two substations in Malaysia

India joins tea cartel

India and Sri Lanka have agreed in principle to rejoin the International Tea Promotion Association (ITPA) from which they had withdrawn in 1984 and 1983 respectively. The association will tackle the task of generic promotion of tea. It is also expected to encourage co-operation among producers and exporters in the related sphere of production, quality and unrealisation.

ICICI raises marks from DEG

The Industrial Credit & Investment Corporation of India (ICICI) has signed an agreement for a line of credit of DM 25 million from Deutsche Finanzierungsgesellschaft fur Beteiligungen Entwicklungslandern GmbH (DEG). This is the first such credit made by DEG to any Indian financial institution. The proceeds will be utilised to finance imports by Indian co

panies in which DEG has equity participation. The credit will be for a period of 8 to 12 years. The interest rate will be linked to the rate for German bearer bonds fixed for each sub-loan.

DEG is a German financing and consultative institution for direct private investments in developing countries. The sole shareholder is the Government of the Federal Republic of Germany. DEG finances private joint venture companies in developing countries through equity participation and long term loans in accordance with its general financing policy.

India at Automechanika '88

The Indian contingent at the Automechanika exhibition at Frankfurt is one of the largest ever, with 27 individual companies taking part. The exhibits will be a wide range of vehicle components like leaf springs, radiators, rubber and rubber to metal bonded parts, automotive fasteners, lamps and bulbs, brake parts, propeller shafts, fuel pumps, cables etc. which have been successfully introduced in the industrialised markets of the world including the Federal Republic of Germany.

The Indian exhibitors at the Automechanika 1988, apart from seeking to increase their exports in the European market, will also be looking at the possibilities of technical tie-ups with European firms.

Federation for EPZs

The individual associations of the six export processing zones (EPZs) in the country have joined forces to form an apex body — the Federation of Indian Export Processing Zones' Industries Association (FIEPZIA). The intention is to identify common problems and to evolve a national approach to the development of the zones which have to function in an international environment.

FIEPZIA will act as a data information center for the industries in the zones in order to guide and assist new entrants. The federation will also bring out bulletins and newsletters periodically, in order to communicate developments in India and abroad.

Changes in MRTP

The industry ministry has refused to raise the asset limit of MRTP undertakings from Rs.1 crore to Rs.5 crores. The refusal is based on the "liberal" licensing policy recently extended to the industries. The ministry however, has accepted two other amendments proposed by the company affairs department. Henceafter, companies who manufacture items based on indigenous R&D will be exempted from Section 22A of the Companies Act.

NEC bags telecom contract

The World Bank-aided contract for supply of optical cables and associated equipment has been awarded to Nippon Electric Company (NEC) of Japan by the department of telecommunications (DoT). Notice for international competitive bidding for the contract was issued in March 1986. Out of the 18 companies who had quoted for both equipment and optical cables Fujitsu of Japan emerged the lowest bidder followed by Ericsson of Sweden and the NEC.

The latter, however, questioned the DoT's evaluation of tenders and lodged a protest with the World Bank in early 1987. Consequently, fresh tenders were invited and the NEC thus bagged the contract on 9 October 1987.

Deemed exports benefits for medical electronics sought

The department of electronics (DoE) has put forward a proposal to grant deemed export benefits to domestic manufacturers of items which are not being produced in the country or those which are allowed to be imported at concessional rates of duty.

Medical electronics: deemed exports status

Addressing a workshop on policies and procedures in electronics, K.P.P. Nambiar, secretary, DoE, said that to start with the scheme would be restricted to the manufacture of medical equipment only. Depending on its functioning it would be later thrown open to other items which would attract a low rate of duty.

Action plan to boost revenue

The income-tax department has launched an action plan to maximise collection of revenue and dispose of all assessments by the end of 1988-89. Speaking at a recent conference of chief commissioners of income tax in New Delhi, the union finance minister S.B. Chavan said that every rupee of assessed demand should be collected under the action plan. He asked officials to give top priority to the need for finding ways and means of augmenting revenue. They should strive to take income-tax revenue to a commanding position in the overall direct and indirect collections, he said. According to Chavan, 1.2 million people had been brought within the tax net following the survey work initiated in 1986-87. The growth of income tax revenue was however not commensurate with the growth of economic activity, he said.

Urbanisation report released

The final report of the national commission on urbanisation has stressed on improving and upgrading slums, increasing shelter and conserving the existing housing stock. The report has recommended that the high prices of the land be reduced down to the production costs. It also recommended provision of housing finance at interest rates lower than commercial rates with 20 to 30-year repayment periods.

Indo-Pak chamber of commerce to be established

India and Pakistan will soon set up a joint committee of the chambers of commerce and industries of the two countries to give a fillip to bilateral trade, according to commerce minister Dinesh Singh, who was in Islamabad last fortnight to attend the GATT trade ministers' conference. Singh said that the Pakistani president Ghulam Ishaq Khan had agreed to such a committee.

The idea was first mooted by leading traders of Pakistan during the meeting of exporters and importers addressed by Singh in Islamabad. He held three separate meetings, first with Pakistani commerce minister, Mehboob Ul Haq and his officials, second with Pakistani traders, exporters and importers and industrialists, and third with Ishaq Khan.

Sales tax exemptions struck down

The Supreme Court has struck down total or partial sales tax exemption granted by three states to local manufacturers of television sets. Under the exemptions granted by Rajasthan, Madhya Pradesh and Andhra Pradesh local manufacturers of TV sets did not have to pay any sales tax while those with manufacturing units outside these states were required to pay the tax. A division bench comprising Justice Sabyasachi Mukharji, Justice M.H. Kania and Justice S. Rangnathan, while striking down the exemptions, said that while past transactions would not be affected, sales tax would be payable at a uniform higher rate on all TV sets from 16 September 1983.

Gramophone Co of India to manufacture CDs

The Gramophone Company of India (GCI) decided to set up a compact disc (CD) manufacturing plant at its Dum Dum factory at a cost of Rs.3 crores. After years of non-profitability, this would be the first major hi-tech diversification undertaken by GCI. The plant is being set up under the "project development scheme" under which companies seeking expansion and modernisation are entitled to import capital goods up to an upper limit of Rs.2 crores (exclusive of import duty). The plans will initially produce 12,000 CDs a month and later increase production to 30,000 CDs a month. Aiming to attain complete indigenisation in about two years, the company hopes to achieve a turnover of Rs.30 crores by 1989.

Foreign CDs: GCI will soon follow suit

CPI base change mooted

The labour minister Bindheshwari Dubey said it would be desirable to change the base year for the consumer price index for industrial workers from 1960 to 1982 so as to adequately reflect the actual consumption pattern of the group as revealed in the survey conducted in 1981-82. Presiding over the last national level tripartite meeting on the new series of index numbers with base year 1982, Dubey said the existing series had become unrealistic as it depends on a base year which was nearly three decades old.

Sardar Sarovar project cleared

The controversial Sardar Sarovar project on the Narmada river in Gujarat has been accorded investment clearance by the Planning Commission. Conceived nearly four decades ago, the largest river valley scheme in the country has generated severe criticism from environmentalists for its ecological implications. The planning minister, Madhavsinh Solanki, said that the clearance was subject to the state government complying with the conditions laid down that take into consideration the environment implications.

The first phase of the Rs.6,406.04 crore World Bank assisted project would take six years to complete while the entire project would take 17 years for completion. Encompassing one of the largest canals in the world, the project would take the water from the Sardar Sarovar near Baroda to the dryland areas of Saurashtra and north Gujarat regions.

Peugeot engines for Allwyn Nissan LCVs

Mahindra and Mahindra is developing a new engine in collaboration with Peugeot of France. The engine will be used in Allwyn Nissan vehicles. The new engine — the XD-3 — which belongs to the same family as those used on Mahindra's diesel jeeps is likely to be indigenised within about three years.

M&M-Peugeot engine soon

BIFR backs rehab plan for Titaghur Paper

The Board for Industrial and Financial Reconstruction (BIFR), which was reluctant to recommend the liquidation of the Titaghur Paper Mills, is backing a company proposal for a Rs.78-crore rehabilitation package. The board feels that TPM is part of a core industry, and needs to be kept alive in the public interest. At a meeting on October the board considered various problems of this sick unit and decided to approach the agencies concerned for revival of the company.

Moser-Baer launches floppy disk

Moser-Baer (India) Ltd, a new company, is marketing floppy disks under the Xydan brand name manufactured in technical collaboration with Xidex Corporation, USA. Xidex manufactures Dysan, one of the best-selling floppy disks in the world.

Take the world in your stride.

dinesh

Exclusives ▲ Suitings ▲ Co-ordinates ▲ Safaris

The choice of leading fashion houses internationally.

Woolmark
HI-COMFORT WOOL

everest/88/SDM/29

SUPPORT SYSTEM

800 COMPUTER PROFESSIONA

As you venture further into the vast and mercurial world of computers, take a closer look at the company you keep.

Does it offer you anything more than standard systems and software? Promise to support you with any special services? Develop for you specific computerisation, expansion or upgradation plans? Or actually design products for you?

Chances are that it doesn't. If you're not with PCL, that is.

Re-defining the scope of support services

At PCL, support doesn't merely mean after sales service. It is concern that starts even before you place an order with us. We help you assess your hardware needs. Choose software packages that are ideal for your operations. [Or even develop customized software for you.] Train your personnel on computer utilisation and get your computer centre on the go!

And that's not all. Our major investment in terms of time, money and manpower has been in the area of research. Developing hardware and software products with state-of-the-art information technology. Ha special focus on systems based on the world's most powerful chips 68030, 68000 and 80386 working in environments like UNIX, XE and IRMX. In areas like porting exercises, the update and modifica of operating systems, terminal emulation, local area networking, process control, and data acquisition and message switching syst amongst many others.

Meeting industry-specific needs with special products and service developed for segments like defence, education, steel, railways, petroleum, chemicals, etc.

Exploring the true potential of UNIX

PCL is one of the few companies whose work in UNIX, the ope system of the future, has yielded some dramatic results. A whole of software for scientific, research and engineering applications CAD/CAM/CAE. Special tools and 4 GL packages to help you cre your own application software. And a host of compilers/utilities

ROM PCL

NATIONWIDE

make communication, text processing, database management and other business applications simpler under UNIX.

In addition, we are working on new operating systems and system bridges that aim to combine the advantages of MS-DOS and UNIX. To give you the best of both environments : one simple and popular, the other powerful and versatile. So that your PC, besides working independently, will also be upgradable to one that can work intelligently in a multi-user UNIX environment. Having transparent access to the resources and power of UNIX. Even while retaining the use of the vast library of MS-DOS software.

The proof is in the performance

Our foresight, research and development notwithstanding, at PCL we believe that the day-to-day proof of our service expertise lies in the uptime we manage to maintain on our installations. And that, we are proud to declare, stands at a phenomenal 99.8%!

Add to that the perfect coordination between our service groups – Customer Services, Application Support, Systems Engineering, Industry Marketing and Customer Engineering – and you will understand how we manage to offer all the services outlined above.

And the reason why about 70% of our customers always come back for more! Will the competition ever catch up?

UNIX, XENIX/MS-DOS and IRMX are trademarks of AT & T, Microsoft and Intel respectively

PCL

India's fastest growing computer company.

Corporate Office:E-46/10, Okhla Phase-II, New Delhi-110 020. Tel:6837379, 6841860, 6841864, 6846472. Tlx:031 75163 PCL IN

If you travel Executive Class in the air, shouldn't you stay Regency Class on the ground?

At Hyatt Regency Delhi, the book of hospitality translates into the global language of business travellers.

The Hyatt Business Centre, replete with hi-tech facilities, awaits your urgent command. With personal computers, telex and telefax machines, and a discreet secretarial service in attendance.

For those of you who wish to fly higher still, the Regency Club presents an entire floor of corporate luxury.

Thoughtful little touches like special elevator passkeys, a concierge service and personalised stationery complement elegantly appointed rooms and suites. While an exclusive lounge and a conference room complete the ideal executive environment.

If a workout is part of your daily schedule, step into the Hyatt Fitness Centre. A nine-station multi-gym, jacuzzis, chill pools, saunas, steam baths, massages and a swimming pool rejuvenate your tired muscles. While tennis courts beckon the sports-minded.

Four restaurants pamper the executive palate. Valentino's serves the flavours of Italy. Pearls, authentic Chinese. Aangan is a taste of India. While Cafe Promenade brings you the world.

At the end of a long, hard day, unwind at the million-dollar club discotheque, Oasis.

You'll soon find that Regency Class at Hyatt Regency Delhi takes on a special meaning. Hospitality redefined for business travellers.

THE HYATT TOUCH™

HYATT REGENCY DELHI

Bhikaiji Cama Place, Ring Road, New Delhi 110 066. Tel: 609911. Tlx: 031-61512 HYT IN. Fax: 678833

For reservations at any of 44 Hyatt International Hotels or 89 Hyatt Hotels in North America, call Hyatt toll-free, or your travel planner.

Indo-Gulf Fertilisers on stream

The gas-based fertiliser complex of Indo-Gulf Fertilisers & Chemicals Corporation Ltd set up in Jagdishpur in Uttar Pradesh has been commissioned ahead of time at a lower cost than projected.

The complex is designed to produce 445,000 tonnes of ammonia per annum, which will be converted into 726,000 tonnes of urea.

Natural gas supplied by Gas Authority of India through the HBJ pipeline is used as feed stock for manufacture of ammonia and urea. The fertiliser complex has its own power generating station to meet its full power requirement.

The technical know-how for the ammonia plant has been provided by Haldor Topse As of Denmark and for the urea plant by Snamprogetti SpA of Italy.

Munshaw Exports holds seminar in Brno

Brno Engineering Fair is an annual international event in Czechoslovakia which attracts exhibitors from many countries. Technical seminars are also held during this fair.

Munshaw Exports of Bombay conducted a technical seminar in Brno on 20 September on the textile bleaching, dying printing and finishing machines manufactured by SLM-Maneklal Industries, Bombay.

The seminar has created renewed interests in Czechoslovakia about Indian textile machinery.

Mather & Platt bags Rs.1-crore export order

Mather & Platt, in its drive to secure export orders, has been successful in getting a bulk order for supply of plurovane pumps and impellers from Peacock Inc, Ontario, Canada worth Rs.1 crore.

Recently, the company also secured a order for design, manufacture, supply, erection, testing and commissioning of 8 CCW pumps from Maharashtra State Electricity Board for its Chandrapur Thermal Power Station worth Rs.3.5 crores.

Elkem introduces wear-resistant material

Elkem Metallurgy Ltd, a company specialising in the field of electric smelting furnaces and allied equipment is diversifying into related areas.

Micro silica is used in various industries such as construction, refractory, power, mining, and general engineering. The Elkem microsilica has physical and chemical characteristics which enhance a vast range of concrete, refractory and polymer products.

DIARY

DATES	SUBJECT	ORGANISER	VENUE
24-29 Oct	**Programme on Export Marketing and Trade Development**	Administrative Staff College of India, Bella Vista, Hyderabad 500 049 (Tel: 36952, 36956)	Bella Vista Hyderabad
24-29 Oct	**Seminar on Software Programme Management**	Industrial Techno-Economic Services P Ltd, 7, Community Centre, East of Kailash, New Delhi 110 065 (Tel: 6432335)	Bombay
25-29 Oct	**Second National Convention on Quality Circles**	National Convention on Quality Circles, C/o. Modi Rubber Ltd, 6th Floor, Hemkunt Tower, 98 Nehru Place, New Delhi 110 019	New Delhi
26-27 Oct	**Opportunities for Joint Ventures for Small and Medium Size Industries**	Bombay Management Association 9, Poddar House, Netaji Subhas Road, Bombay 400 020	Hotel Oberoi Towers, Bonbay
26-28 Oct	**Workshop on "Achieving Cost Reduction....and Better Value"**	Crave Services, 835, Anubhav, VI Cross, Indiranagar Stage Two, Bangalore 560 038 Tel: 560 332	Hotel Abad Plaza, Cochin
27-28 Oct	**Technology Transfer and Industrial Licensing**	Creative Communication and Management Center, 2nd Floor, Raja Bahadur Mansion; 8 Ambalal Doshi Marg, Bombay 400 023 Tel: 273006	Hotel Oberoi Towers, Bombay
28-29 Oct	**International Capital Markets, Trends, Developments, Innovations and Prospects**	Bombay Management Association, 9 Poddar House, Netaji Subhash Road, Bombay 400 020 Tel: 2047650, 2049698	Taj Mahal Hotel, Bombay
30-31 Oct	**Managing the Nineties**	Symbiosis Institute of Business Management, Senapati Bapat Marg, Pune 411 004 Tel: 2047650, 2049698	Hotel Sea Rock Sheraton, Bombay

P.P. GUPTA

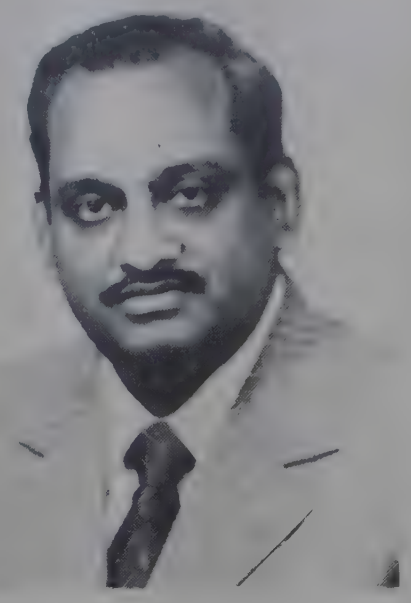
CMC Ltd has bagged a major Rs.10.3-crore order from the Nhava Sheva Port Trust (Bombay's new port now under construction) to implement the central computer system for the port's container terminal. CMC

outbid five other companies (two of them Indian) for the order.

This is the second World Bank-funded project that CMC has bagged; in 1986 it was hired to provide consultancy services for the Narmada project, says P.P. Gupta, chairman and managing director of CMC. The Nhava Sheva order is a breakthrough for the Indian computer industry. "It proves that we are more than capable of executing complex projects in the information technology business."

NARESH K. BAJAJ

Given the growing demand for processed foods in the country, it comes as no surprise that companies are diversifying into this area. "We felt that there was a demand for processed foods and this was borne out by a market survey," says N.K. Bajaj, chairman and managing director of Amrit Banaspati Company Ltd, which is one of the largest vanaspati manufac[illegible] in the country. In 1978,



the company had a sales turnover of Rs.149.24 crores (nine months) with a profit before tax of Rs.3.91 crores.

Bajaj is now promoting another company, Amrit Protein Foods Ltd, located at Ghaziabad which is expected to go public in December 1988. Amrit Protein will produce paneer, desserts, etc, from soya milk. The project will cost Rs.14.5 crores to put up of which Rs.5.83 crores will come from equity and the balance from term loans. The promoters will contribute Rs.3.36 crores.

N.S. KUMAR

A technocrat with 17 years of experience in the electronics industry, both in India and abroad, N.S. Kumar is a co-promoter of a Electro Scan India Ltd (ESIL), a joint venture project which will produce line output transformers (LOTs) for colour TVs with Electronics Corporation of Tamil Nadu (Elcot); Plessey SpA of Italy is the foreign collaborator.

The LOT is a critical component and most of the requirement has so far been imported. Kumar expects a good market for his products. "In fact, our capacity will meet only 30 per cent of the projected demand for 1990," he says. According to Kumar, ESIL has already received encouraging enquiries from TV manufacturers. The company expects to achieve a turnover of Rs.2.5 crores in the first year of production and Rs.6.4 crores in the fifth year.

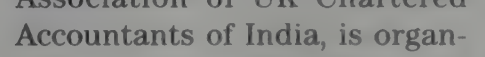
JAGDISH ANAND

Jagdish Anand, president of the Association of UK Chartered Accountants of India, is organising a three-day conference in New Delhi, beginning 16 November to identify ways in which the accounting profession can promote bilateral trade, joint ventures, foreign investments, transfer of technology and other commercial transactions.

According to Anand, the conference, titled "A Conclave of Financial Minds", will "reflect a breeze of liberalisation in economic administration which is now blowing over the globe".

A large number of chartered accountants are expected from the SAARC countries, which together have more than 850 UK-qualified chartered accountants — India tops with 481.

The conference is expected t promote awareness of the over all economic and commercia conditions prevailing in the re gion. It is hoped that this wi result in the development of permanent forum to exchang professional experience and ideas and identify areas of co operation and specific projects



S.N. KHAITAN

"SWIL's Rs.20-crore modernisa tion cum expansion scheme wil increase the company's turn over to Rs.100 crores within five years," says S.N. Khaitan, chair man. The Calcutta-based com pany of the Satya group manufactures speciality compo nents for the paper industry and non-ferrous strips and wires.

The plant at Uttarpara, We Bengal will be modernised t produce high-grade double layer synthetic fabrics for con sumption by the newsprint an paper industry. SWIL is also se ting up its own machine build ing division at Uttarpara i collaboration with Megathen of West Germany. A big expan sion programme has bee chalked out for the non-ferrou division at the company's stri plant at Nasik.

SWIL enjoys the distinction o being the first company in th eastern region to install an im ported robot. The company al has plans to produce robots in digenously.

LARRY DICKENSON

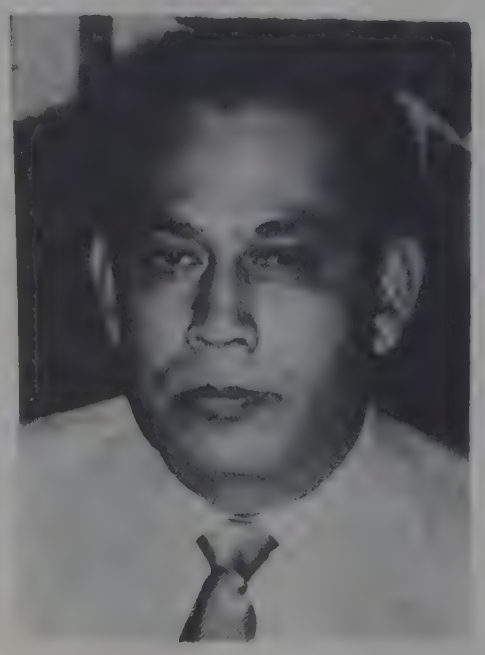
According to Larry Dickenson, vice-president, international sales, of the Boeing Commercial Airplane Company, India is emerging as a major market for commercial aircraft. "It's a booming market here. Even substantial additions to capacity are proving inadequate to cope with the growth in traffic," says Dickenson. Evidence of the importance that Boeing attaches to India is that two senior managers of its international sales division, Keith Bergstrom and Dinesh Keskar, have been given exclusive charge of India.

Dickenson feels that the Boeing product range fits neatly into the fleet requirements of Indian Airlines and Air-India. But so far Airbus Industries ap-

pears to have had a stranglehold on the Indian market. Dickenson argues that the 747-400 which goes into service shortly (with a record 153 orders on hand) and the 737-400/500 more than match the requirements of Air-India and Indian Airlines. "That is why we have launched a major sales effort."

ABUL AHSAN

Abul Ahsan, secretary general of the South Asian Association for Regional Co-operation



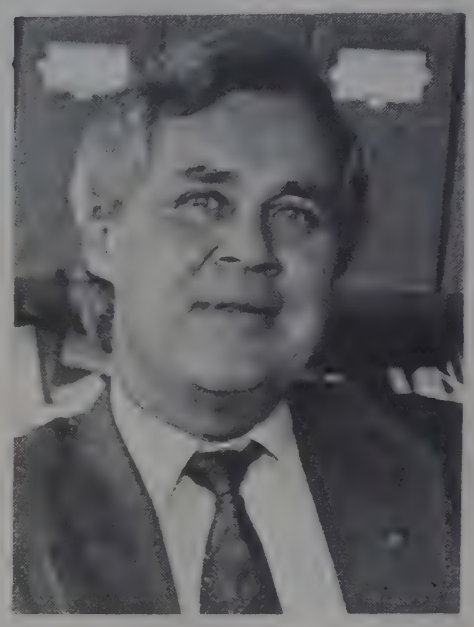
(SAARC), spoke recently at the Indian Merchants' Chamber in Bombay on SAARC's current activities and future prospects. "Although SAARC's achievements so far have been modest, its current objective is to provide only the framework within which discussions can be held," he said.

SAARC had been conceived along the lines of the European Economic Community (EEC), but, according to Ahsan, it was too premature to expect the same level of interactions among SAARC's member countries because of the historical and cultural background.

"SAARC's approach has been to start with non-controversial issues," said Ahsan. Issues such as non-aggression pacts between member countries and water-sharing were not within the purview, and had to be handled at the level of the heads of state, he said. An important issue under discussion is intra-regional trade and the possibility of organising "import substitution on a regional level", he said.

E. R. EVASON

E.R. Evason, president, Society of the Plastic Industry of Canada, was in the country on a fortnight's "exploratory" visit. He headed an eight-member delegation that consisted of representatives of the Canadian plastics industry and the Ontario government. Over 63 per cent of Canada's plastics industry is concentrated around Ontario and reported total sales of Canada $ 15 billion in 1987. It is the fourth largest manufacturing industry in Canada and, according to Evason, will continue to grow through the nineties at twice the country's GNP rate. "So," he says, "the Canadian plastics industry has much to offer India in terms of technology as well as commodity products."



Currently, India's imports of plastic products from Canada is negligible. Considering that in 1988-89 the country's import bill on polymers is expected to be as high as Rs.1,400 crores, Evason sees tremendous potential. "Canadian production of commodity resins is six or seven times the country's requirements. There is export potential here.

ANDREW LAI

"The market for local area networks (LANs) is growing at over 120 per cent in Asia, and India may be part of the coming boom," says Andrew Lai, Asia-Pacific chief of Novell Netware Inc, the world's largest LAN company. "Our networks are already operations at key Indian companies like MTNL, SAIL, Escorts and Rallis."

In India to formally announce a tie-up with Bombay-based Zenith Computers Ltd, Lai said the company offered three types of LAN for users: EOS (entry-level operating system), SFT (system fault tolerance) and advanced netware.

"We picked Zenith for a partner," says Lai, "because of its country-wide support base, high quality of technical talent and a firm commitment to adhere to our standards of servicing."

Novell controls 60.8 per cent of the LAN market in the US alone," says Lai. "This compares with 19.9 per cent for IBM.

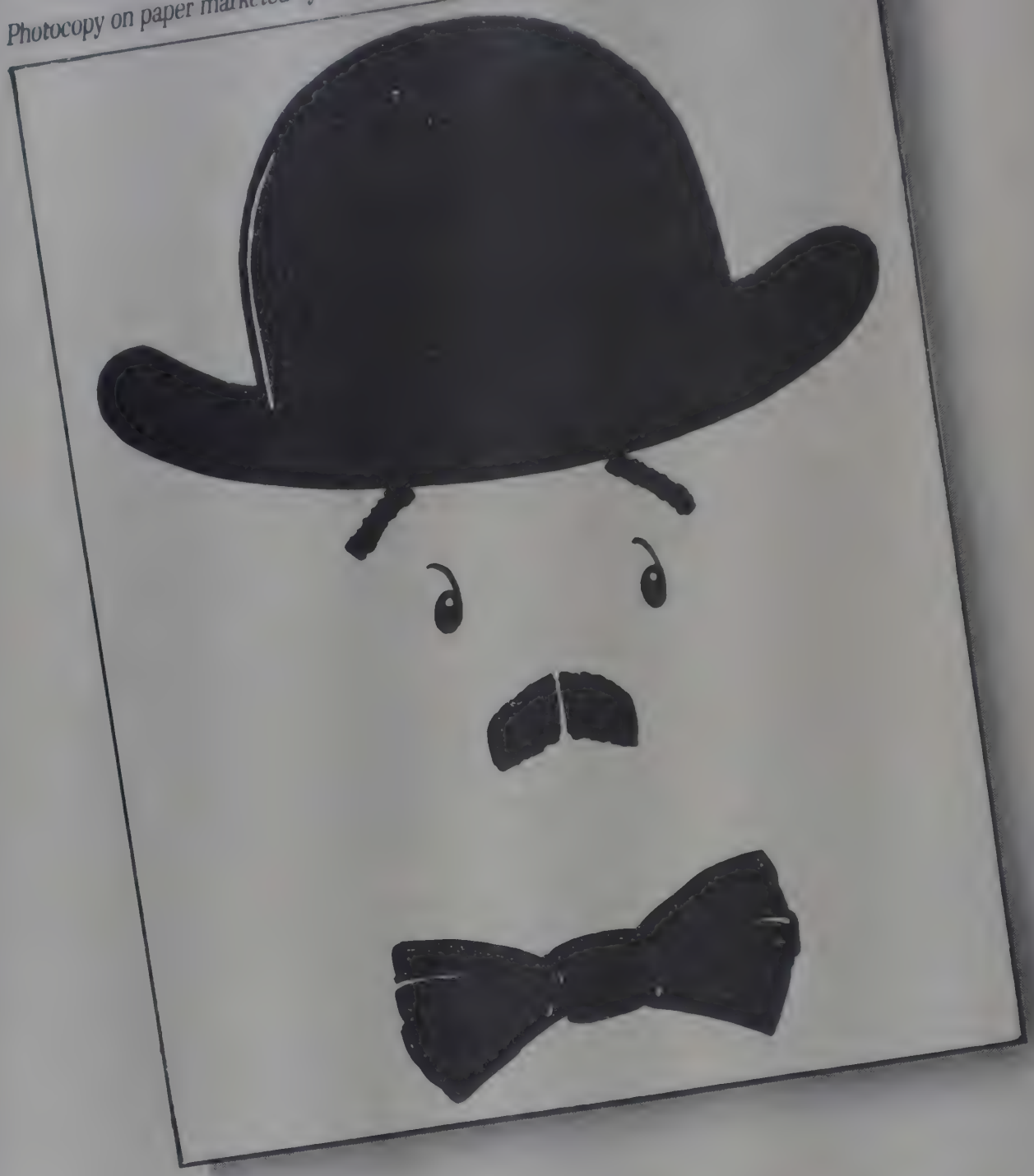
ADAM OSBORNE

"It should be possible for India to be the next Korea," says Adam Osborne, the head of Paperback Software International. Osborne was in India to give a series of lectures sponsored by the National Institute of Information Technology, on the microcomputer revolution.

Unlike Japan or South Korea, there is a large group of English speaking programmers in India who would have no problem in understanding the requirements of the US market, said Osborne. But he felt that India needed to make the transition from shipping programmers to the US to exporting software.

Paperback Software had a turnover of $5 million in 1987, and specialises in marketing low cost, high value software for IBM personal computers. Osborne is more well known as the founder of Osborne Computers which manufactured the worlds first portable computer. The company collapsed in 1983

Photocopy on paper marketed by a leading copier manufacturer.



Any resemblance between

The photocopies above look similar, don't they? They should, because the one on the left has something seemingly in commo with the one on the right, on Sunshine Copier Paper.

In both, the surface has been specially treated to protect the most critical and expensive part of a copier, the drum (Sunshi Copier Paper is 'surface-sized' to eliminate 'fluff' and is that much better for your copier).

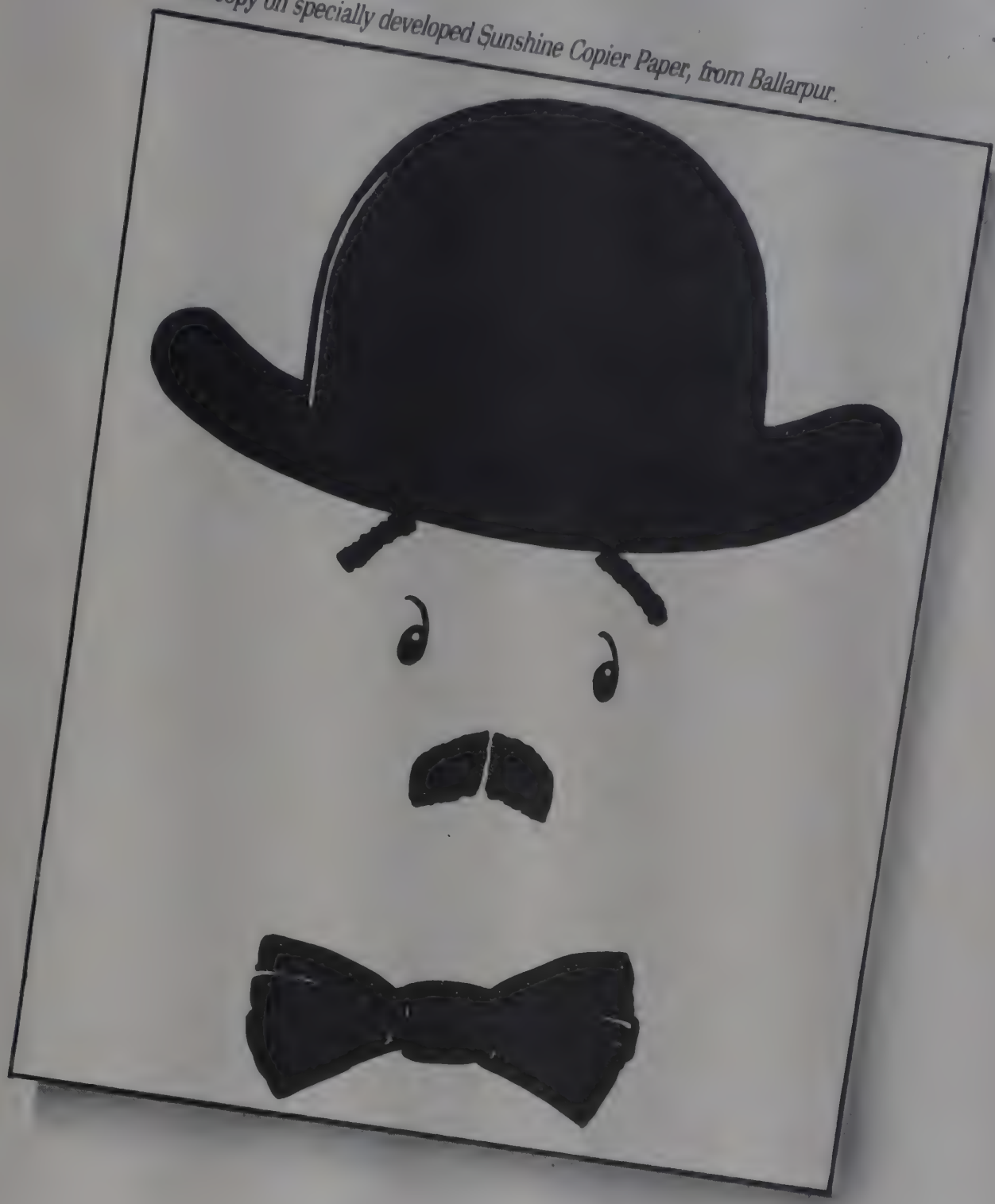
Both are also of the right stiffness and are precision cut to size, to prevent paper jams.

That's the seemingly similar part. The differences are as follows, and can only be called 'the superior features' of Sunshine Copier Paper.

- Its extra sunshine like brightness is because of special high brightness pulp. So, the copies come out sharp and remain orig looking for a long, long time.

The Thapar Group

Photocopy on specially developed Sunshine Copier Paper, from Ballarpur.



two is entirely superficial.

- It is easily available (important if you are using your copier on a daily basis).
- It costs 15%– 20% less (when you're the leading speciality paper manufacturer, a price edge comes easy).

Now can you think of any possible reason why you shouldn't use Sunshine Copier Paper? Tough isn't it?

Sunshine
COPIER
PAPER
For better copier care.

Bilt **Ballarpur Industries Limited**, Paper Marketing Department, Thapar House, 124 Janpath, New Delhi - 110 001.

The pathbreakers

Render chemicals and softeners obsolete in water treatment

Now there's a new route to prevent hard water scale on water-cooled circuits of compressors, AC condensors, heat exchangers, generating sets and such equipment.

Colloid-A-Tron. The non-chemical water treatment equipment, brought to India by Inteco-Colloids under technical collaboration with the Fluid Dynamics Group U.K., the world leaders.

The Colloid-A-Tron eliminates the use of expensive chemicals, has no moving parts and requires no maintenance. And is the best, safest and most economical method, saving energy and increasing efficiency of the equipments.

The Colloid-A-Tron is simply fitted into the water pipeline within 30 minutes and requires no running costs,thereby paying for itself in a short time.

What's more, the Colloid-A-Tron is backed by a one year money-back guarantee, a five year replacement warranty and free after-sales service through an extensive national network of Colloid-A-Tron distributors.

Go in for the best there is!

We'd like to know more about Colloid-A-Tron
Please (a) Send product literature ☐
(b) Ask your sales executive to contact us ☐
Name: _____
Address: _____
_____
Phone: _____

COLLOID-A-TRON

Inteco Colloids Pvt. Ltd., 606, Eros Apartments, 56, Nehru Place, New Delhi 110 019
Telephone: 6419319 Telex: 031-62328, 031-2530 Gram: PLUMBAGO

Distributors:

HARYANA & H.P. M/s AVCO ENGINEERS PVT. LTD., 6, Ajay Bijli Market, 2865-66, Shah Ganj, G.B. Road, Delhi-110006. Phones: 526791.
MAHARASHTRA M/s. WATER TREAT INDIA 509-B, 'Neelkanth', 98, Marine Drive, BOMBAY 400 002. Phone: 251531
GUJARAT M/s SANJAY ASSOCIATES, 615, Yashkamal Bldg., Sayaji Gunj, Baroda-390 005. Phone: 329017
MADHYA PRADESH M/s MANSA WATER TREATMENT ADVISERS 79, Vinay Nagar, Shabd Pratap Ashram, Gwalior-474 012 Phones 26548
TAMIL NADU M/s DYNAMIC ENGINEERS, 65, Ponnagaram Broadway, Madurai-625 010. Phones: 34946
BIHAR & ORISSA M/s M M MARKETING & SERVICES, B-30, Industrial Estate, Cuttack-753 010. Orissa. Phones: 24494

Shems/3332

RJEELING

almy days are ere again

s the tourists from Calcutta who make o almost the entire tourist population uring the pujas trickle into Darjeeling, ie town has started dressing itself up gain. The Darjeeling Mail, the most pop-lar overnight train that connects Cal-utta with New Jalpaiguri, the nearest ailhead to Darjeeling, goes packed again. he state-run tourist lodges in Darjeeling s well as in Kalimpong are fully booked or the coming season, as are all the eading hotels in Darjeeling. Says P.N. howmick, general manager of Sinclairs lotel, "We are fully booked for the pujas. Inquiries started coming in September nd the position now is that we are actu-lly having to say 'no'."

Cautious return. Bhowmick, however, varns against high expectations for this ear. "Tourism is not a magic affair whereby the tourists will come instantly ow that peace is declared. People are still cautious. Most would like to wait for he December elections (to the Hill De-velopment Council)."

A number of smaller hotels, which form the bulk of tourist accommodation in Darjeeling, catering primarily to the Bengali middle class are still empty, says N.D. Gurung, an employee of one me-dium-sized hotel. But he is confident that next summer onwards there will be a boom comparable with that of the early eighties and possibly even exceeding it.

The 180,000 tourists who come to Dar-jeeling every year are the mainstay of the hill resort's economy. In mid-1986, how-ever, tourists had to pack up and leave abruptly right in the middle of the peak May-June season following the first ru-mble of the GNLF agitation in the hills. The local people insist that even during the height of the trouble not a single tourist was physically threatened or harmed. Yet, the "bad publicity", kept tourists away. In this period, Darjeeling saw barely 25,000 tourists a year, mainly foreign.

Darjeeling's hotels just about managed to survive. A.K. Prasad, proprietor of Pineridge Hotel, says, "Normally we rent out a double room at around Rs.150 dur-ing the peak season, but during the agita-tion there were no takers, even at Rs.50 a day." Local weavers and owners of shops selling curios and woollen garments too have had a hard time finding buyers.

Things seem to have changed for the better after the recent agreement whereby the hills have been accorded a semi-autonomous status. But it will take a while for tourist traffic to return to old levels. Gautam Dutt, an official with the local branch of the Travel Corporation of India (TCI) says that the number of foreign tourist groups handled by TCI declined from 828 in 1985 to 542 in 1987. However, he adds that over the next few years, TCI expects a larger international tourist traffic.

Not quite ready. This could pose several problems. Darjeeling's civic amenities are wholly inadequate to cope with a sudden inflow of tourists. Apart from poor power and water supply, the Hill Cart Road, the arterial road which connects Siliguri with Darjeeling, is in poor shape. The century-old toy train — one of the major attrac-tions of the region, especially for tourists from countries which have practically abandoned steam locomotives — has not been running since 1985.

The tourist lodge at Tiger Hill — with a panoramic view of the major Himalayan peaks, including Everest — and 14 trek-kers' huts at Sandakphu were burnt down by the agitators. Both were tourist fa-vourites. Also, the government-run tour-ist lodges at Mirik — the newly developed tourist centre which attracted several vis-itors during 1984 and 1985 — have been partially damaged. The lodge and forest rest house at Kalimpong have been badly damaged.

D.K. Lama, secretary of the Darjeeling municipality, says that steps are already being taken to improve the civic ameni-ties so that Darjeeling is ready to wel-come the puja tourists. According to local authorities, Rs.3 crores are to be spent to improve the water distribution system alone.

Ashok Bhattacharya, director of tour-ism, West Bengal, refutes allegations that the government has done nothing for the hills. According to him between 1978 and 1987, the number of beds in private hotels trebled from 807 to 2,860. The capacity of the government-run lodges nearly dou-bled over this period from 354 beds to 690; this, he says, shows that major ef-forts have gone into promoting tourism. For the future, he adds, the state govern-ment has earmarked Rs.1.3 crores for the improvement and expansion of tourist centres at Kurseong, Darjeeling and Kalimpong.

There are complaints though. The cen-tral government tourism authorities, ac-cording to travel agencies in Darjeeling, haven't done any justice to Darjeeling. There have been no publicity campaigns in line with what has been done for Kash-mir or Rajasthan, they point out.

A major problem, according to Dutt, is the number of restrictions a foreign tour-ist faces. A foreigner requires a special permit from the central home depart-ment to come to Darjeeling, another for Kalimpong and yet another for Sikkim. Tourists get irritated at having to pro-duce their permits and passports at every step, says one tour operator.

There is a growing feeling that Darjeel-ing at the moment is almost saturated and more pressure will spoil the atmo-sphere of this hill town. The surrounding areas, which have as much potential for tourism as Darjeeling, could be developed.

■ MADHUMITA BOSE

BENZENE SHORTAGE

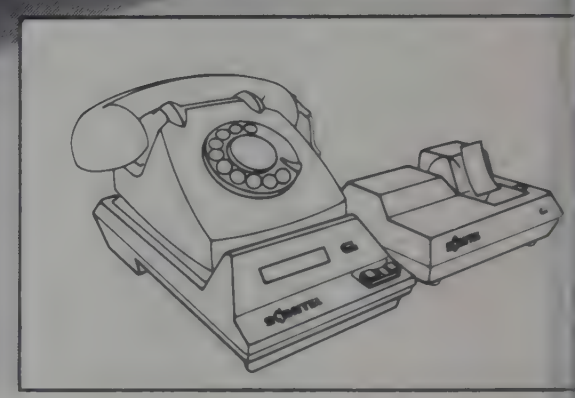
Severe but temporary

Benzene, a very important intermediate for a large number of chemicals, has been in short supply for the last couple of months. As a result, a large number of chemical units, small and large, are find-ing it difficult to run their plants.

Among the larger units, Hindustan Or-ganic Chemicals, Herdillia Chemicals, and Adarsh Chemicals and Fertilisers are the worst affected. These plants produce benzene-based chemicals like phenol, maleic anhydride, nitro-chlorobenzene, etc which are in turn used by a host of chemical units to produce leather chemi-cals, pharmaceutical products, dyestuffs, pesticides, paints, and so on. The short-age forced these plants to shut down completely for quite some time during August and September. Exporters of chemicals lost Rs.20 crores worth of or-ders in the last four months, says an industry insider. After repeated pleas the government allowed some imports. "But even today we are getting just about 50 per cent of our requirement," says a se-nior official of Adarsh Chemicals.

Sudden change. Till last year the supply of benzene in the country was more or less sufficient to meet the demand, though a small quantity used to be im-ported. In fact, after the Bharat Petro-leum Corporation Ltd's (BPCL) aromatic

INTRODUCING SCANTEL



The little instrument that helps cut big telephone bills

Yes. New Scantel helps cut down phone bills.

What is Scantel?

- A microprocessor based device.
- Can be connected to direct and board lines.

What does Scantel do?

- Records all call details — the date, time, numbers and duration.
- Beeps after every 25 units indicating approximately Rs.20/- billed.
- Selection of STD and ISD stations.
- Bars STD & ISD calls after office hours.
- Records 'out-of-order' period.
- Monitors external tapping of lines.
- Can be connected to internal meter for exact and concessional charge read-out.
- Prevents misuse of lines.
- Cuts phone bills by upto 20% during first billing period after installation.

Scantel is brought to you by the Chowgule Group's office automation equipment division. Offering you a nationwide network of sales and service centers . . . 14 branch offices, 32 service centers monitored by over 1 service engineers. To give you the very best.

Get new Scantel — today!

CIL CHOWGULE INDUSTRIES LIMITE

75-77, Maker Chambers VI, 7th floor, Nariman Point, Bombay 400 0
Phones: 2046238/57/58/67/68

Please send me more information on the Scantel

Name. ----------

Designation: ----------

Address. ----------

---------- Phone ----------

BRANCH OFFICES: 10C Middleton Row, CALCUTTA-700 071. Phone: 294889/294590. Apex Plaza, 2nd floor, 'C', 3 Nungambakkam High Road, MADRAS-600 034. Phone: 473744. Dr. Rebello's Building, Chicalim, Vasco-da-Gama, GOA-403 711. Phone: 2956/3237. Unity Building, 2nd floor, 2nd Mission Road, BANGALORE-560 002. Phone: 224294/224295. AVG Bhavan, 2nd floor, M-3 Connaught Circus, NEW DELHI-110 001. Phone: 3324449/3326535 'Vigneshwara' 12-5-25, Vijaypuri Tarnaka, SECUNDERABAD-500 017. Phone: 75818. Bank of India Building, 5th floor, Bhadra AHMEDABAD-380 001. Phone: 350149/353647. 107, Kubera Chambers, 1st floor, Dr. Rajendra Prasad Road, Opp. Sancheti Hospital, PUNE 411 004. Phone: 52856. **OTHER BRANCHES AT:** Cochin, Visakhapatnam, Rajkot, Indore & Guwahati

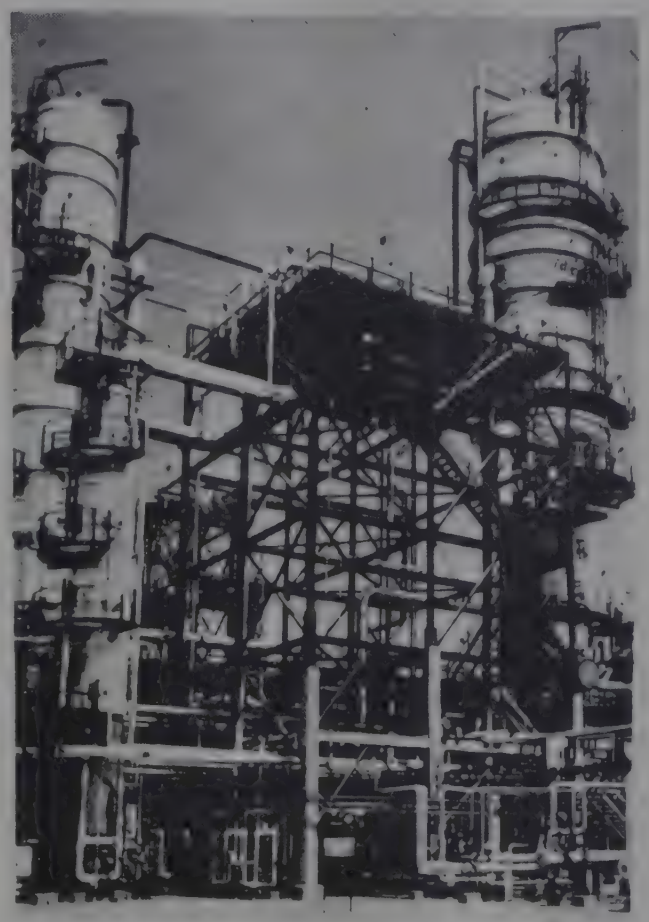
CONTOUR ADS-CIL-70

lant went on stream in late 1985, the nstalled capacity of the industry exeeded the total demand. And according o the Bharat Petroleum officials, its benzene plant's capacity was not fully utilsed because of insufficient demand. "Last year, in fact, we were thinking of exporting some benzene," says an official in the marketing department.

In 1988, the situation changed completely. Two new linear alkyl benzene (LAB is the basic input for detergents) plants set up by Reliance Industries Ltd and by Tamil Nadu Petroproducts Ltd each with a capacity of 60,000 tonnes a year, went on stream around the beginning of the year. Benzene is an important raw material for LAB, constituting one-third of the total requirement in terms of weight. These two LAB plants could manage to get their supply without much difficulty, because they had entered into a contract with Bharat Petroleum. This, however, deprived the smaller consumers of their requirements. There has also been a tremendous spurt in exports of benzene-based chemicals (along with other chemicals) this year. As a result the demand for benzene went up to 14,000 tonnes per month from around 10,000 tonnes last year.

There have been problems with supply too. The two largest producers of benzene, Bharat Petroleum (83,000 tonnes a year) and Indian Oil Corporation (48,000 tonnes), together account for about 64 per cent of the industry's total installed capacity of 205,000 tonnes. The other manufacturers of benzene are IPCL (installed capacity: 33,000 tonnes) NOCIL (15,000 tonnes) and SAIL (26,000 tonnes). These units, however, do not contribute much to the overall supply; half of IPCL's production is earmarked for captive consumption, NOCIL's capacity is small, and production at SAIL plants is erratic. At the end of last year and the beginning of this year, the benzene plants of both IOC and Bharat Petroleum were shut down for days together for regular maintenance work as well as because of technical problems. IOC, however, claims that despite the shutdown it achieved the normal level of production.

Imports permitted. Whatever the reasons, the fact remains that there was an acute shortage of benzene. After dilly-dallying for some time, the government finally allowed IOC, the canalising agency, to import 7,000 tonnes, of which it has so far imported 4,000 tonnes. The STC also imported 2,000 tonnes. Thanks to this, the shortage was eased to some extent.



Reliance's LAB plant: a large consumer of benzene

Meanwhile, the commerce ministry, in consultation with the Chemical and Allied Products Export Promotion Council (CAPEXIL), has drawn up a list of consumers for priority allocation. The export-oriented units are being given top priority followed by those producing import substitute chemicals, and so on. The government has directed manufacturers to stick strictly to the priority list when supplying benzene.

Will imports of benzene continue? Possibly not. Bharat Petroleum, whose annual production so far has not been even half of its installed capacity due to lack of demand, is planning to step up its output this year to its full capacity. Also, the long-awaited benzene plant of Cochin Refineries is expected to be commissioned in February next year. With this, the industry's installed capacity will go up by 85,000 tonnes to reach 300,000 tonnes.

Demand too is expected to increase considerably to 230,000 tonnes after FACT's caprolactum plant goes on stream next year (benzene is a major raw material for caprolactum). But with an installed capacity of 300,000 tonnes, there is unlikely to be a shortfall at least in the next three years. So the current shortage of benzene is in all probability only a temporary phenomenon.

■ DILIP MAITRA

COTTON

Growers on the warpath

On 2 October, around 200,000 farmers from all over Maharashtra – many of whom travelled on top of packed trains and buses — converged on Gandhi Maidan at Kolhapur for a rally organised by Sharad Joshi's Shetkari Sanghatana. The rally was held in protest against the decision of the Maharashtra State Cotton Growers Marketing Federation to retain 25 per cent of the profits it earned last year in a price fluctuation fund.

Buffer against loss. Under the Monopoly Cotton Procurement Scheme, introduced by the Maharashtra government in 1971, raw cotton must be sold to the federation at a guarantee price that is supposed to cover the cost of cultivation. The federation then sells the procured cotton at market prices. Profits earned are distributed to the farmers. Losses are borne by the federation. It is to compensate for this loss that the price fluctuation fund was instituted.

Decrying the 25 per cent deduction, Joshi said that the chief minister had buckled under pressure from the Congress high command. "Deductions for the price fluctuation fund were justified when the guarantee price of cotton procured under the scheme was 20 per cent higher than the all-India support price. Now that the guarantee price is equal to the support price, a 5 per cent deduction for the fund is fair enough," Joshi insists.

Government sources, however, insist that the Rs.309-crore loss suffered by the federation in 1985-86, arose from the difference in the two prices, and finally had to be borne by the government.

Meanwhile, on 30 September, the chief minister of Maharashtra, Sharad Pawar, declared that there was a surplus of Rs.213.40 crores over the guaranteed price for 1987-88. Of this surplus, Rs.121.46 crores had already been paid to the farmers and Pawar announced that Rs.38.59 crores would be distributed to the farmers from 1 October. The remaining Rs.53.35 crores is being set aside for the price fluctuation fund and is the root cause of the Sanghatana's protest.

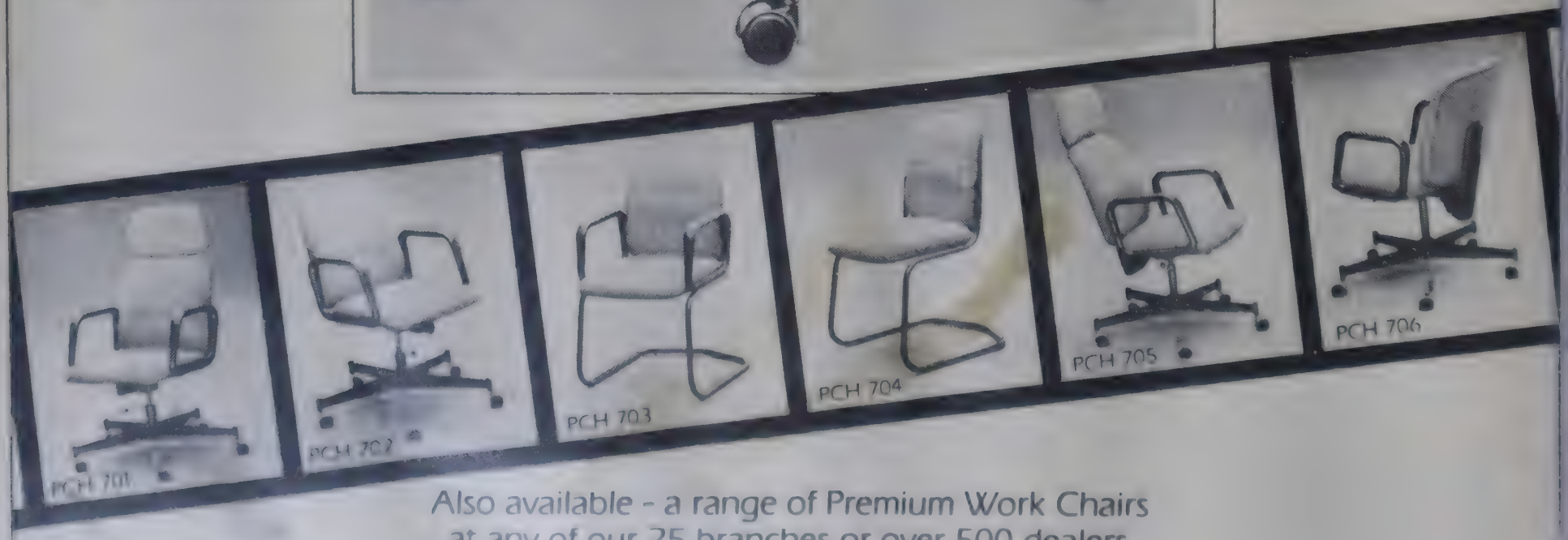
The Sanghatana has announced a series of agitations to be conducted during the ensuing months. "From this moment," declared Joshi on 2 October, "Sharad Pawar is banned from stepping

Godrej®

Premium Chairs
Designed for executive comfort.

* Elegant and contemporary to suit any office decor.
* Designed on the principles of human engineering.
* Thoughtfully contoured back-rest with special lumbar cushion to prevent muscular tension.
* Unique polyurethane armrests — durable and maintenance-free.

* Firm, yielding, well-proportioned seat to distribute body weight evenly and eliminate fatigue.
* Adjustable seat height to suit individual needs.
* Extra-wide base for stability.
* Choice of attractive colours and upholsteries.
* A wide range for a variety of office needs.



Also available - a range of Premium Work Chairs
at any of our 25 branches or over 500 dealers.

Come, experience true comfort.

ULKA - GB - 4 - 88 - A

Joshi at Kolhapur: generating fervour

into any cotton-producing village. This time the ban will apply exclusively to Pawar, unlike in 1984, when he was the sole exception to our ban on politicians."

"Soft spot." From 14 November, the women's wing of the Sanghatana, Mahila Aghadi, will gherao banks "till the courts decide on the insolvency petitions that the farmers have filed concerning the bank loans provided for farming". The Sanghatana has already filed 92,000 insolvency petitions in various courts all over the state. To protest against the centre's support for synthetic fibres, the Sanghatana has decided to lay siege to Dhirubhai Ambani's Patalganga unit from 12 December onwards. The farmers, says Joshi, will not allow any synthetic fibre at all to be taken out of the plant "in order to force the government to change its textile policy, as Rajiv Gandhi's soft spot for Reliance Textiles is well known".

As already made clear by Joshi, the farmers' agitation is in support of their demand for reducing the deduction for the price fluctuation fund to 5 per cent. The outcome of the agitation is being viewed with some scepticism. Yet, judging by the enthusiasm and the fervour of those assembled at the Kolhapur rally, the Maharashtra government may be left with little choice but to accede to the farmers' demands.

■ SHEKHAR GHOSH

FOOD PROCESSING

Seminars galore

With the approval of the Pepsi project and the formation of the food processing ministry, a whole lot of industrialists are looking at the food processing industry seriously. The wave of seminars being held on this subject is perhaps a reflection of this new-found interest.

Two seminars were recently organised by FICCI and one by the Agricultural and Processed Food Products Export Development Authority (APEDA which comes under the ministry of commerce). Speakers at these seminars pointed out that the thrust in agro exports has been on traditional bulk commodities like tobacco and tea rather than on "processed" foodstuffs. A change in focus towards processing and value-adding was called for.

Negligible value addition. At present, value addition through tertiary and secondary processing is hardly 12 per cent, compared to around 64 per cent in the US. Simultaneously, agro exports, as a percentage of total exports, have dropped from about 30 per cent in the seventies to around 20 per cent in the eighties.

In his keynote address at the National Conference on Agro Exports (organised by APEDA) the minister of state for food processing industries, Jagdish Tytler, emphasized that "there is a need to introduce energy- efficient and state-of-the-art technology available in all segments of the food processing industry". At the same time, he said, not much is going to be achieved by wholesale technology imports, so the import of technology has to be selective.

One complaint heard several times during the seminar was that India's export thrust has been woefully misdirected. When the favourite flavour all over the world is pineapple we insist on marketing mango. When markets abroad have umpteen varieties of jams and jellies fighting for shelf and display space in supermarkets, is there any point in exporting them at higher costs, asked the speakers.

Expensive raw materials. The main constraint to profitable exports is the price of raw materials. From 50 paise a kilo in the mandis, the price of tomatoes catapults to Rs.6 or Rs.8 in the urban markets, from where the food processor normally buys raw stock. At times, during the drought last year tomatoes were selling in urban markets at Rs.24 a kg. How then, can a manufacturer of ketchup match international prices, speakers asked.

At the seminar on food processing and the marketing scenario, it was pointed out that fiscal incentives like concessional rates of interest, re-structuring of excise and custom duties and market promotion support will have to be provided. Recommendations included placing certain items on OGL (open general licence), importing high quality hybrid seeds, tapping foreign investment, promoting large co-operatives, etc. The director of the Central Food Technology Research Institute, Mysore, Dr. B.L. Amla, suggested that measures be taken to bring down cost over-runs in the industry. A viable raw material policy, supported by technology upgradation and energy conservation would go a long way in bringing down cost, he added.

P. Murari, secretary at the ministry of food processing said at the seminar that the centre would be convening a meeting of state agencies in processed foods to fix responsibilities in promoting the industry.

Quality control. At all the seminars, great stress was laid on quality. It was felt that in a market like processed foods, stringent checks need to be made on quality and other parameters like pack-

Everybody's talking about food processing

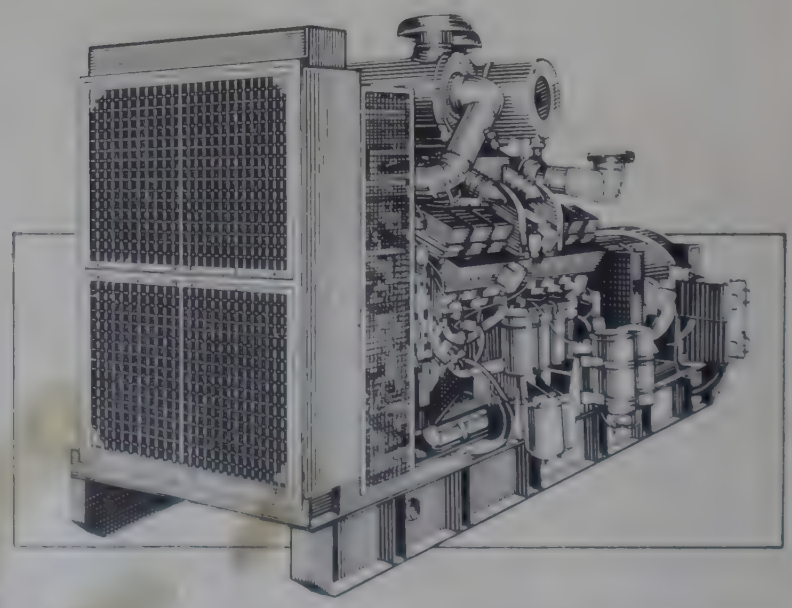
This could be your last picture of a power cut

Switch on instant power with Gensets from Batliboi

Hundreds of installations all over the country have switched to Batliboi to stay ahead in the power game.

The reasons:

- ☐ Batliboi's time-tested design, application and engineering expertise, experience and capabilities right from concept to commissioning
- ☐ Availability of any configuration. Single sets of upto 1000 KVA. For higher ratings, sets in parallel
- ☐ Perfectly matched, rugged and fuel-efficient diesels and fail-safe alternators for optimum performance
- ☐ Prompt and efficient countrywide after-sales service, just a telephone call away



BATLIBOI

For a century, the engineers' engineers

For further details contact
Batliboi & Company Limited, Apeejay House
Dr V B Gandhi Marg, Fort, Bombay 400 001
Telex 011-2284/4852 Offices: Ahmedabad • Baroda
Bangalore • Calcutta • Coimbatore • Delhi • Ernakulam
Indore • Jaipur • Jamshedpur • Lucknow • Ludhiana
Madras • New Delhi • Patna • Pune • Secunderabad
Vijayawada Manufacturing Division: Udhna (Surat)

aging. This could start with a well-structured domestic policy which would emphasise the production of "adulteration-free products, full of nutritional value".

It was felt that the popular attitude among food processors that anything can be dumped on the domestic market, would have to be fought through government bodies and consumer organisations. Only a high sense of quality consciousness would enable a quantum jump in exports, Murari emphasised.

■ S. LALITHA

PULSES

Bypassed by the green revolution

On 3 October, the import duty on pulses (moong, lentil, kabuli) was raised from 10 per cent to 35 per cent. The move was initially greeted with alarm by most traders. The wholesale market, however, has not reacted and prices have increased only marginally. On the other hand, retail prices have gone up by Rs.2 to Rs.4 per kg (16 to 20 per cent).

Despite the periodic exhortions to increase productivity in pulses, the green revolution has virtually bypassed pulses. The total production of pulses has hovered in the range of 9 to 13 million tonnes for two decades. The per capita availability of pulses, which was 79.9 grams per day in 1959, came down to 38.9 grams per day in 1985.

Inadequate data. Data on pulses is woefully inadequate. The report of the Comptroller and Auditor General, 1987, says that the agriculture ministry did not have separate data (sown area and production) for irrigated and non-irrigated land in the districts covered under the centrally sponsored scheme for the development of pulses (PDP).

Out of Rs.32.4 crores made available under the PDP to 13 major pulse-growing states during the Sixth Plan, only Rs.26.93 crores was spent. As a result the PDP had no impact in the major pulse-growing states of Bihar, Haryana, Punjab, Rajasthan, UP and West Bengal. In fact, there was a decline in area as well as production during 1984-85 (the last year for which figures are available) as compared to 1970-71. It is estimated that of the total area under pulses, the percentage under irrigation declined from 8.98 per cent in 1970-71 to 7.95 per cent in 1982-83. In some states like Andhra Pradesh, Haryana, Karnataka, MP, Maharashtra, Rajasthan and Tamil Nadu the per hectare yield was much less than even the national average.

Due to these low levels of production the government has permitted import of pulses under open general licence (OGL). Imports have steadily increased from 102,000 tonnes in 1982-83 to 450,000 tonnes in 1985-86 to 800,000 tonnes in 1987.

Propping up prices. According to trade

Pulses: left behind

sources, there are three reasons for the increase in duty. The main reason is to protect the interests of farmers by propping up prices which are expected to fall this year due to surplus production. Production is expected to increase from 12.5 million tonnes in 1986-87 to around 14 million tonnes this year. The other reasons are to conserve foreign exchange (the value of imports in 1987 was Rs.350 crores) and increase revenue collections.

A long-time observer of the pulses market feels that farmers will not really benefit from this increase in duty. What is necessary is a more effective price-support mechanism. The National Agriculture Co-operative Marketing Federation of India (NAFED), the government-designated procurement agency, works sporadically, if at all, opines another market watcher. He feels that NAFED resorts to tokenism by procuring a few lakh tonnes of pulses once in a while. It is necessary to procure pulses in large quantities to maintain prices at a level that will induce farmers to cultivate pulses and maintain the per capita productivity which has fallen drastically.

With both the consumers and the farmers coming out losers, the only people who stand to gain are the middlemen. In the absence of any effective procurement mechanism the middlemen double up as hoarders and create artificial shortages which result in high retail prices. In the short run, the increase in duty may curb imports, but what is needed is more cultivation within the country. This can only come about by ensuring an effective price support mechanism. As one trade source said, "Bring pulses under the purview of Sam Pitroda's technology missions and we shall definitely see an improvement."

■ SHIV TANEJA

Air-India: is there a free passage here?

AIR-INDIA

Flying through turbulence

An administrative order issued by Air-India, withdrawing first class travel facility for all its employees below the grade of deputy director, has boomeranged. Labour relations have soured and passengers have been inconvenienced; worse still, the corporation has suffered a loss of over Rs.1.5 crores.

The order was one of several measures taken to revive the corporation's profits which had crashed by Rs.74 crores. Air-India closed the year ended 31 March 1988 with a loss of Rs.44 crores.

Work to rule. The Air-India Aircraft Engineers' Association (AIAEA) was the first to react to the order. It circulated a note among its members asking them to work to rule. They were soon joined by the Airbus pilots, eight of whom reported sick on one day. This, coupled with a shortage of aircraft, forced the airline to cancel at least 18 flights and reschedule many more between 30 September and 6 October.

According to Mario Gracias, general secretary of AIAEA, the order takes away one of the perks that staff — aircraft maintenance engineers (AMEs), pilots, flight despatchers, flight engineers and some officers — have been getting for close to 25 years now.

The management apparently felt the need to make the first class more exclusive. "The presence of a large number of employees in the first class damages the image of the airline. In fact, Air-India's first class is generally known as the staff class," says a management source in the corporation.

Before the order was issued, the first class travel facility was available to employees in the grade of Rs.1,400-2,480 and above, and their spouses, once a year, subject to the availability of seats. However, according to the management, the number of employees in these grades had risen tremendously since the facility was first granted and nearly 1,300 had become eligible for it. This meant an occupancy of twice that number of seats a year.

According to union statistics, however, not more than 1,000 seats — of a total of 15,000 first class seats a year — are used by employees. A union source points out that since staff passage is subject to load the airline can prevent employees from travelling merely by selling more tickets. He says, "They are only making us scapegoats for their inability to sell." Says Mihir Bandyopadhyay, vice-chairman of the International Transport Workers' Federation (ITE), "There have been deliberate attempts to divert attention from the main issue and lower the trade unions' image by saying that they were agitating for the luxury of first class travel."

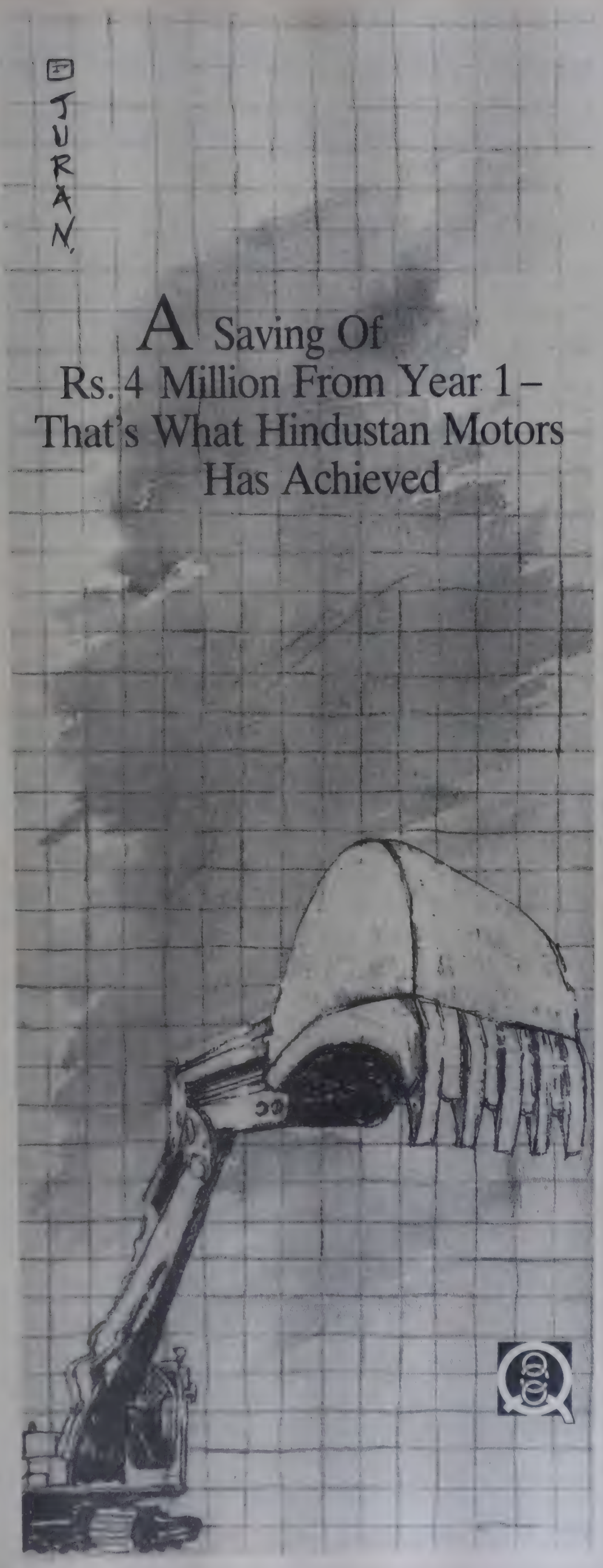
Industry trend. The management argues that Air-India is one of few airlines in the world which still gives its staff this facility. The trend in the industry, according to it, has been to stop the practice.

Employees are also put out by the fact that they were not taken into confidence when such a step was being contemplated. "The other airlines negotiated this issue with their unions and compensated the employees well," says Gracias. He does not think that the extra economy class passage offered as compensation to Air-India employees is enough.

At the time of going to press, the unions had had two inconclusive discussions with the management. The management's stand has been that an administrative order could not be withdrawn due to technical reasons and that it was willing to negotiate the compensation. The unions, on the other hand feel that they should not tolerate any "unilateral imposition of an adverse change in service conditions"

■ ALOYSIUS FERNANDEZ

A Saving Of Rs. 4 Million From Year 1 – That's What Hindustan Motors Has Achieved



Juran on Quality Improvement

This is the programme that the Earth Moving Division of Hindustan Motors is successfully implementing. With results that are truly astounding. A saving of about Rs. Four million, with a promise of more to come.

What is this programme?

Most organisations are unaware of the extent to which chronic problems of poor quality can erode profits. These problems add to cost, constrain pricing and slice off market share. Tackling these hidden chronic levels of poor quality and permanently reducing them is the Juran definition of quality improvement.

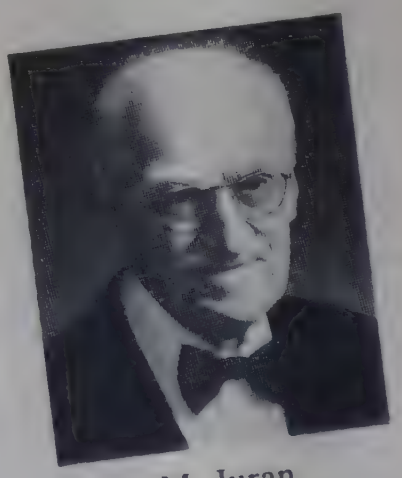
Through his video series, Juran on Quality Improvement, Dr. J. M. Juran gives managers a structured and proven process to carry out quality improvement projects. The programme is usable by service organisations and manufacturing industries. It assures immediate and continuing results.

The Key Elements of the Programme

Sixteen videotaped sessions guide managers through actual company improvement projects. A comprehensive array of user guides and a Quality Improvement Reference Library provide support. In addition, the Juran Institute offers the assistance of its affiliates.

Let Juran Work for You

Fourteen international affiliates form the global network of the Juran Institute. Qimpro Consultants Private Limited, Bombay, is part of this network which provides access to Dr. Juran's programmes, including Quality Improvement.



Dr. J. M. Juran
The man who taught Japan how to manage for Quality

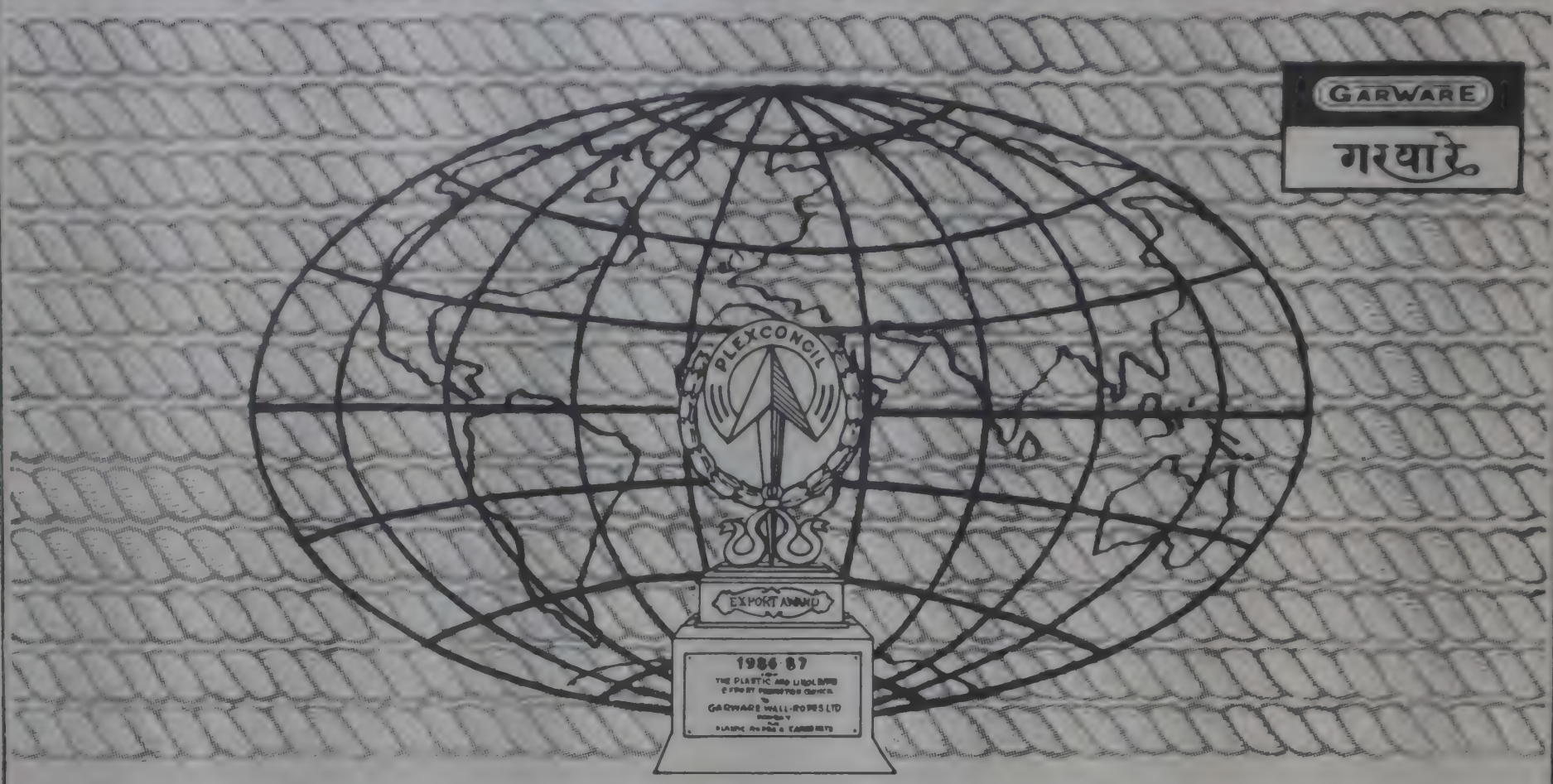
Make Quality Improvement A Way Of Life

Qimpro Consultants Pvt Ltd

(Indian affiliate of the Juran Institute, Inc.)
1-C Sindhu House
Nanabhai Lane, Bombay 400 001
Tel: 204 4421 • 202 3753

Dazzal/QC/03

Exploring new horizons is an obsession with us...



No wonder we have roped in the globe – practically the whole of it!

Garfil

ROPES & ROPE SYSTEMS

Commencing as a pioneering Company in India, we are now stepping into our second decade as the most trusted name in the world for Synthetic Ropes and Rope Systems.

With our sound technological and marketing base and backed by a dynamic Research & Development team, our wide range of products have roped in newer markets and applications in India and the world over. Today, we also produce sophisticated Rope and Rope Systems, widely used in oil exploration in India and abroad, and have been entrusted by Dunlop of U.K. with a sole selling agency in India to supply their wide ranging products for the Oil Industry.

Our export network at present extends to over 30 countries including highly developed ones like U.S.S.R., U.K., Germany, Australia, New Zealand, besides the traditional Middle & South East Asian markets. No wonder our export efforts have received wide recognition from the Government of India and Maharashtra. Laurels which any young exporting company like ours, can be proud of.

Emboldened by success on the export front, we are setting up a 100% Export Oriented Unit for the manufacture of Synthetic Ropes at Pune, the first of its kind in the country. We are planning to instal the most sophisticated state-of-the-art machinery in this Unit to ensure the highest international standards for our "GARFIL" range, which has already carved a niche for itself in the world markets.

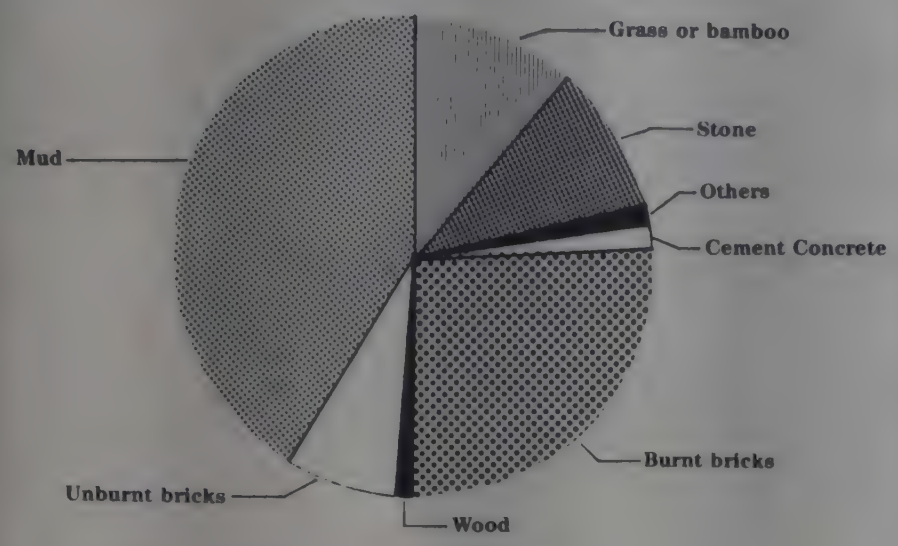
We believe the world is our market and Government recognitions reflect the strength of our convictions.

GARWARE-WALL ROPES LTD.

Chowpatty Chambers, Sandhurst Bridge
Bombay-400 007. Tel: 811 4696 (7 lines)
Gram: 'GARWALL'. Telex: 011-75816
Fax: (9122) 8280120

Shree Ada/9'88

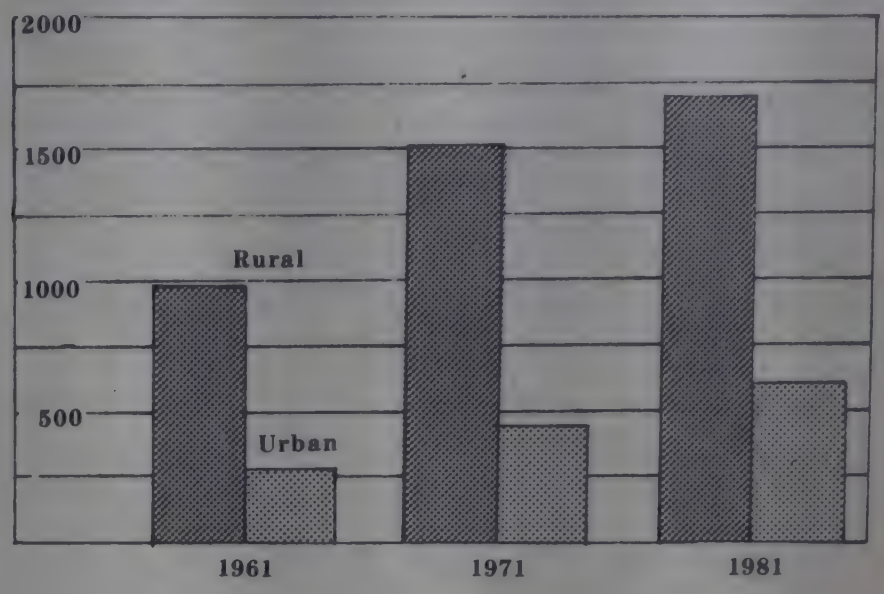
Housing condition as percentage of total number of houses: 1981



In the decade 1971 to 1981 the housing situation for the masses has not improved. Over 60 per cent of all houses are still built of poor materials. Only about 36 per cent of the houses are built of bricks and stone. The majority of the states have a large percentage of houses that are built of poor material. Only Punjab, Haryana, and Himachal Pradesh have over 60 per cent of houses that are built of reasonably good material.

Houseless population

(in '000s)



.In spite of government exhortations about growth in housing the fact is that the number of persons without a roof over their head has actually increased over the last two decades. The situation is particularly acute in rural India where about 1.7 million people are homeless. The housing shortage which was about 25 million units in 1985, is expected to grow to 29 million units by 1990.

Money and banking (scheduled commercial banks): There has been a marginal increase in broad money (M3) and aggregate deposits in the month to 23 September 1988. Though total credit has increased by Rs.1,466 crores, food credit has declined by Rs.252 crores in September. The busy season credit policy envisages a significant increase in credit over the next few months.

(Rs. crores)

	23 Sept 1988	26 Aug 1988	11 Sept 1987	% change over month	% change over year
Broad money (M3)	173,818	173,016	149,495	0.46	16.27
Agg. deposits	133,986	133,555	112,049	0.32	19.58
Bank credit	78,889	77,423	68,085	1.89	15.87
Food credit	1,369	1,621	4,049	−15.54	−66.19
Cred/dep ratio	58.88	58.85	60.76		

Wholesale price index: The wholesale price index for all commodities has declined by 0.38 per cent in the month to 10 September 1988. In primary articles there has been a sharp fall (6.6. per cent) in the price of oilseeds. In manufactured products the price of jute hemp and mesta textiles has risen by 11.1 per cent in the month under review.

(1970-71 = 100)

	10 Sept 1988	13 Aug 1988	12 Sept 1987	% change over month	% change over year
All commodities	434.4	436.1	408.8	−0.38	6.3
Primary articles	404.9	413.0	388.9	−1.96	4.1
Mfg. products	418.8	415.7	386.9	0.74	8.3

Consumer price index: The consumer price index for industrial workers has increased by 13 points (1.7 per cent) in July, as against 1.3 per cent in the corresponding period last year. There is also a sharp rise (1.5 per cent) in the index of urban non-manual workers.

	July 1988	June 1988	July 1987	% change over month	% change over year
Industrial workers (1980 = 100)	795	782	724	1.7	9.8
Urban non-manual workers (1984 = 100)	135	133	123	1.5	9.7

Industrial production index and infrastructure: The industrial producton index increased by 2.1 per cent in May. Power generation increased by 3.8 per cent as compared to August 1987. There was a fall of 5.2 per cent in thermal generation, while hydel generation shot up by 23.9 per cent. Steel production was higher in August 1988 by 7.8 per cent when compared to the corresponding month a year ago.

	Latest month	Previous month	Year ago	% change over month	% change over year
Ind. prod. index (1986-87 = 100)	173.7(5)	170.20	153.00	2.10	13.50
Rly. freight (mn. tonnes)	23.07(6)	24.96	23.71	−5.7	−0.76
Crude oil prodn. ('000 tonnes)	2,632(7)	2,618	2,571	0.53	2.37
Power generation (mn units per day)	570(8)	584	549	−2.40	3.80
Coal production (lakh tonnes per day)	4.23(7)	4.62	3.95	−8.40	7.10
Steel producton ('000 tonnes)	738(8)	728	688	1.40	7.30
Cement production ('000 tonnes)	3,418(7)	3,613	3,000	−5.40	13.90

Figures in brackets indicate month

Bullion prices and stockmarket index: The price of gold and silver in the domestic marke has risen during the last two weeks because of good festival demand. In the London market, however, bullion continues to be weak and gold and silver has declined by 1.8 and 8 per cent respectively. The fall in prices would have been greater if not for the sharp fall in the value of the rupee. The Bombay stock exchange index has crossed the all time high reached in 1986, and has increased by 48 per cent in the year to 7 October 1988.

	7 Oct 1988	7 Sept 1988	7 Oct 1987	% change over month	% change over year
Gold (Bombay)	3,170	3,130	3,095	1.3	2.4
Gold (London)	1,896	1,978	1,930	−4.1	−1.8
Silver (Bombay)	6,316	6,187	5,498	2.1	14.9
Silver (London)	2,962	3,009	3,220	−1.6	−8.0
Bombay stock exchange index	693.90	611.68	469.05	13.4	47.9

The price of gold is in rupees per 10 gms and silver in rupees per kg

QUALITY-CONSCIOUS CUSTOMERS BUY MORE V-BELTS FROM FENNER THAN FROM THE NEAREST THREE COMPETITORS PUT TOGETHER.

ACC TISCO L&T KIRLOSKAR M&M GWALIOR RAYON LMW THAPARS BHEL BEL DCM AND OVER 1000 OTHER CUSTOMERS.

BECAUSE THEY BELIEVE IN FENNER PERFORMANCE.

While others talk about unqualified test rig performance figures, Fenner PB V-Belts have proven themselves on our customers' shopfloors.
Proof: Over 50 lakhs PB V-Belts have already been in operation in less than two years.

Why Fenner PB, India's one and only Precision Built V-belt, is also India's No 1 selling V-belt.

- No matching required
- Reduces inventory costs
- Increases productivity

FENNER PB

Fenner

The undisputed leader for over 50 years

You know it's the best, when it's Fenner

India a major beneficiary

World Bank loans to developing countries worldwide exceeded US $ 19 billion, according to the World Bank annual report 1988. Of this amount US $ 14.8 billion or 78 per cent was from the International Bank for Reconstruction and Development (IBRD), and US $ 4.5 billion from the International Development Association (IDA), the soft loan window of the World Bank.

Of this total disbursement, India was a major beneficiary and it received $ 2.3 billion from the IBRD and $ 717.2 million from the IDA. This amounts to about 16 per cent of total World Bank lending.

Some of the major projects in India funded by the World Bank during 1988 were: a $ 360 million national dairy project; a $ 350 million drought rehabilitation project; $ 350 million assistance to improve the operational performance of a state electricity board in Uttar Pradesh; $ 295 million to develop the second phase of the offshore South Bassein gas field; $ 360 million in technical and financial support to the two largest development finance institutes to help them meet their requirements for long term resources; a $ 390 million railway modernisation project which includes, among other things, the renewal and upgrading of 4,000 track kilometres on heavy density freight routes and a $ 250 million loan to the Housing Development Finance Corporation which should go a long way in augmenting the resources of the HDFC.

The projects assisted by the World Bank have in certain cases been a mixture of IBRD and IDA loans. But what is more interesting is the diversity of lending to different projects which helps to build up and strengthen the infrastructure of the country.

The Asia region as a whole received $ 7.7 billion of which India was the largest beneficiary followed by China and Indonesia. The report, however, stresses that in spite of the great diversity of countries in the Asia region, the surge in exports was strong amongst most countries.

India in particular has witnessed a strong growth in industrial production coupled with an impressive performance in manufactured exports, which in the past year grew at about 25 per cent in value (10 per cent in real terms). This growth was despite the fact that there was a severe drought which led to a slowdown in the rate of industrial production. The report attributes this rather good performance by industry to the industrial policy reforms and liberalisation of the economy. For instance, the telecommunications industry responded by opening up the telecommunication-equipment manufacturing to the private sector. The electronics and computer industries have benefited by the liberalisation of imports.

The growth in manufactured exports is the result of a combination of factors. The new export-import policy has to some extent liberalised imports and given additional incentives to exporters. Also, exports were facilitated by the de facto devaluation of the Indian rupee, especially aganist the deutschmark, yen and sterling.

The report is appreciative of the way India succeeded in mitigating the worst effects of the drought. This to a large extent was due to timely government action and the existence of a well established institutional infrastructure to deal with calamities.

In this regard, India was supported by the Bank through a drought assistance project amounting to $ 350 million. This timely assistance facilitated imports of agroindustrial inputs, petroleum and petroleum products, nonferrous metals, as well as industrial equipment and spare parts.

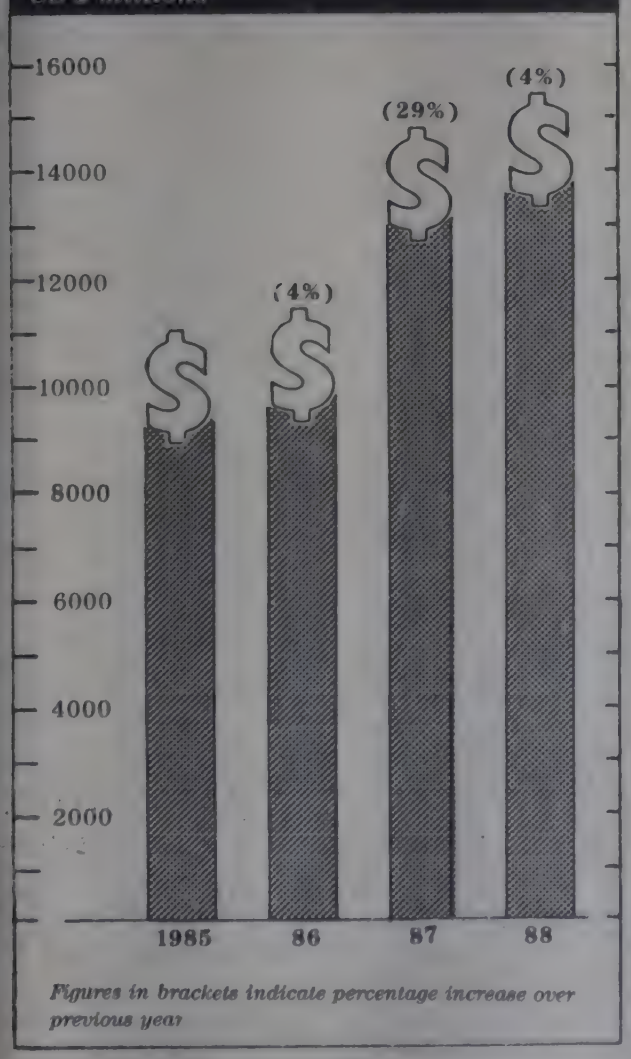
Be that as it may, the focus of the Bank's operations, ie, poverty alleviation, is still evolving. A status report on the problem of poverty has concluded that there is much about poverty and how to address it effectively that is not known, and solutions to counter this problem have still to be found.

■

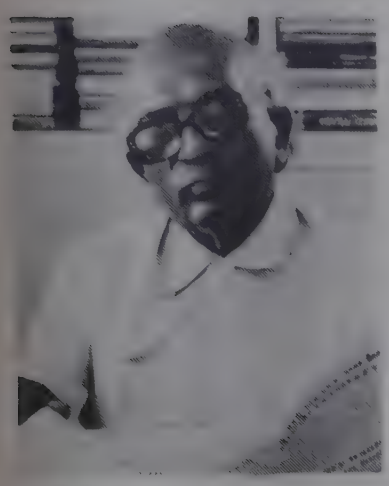
ASPI CONTRACTOR

IBRD and IDA foreign and local disbursements

US $ millions



Figures in brackets indicate percentage increase over previous year



D. T. LAKDAWALA

FIRST REPORT OF THE NINTH FINANCE COMMISSION

A tactful performance

The Ninth Finance Commission's recommendations, as expected, have been welcomed by some states like Maharashtra and criticised by others like Gujarat, Karnataka, Kerala and West Bengal. It seems the Commission has been judged in these quarters by the financial transfers it has recommended (*see table*). But the more important questions, whether the Commission has fulfilled the high expectations that have been raised by it, and the implications of its recommendations for the Eighth Plan, need careful consideration. Since the report covers only the last year of the Seventh Plan (1989-90) and by and large the Commission proceeds on the basis of the 1988-89 estimates of the Eighth Finance Commission, it needs in many cases a strenuous effort to see the problems ahead.

In making its recommendations, the Commission was asked to "adopt a normative approach in assessing the receipts and expenditures on the revenue account of the states and the centre". This is a departure from the "gap-filling approach" of the earlier Commissions, where the receipts and non-plan expenditure of the centre and the states were taken broadly on the basis of the actuals and trend growth rates.

The Commission however stuck to the gap-filling approach in the case of special category states where the nature of the terrain and the structure of the economy do not permit the adoption of norms, but tried to work out the tax revenue norms on the regression basis for 14 major states. These states were sub-divided into three groups: four high income states; five middle income states; and five low income states.

Both Tamil Nadu and Gujarat raised the issue of compensation for revenues lost due to prohibition (estimated at Rs.388 crores and Rs.238 crores), which was at least once regarded as national policy and which the Constitution had provided for. The Finance Commission paid no heed to this argument.

Applying the tax norms, the Commission found that for Gujarat, Maharashtra, Karnataka West Bengal, Bihar and Orissa, the trend tax revenue estimates were lower than the normative ones. Since 1989-90 is the first year of application of tax norms, some downward adjustments were made in the differences, but this was to serve as a signal for 1990-95 when the full rigour of the new discipline will be felt.

A different approach to tax norms, the Representative Tax System Approach — which requires the estimates of proceeds under each tax category at the average rate of all the states put together, and will therefore require more time to work out — was to be tried for 1990-95. While in principle the same treatment was to be given to central tax revenues, a practical norms approach could not be found, and the Commission had to use the previous approach.

The evolution of expenditure norms is a difficult job and could not be attempted in the short time at the Commission's disposal. It therefore by and large adopted the Eighth Finance Commission's 1988-89 estimates with adjustments for price increases and a 3 per cent increase in real expenditure. Separate specific calculations were made for items like interest on debt, pensions and elections. Severe warnings were sounded against the adoption of new social welfare schemes like old age pensions, pensions for destitutes and widows, and unemployment benefit, and even the extension of the coverage of old ones discouraged. It was made clear that these would have to be financed out of the states' own resources. No further increase in personnel or non-plan items of expenditure was to be permit-

Estimated total transfer of resources to states under 8th and 9th Finance Commissions

	Estimated transfer from Centre to States *(in percentages)*	
	8th Finance Commission (1984-89)	9th Finance Commission (1989-90)
Major States		
ANDHRA PRADESH	7.34	6.60
ASSAM	4.07	4.12
BIHAR	10.70	10.65
GUJARAT	3.77	3.19
HARYANA	1.11	1.21
KARNATAKA	4.38	4.22
KERALA	3.27	3.01
MADHYA PRADESH	7.50	6.98
MAHARASHTRA	6.68	6.71
ORISSA	4.84	4.53
PUNJAB	1.64	2.04
RAJASTHAN	4.25	4.77
TAMIL NADU	6.25	6.38
UTTAR PRADESH	15.47	15.85
WEST BENGAL	8.47	6.99
Other States		
ARUNACHAL PRADESH	—	1.11
GOA	—	0.34
HIMACHAL PRADESH	1.96	1.80
JAMMU & KASHMIR	2.84	3.48
MANIPUR	1.19	1.09
MEGHALAYA	0.97	0.82
MIZORAM	—	1.07
NAGALAND	1.34	1.06
SIKKIM	0.27	0.21
TRIPURA	1.42	1.25
ALL-INDIA	**100.00**	**100.00**

The author is an eminent economist and honorary director of the Centre for Monitoring Indian Economy

ted. Strict limits were also laid down for central subsidies.

The Commission was not asked to confine itself to non-plan revenue and expenditure. This change required it to know the size of central and state plans on revenue account, and the revenue resources to be mobilised for the plan. Since the Seventh Plan had already been finalised, it was easy to work out revenue plan assistance on the basis of the entire Seventh Plan, assistance to the states, the proportion to be given in grants, and the Plan grants drawn so far. Even then, items like centrally sponsored schemes and the states' share in external assistance had to be left out.

To avoid overlapping of jurisdiction, the Finance Commission stated that it did not intend to encroach on what it regarded as the preserve of the Planning Commission. It only laid down the Plan grant for each state but not its sectoral distribution.

When, however, it comes to 1990-95, the Finance Commission will find no such easy way out. Will the size of the Eighth Plan be known and its distribution among the centre and the states already be decided on by the Planning Commission before the Finance Commission applies its mind to it? The capital account of the plan has hitherto been outside the jurisdiction of the Finance Commission and this constitutes the major part of the plan. Revenue plan expenditure, which may legitimately be a part of the Finance Commission's functions, is decided along with capital expenditure as an integral part of the total plan. Unless the Finance Commission works almost as a part of the Planning Commission or it takes a great deal of responsibility in plan formations, its task will be formidable.

There is a still more difficult situation that could ensue. Even the limited norms that the earlier Finance Commissions laid down have not been observed; and there is a legitimate apprehension that the much wider norms the Ninth Finance Commission lays down may be departed from. In the past there was a safeguard as the Planning Commission estimated plan surpluses independently of the Finance Commission, more realistically and at much lower amounts.

The state plan size was decided by the Planning Commission in consultation with the states. The latter were anxious to get as large a share as they could for themselves and the Planning Commission used it as a lever to press the states to economise and mobilise additional resources for the plan. Plan assistance was also used as a pressure mechanism to make them accept the advised plan pattern, but there was no laying down of norms or prescriptions. All these past procedures and practices will be upset. It is difficult to visualise the new plan and assistance patterns that will emerge.

One must congratulate the Finance Commission on the tactful way it has performed many of its functions. Central state financial relations is a sensitive subject, and the way the terms of reference were framed by the central government without adequate consultation with the states that the centre will be dealt with by it in the same way as the states in all relevant aspects

The risk is great in the present climate when for the last eight years we have been financing revenue expenditure out of borrowing. The Commission has been asked to keep in view the objective of "generating surpluses for capital investment", and it has taken this point seriously. As one goes through its report, one can sense its agony at the grave financial situation the Indian economy has been facing, and its determination to save the situation. But as it rightly states, the norms it can lay down are only for the purpose of determining financial transfers. These can prove powerful only over a long period if the major problem lies with the stable states, and people are keen on development. As it is, the Centre can also depart from the norms and its power to do so is greater as it can borrow larger amounts and raise more by deficit financing. The Finance Commission can only prove effective if its observations are taken seriously by Parliament and the union cabinet. Of that there is not much evidence.

One must congratulate the Finance Commission on the tactful way it has performed many of its functions. Central state financial relations is a sensitive subject, and the way the terms of reference were framed by the central government without adequate consultation with the states that the centre will be dealt with by it in the same way as the states in all relevant aspects.

There are only two adjustments it has made about which one might feel somewhat disturbed. It has reintroduced some weightage in the distribution of income tax and excise levies among the states to statistics of persons below the poverty line, and it has recommended grants for special problems of urban decay and environmental degradation. Is it worthwhile for every Finance Commission to challenge its predecessors on small points and start minor controversies? Are not problems of environment and urbanisation essentially planning problems?

THE WONDER THAT IS INDIA

The India Magazine now gives you India like never before.

Well researched, informative articles on India, her people, culture, traditions, festivals, folklore, crafts, music, environment, wildlife.

Written by renowned scholars and leaders in their fields sharing their experiences and information, discovering the wonder, the charm that is India.

Every month, every issue — informative, original, beautifully produced, to be read, enjoyed and preserved.

The India Magazine — for you and your family, to treasure and refer to for years to come.

Subscribe now and be the guardians of those cultures that have kept India together, thinking and alive.

Subscribe and save 25% on newsstand prices.

India One Year (12 issues) Rs. 135* Two years (24 issues) Rs. 250*

Overseas (one year only)

Zone I: Airmail to Pakistan, Bangladesh, Sri Lanka, Afghanistan & Burma Rs. 400 or US $33

Zone II: Middle East, Asia, Japan, Europe Africa & Australia Rs. 625 or US $52

Zone III: North & South America Rs. 675 or US $56

Surface mail for all countries Rs. 300 or US $25

* Plus Rs. 5/- for cheques not drawn on a Bombay bank.

Newsstand Price: Rs. 15 per copy

SUBSCRIPTION

I would like to subscribe to/gift the India magazine for one year ☐ two years ☐ .

The magazine should be sent to the following address:

Name: _____

Address: _____

Gifted by: _____

My cheque ☐ bank draft ☐ P.O. ☐ for R _____

drawn in favour of the India magazine is enclosed.

the India magazine

of her people and culture

Wadia Building, 17 19 Dalal Street, Fort, Bombay 400 0

Why did Ghose have to go?

The mystery of Bhaskar Ghose's removal from Doordarshan gets more unfathomable everyday. The search for a replacement is on and the new incumbent will have to battle the constant suspicion of pliability. If the government expects the new director general to play a Goebbelesian role, one thing is certain — it will be a difficult task from the very start because Ghose had ushered into Doordarshan an era of Glasnost that neither viewers nor producers are likely to forget in a hurry. He had begun the process of setting standards and norms, of footage for the opposition — in short, fairness to the subjects as well as the audience.

But ultimately, a bit like Doordarshan's audience itself, Ghose was a captive. Inexplicably, barely a month after the PM had congratulated him on the good work he had done, Ghose was gone. That aside, there was support for Ghose even from his direct boss, G.K. Arora. As secretary for information and broadcasting, Aurora was prime mover of the attempt to make Doordarshan a more credible medium. And, indications available suggest that support for this shift in policy had come from the very top.

More outrageous than the act of removal was the manner in which the whole matter was handled. Ghose received a call on a Sunday afternoon and was practically ordered to hand over charge immediately. He, rather wisely, did it in a more civilised manner on a working day. The face-saving device of shifting Ghose to the department of culture has done little to assuage the feelings of the bureaucratic rank and file who have seen dismissals of this kind happening once too often in Rajiv's government.

Insiders at the centre claim that the removal of Ghose represents further evidence of Rajiv Gandhi's rapidly weakening political clout within his own cabinet. There are, in fact, indications that Ghose may have been a kind of ritual sacrifical offering in Rajiv's attempts to appease members of his own team. If that were so, there is need now to assess what the strengths of the newly emerging power blocs are. These formations could well affect the way the Rajiv government (if that is still the correct term for the incumbent administration) begins the process of preparing for the polls.

Yet, somehow the power bloc that allegedly had Gandhi's hands tied on the Bhaskar Ghose business does not seem to be a credible force. It is difficult to imagine Ajit Panja, H.K.L. Bhagat and K.C. Pant, who have little in common, form a lobby on an issue such as this. It is more likely that individual ministers, in a bid to both assert their authority as well as play their own games, are using figures within the council of ministers to achieve their own ends. Sometimes the reverse happens, as when a prime ministerial whim combines with a minister's passion to overrule the rest of the cabinet (witness the Pepsi decision). Whichever way the process works, the net result seems to be the repudiation of the spirit of cabinet government — never a very strong point of central governments form many years now.

Undermining itself

There must be some solace in company. Nothing else could explain the attempts of the beleaguered central government to destabilise Congress(I) state governments. Most political observers agree that such a process does seem to be on. In Uttar Pradesh, where V.P. Singh's influence is greatest, the reigning chief minister, N.D. Tiwari, is made to feel insecure. It is an open secret in Lucknow that Veer Bahadur Singh, who made way for Tiwari and earned a berth at the centre, still dispenses favours and carries clout in state matters.

To make matters worse it is reported that Tiwari's reports to get clearances for several large and pending projects seem to have run into rough weather in the very ministry which Tiwari presided over till recently.

In Gujarat, Maharashtra and Madhya Pradesh the tale is the same. Chief ministers are uncertain how long they will last. In all of them, arch rivals of the chief ministers seem to be rearing their heads with central support.

As a result of this induced instability, some party observers believe that local party outfits are demoralised and in some cases defunct. By inducing uncertainty, to ensure that nobody pays too much attention to the mess at the centre, the Rajiv government may well be, according to these observers, causing longer term damage.

As if creating disturbances in Congress-controlled states were not enough, last week, there was increased speculation of a change in Punjab. There were reports that Governor S.S. Ray would be eased out, and given a cabinet berth at the very least, and a new strong man brought in; all this cannot be doing much good to adminsitrative morale in the state.

While much is being made of attempts by the PM to soothe ruffled feathers in Madhya Pradesh Congress circles, during meetings with Motilal Vora and the chief minister, Arjun Singh, there is little evidence that attempts at destabilising Congress ruled states will come to a halt. For the moment at least, such short term ambitions seem to be sufficient fuel for central activity. All that the chief ministers can hope for is that, if polls in Tamil Nadu are announced, attention may be diverted away from Congress controlled states to those that they hope to capture.

Loan talk

Joyous announcements of cheerful export figures, notwithstanding the disquiet on the balance of payments front, are beginning to be made. While it may be too early for whistle-blowing, there are those in New Delhi who believe this is an indication that India may once again be on the verge of borrowing more money from the multilateral agencies.

A steady stream of officials has, it is noted, been winding its way to Washington on one pretext or the other. The IMF chief also made a visit to India, albeit on a completely different mission — namely, giving a speech on the fact that imports are mounting steadily. The result: more suspicion.

The reason for the speculation, however, is that the recent changes in banking regulations were announced when the IMF chief just happened to be in town. The government has been proudly bandying the decision as one which marks a move to deregulation of the financial markets. Unfortunately, not many people seem to have bought this line.

As to the timing of the predicted loan, sceptics suggest that the negotiations for the loan will probably be completed only when the finance secretary's term ends. Given that the government has not decided who to nominate for the top Indian slot at the World Bank, all these decisions seem to be interlinked. And, in the meantime the million dollar question still hangs fire. Will we or won't we borrow?

■ DILIP CHERIAN

L&T

The Reliance alliance

With the Ambanis of Reliance becoming the largest non-institutional shareholders of engineering giant L&T, the intense speculation about who will guide its destiny after chairman N.M. Desai retires in March next year has now been put to rest. And the Reliance group seems all set for a scorching pace of growth, aided perhaps by a few more "strategic alliances"

NAME Larsen & Toubro Ltd.
REGISTERED ADDRESS L&T House, Ballard Estate, Bombay 400 038
YEAR OF INCORPORATION 1946
CHAIRMAN N. M. Desai
PLANT LOCATIONS Powai works (East & West), Madh works, Ahmednagar works, Awarpur cement works, Bangalore works, Faridabad works, Kansbahal works, Mysore works, Hazira works
BUSINESS ACTIVITY Construction, engineering, cement, shipping, switchgear, electronics, consultancy and engineering services
RECENT SHARE PRICE Rs. 143
PRICE TO EARNINGS (times) 25.10
DIVIDEND 20 per cent

NAME Reliance Industries Ltd.
REGISTERED ADDRESS Maker Chambers IV, 3rd floor, 222 Nariman Point Bombay 400 021
YEAR OF INCORPORATION 1966
CHAIRMAN Dhirubhai M. Ambani
PLANT LOCATIONS Patalganga, Maharashtra Naroda, Ahmedabad
BUSINESS ACTIVITY Synthetic fibres, rayons, nylons, and detergent intermediates
RECENT SHARE PRICE Rs 208
DIVIDEND 25 per cent

"Dhirubhai Ambani asked me one day, 'How's your company doing?' I replied, 'It's not mine. It belongs to 1.5 lakh shareholders. It's faring fine.' Dhirubhai then went on to ask, 'Can I purchase some shares?' To which I replied, "Go ahead. Anyone has the right to do so. I have no objection!"' — N.M. Desai, at the company's EGM held in Bombay on 10 October.

On the face of it, a straightforward share acquisition. Beginning July, the Ambanis of Reliance Industries picked up over 12 per cent of the Rs.56 crore equity capital of engineering giant Larsen & Toubro (L&T), at a cost of at least Rs.70 crores. In the process, they drove its share price to a high of Rs.148. Come September and the L&T board decided, on the 23rd, to co-opt two new directors — Mukesh Ambani, the quietly confident, elder son of Reliance's irrepressible chairman Dhirubhai Ambani, and M.L. Bhakta, solicitor, Kanga & Co, and a trusted director on the Reliance board since 1975.

When *Business India* talked to Henning Holck-Larsen over the telephone about the Ambanis acquiring a stake in the company he founded, he said, "It is a good development." However, a month ago, when *Business India* had asked Larsen whether a family-owned group could run L&T, he had said, "Only a professional management can run the company."

When Desai, at the company's extraordinary general meeting (EGM) held in Bombay last week, said, "Anybody can buy our shares, we cannot block their transfer. We believe in corporate democracy," he was hardly convincing. If it really were all that simple and straightforward, there was no reason for so much secrecy and denials of any board changes on the part of a management that prides itself on professionalism and a commitment to shareholders.

DENIALS

For months there was intense speculation about the Ambanis making a concerted bid for L&T. (*Business India*, in its issue of 25 July 1988, was the first to report that the Ambanis were eyeing L&T). The Ambanis denied it while the senior L&T management, led by chairman N.M. (Nicky) Desai, turned incommunicative. As late as 26 August, when the L&T board met to consider the Rs.80-crore convertible issue, senior company officials denied there would be any change in its composition in the near future. (The corporate grapevine has it that this day fell in the inauspicious month of *shradh*, so the co-option of Mukesh and Bhakta was postponed!)

But now, all the uncertainty is put to rest. Press reports based on partial information, market rumours and hearsay have been proved right:

Dhirubhai Ambani: on a takeover spree

Desai: little choice

PANKAJ DESAI

7 p.m., 11 October 1988: Mukesh Ambani strolling out of L&T house after a marathon, three hour board meeting

OIB celebrates its third anniversary

Come to the very heart of Nariman Point and experience the personalised service of

Oman International Bank

Enter Nariman Point, Bombay's bustling, new business district. Almost at its very centre is MITTAL COURT.

Alight and step straight into the service – oriented **OMAN INTERNATIONAL BANK.**

You are promptly attended to with friendly care and courtesy. The exceptional, personalised service that has brought us sustained success in domestic and international financing.

In a short span, we have won many friends; assisted and serviced Non-Residents, Technocrats, Exporters, Traders, Professionals, Small-Scale Industrialists, Entrepreneurs and Corporate Giants.

Open to you are facilities that banks offer — with one subtle difference. **OMAN INTERNATIONAL BANK** has that special ambience that only a **friend** and **partner** can provide.

★ **COMMERCIAL BANKING**
Savings Accounts
Fixed Deposits
Current Accounts
Non-Resident NRE & FCNR Accounts
Loans, Overdrafts, Bills

★ **FOREIGN EXCHANGE**
Export & Import Finance
Remittances & Collections
Letters of Credit

★ **MERCHANT BANKING**
Project Counselling
Public Issue Management
Refund Management
Portfolio Management
Services to NRIs

★ **PROJECT FINANCING**
Loan Syndication
Working Capital Finance
Guarantees
Deferred Payment Credits

بنك عمان الدولي ش.م.ع

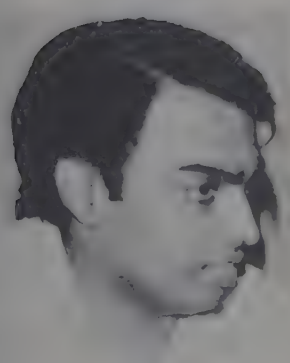
Oman International Bank S.A.O.

1-A Mittal Court, Nariman Point, Bombay 400 021 Tel. 204 7444/5, 287 1367/9
Forex/Treasury 287 1570. Telex: 011 3569 OIBB IN. 011 3165 OIBB IN

Head Office: P.O. Box 4216, Ruwi, Sultanate of Oman
Tel [illegible] Telex 498 3364 OMINHO ON (Head Office)

A friend and partner

GJA 2226 A



Mukesh Ambani: quietly confident

Bhakta: a trusted man

the formidable Ambanis have indeed emerged as the single largest non-institutional shareholders of L&T, edging out rivals like Rahul Bajaj, Aditya Birla and the ubiquitous Chhabria brothers. And in the process, they have entered the takeover game with a bang. It is clear that from now on the Ambanis will not hesitate to acquire companies they consider strategic to their business objectives. Understandably, this has given big business the shivers — the Ambanis' formidable financial muscle and political clout is legendary.

"BASELESS"

Last week itself, a rumour on Dalal Street that Siemens India was next on the Ambanis' shopping list sent its equity zooming to a dizzy Rs.120. The Ambanis dismiss the rumour as "baseless", saying that they are only negotiating with Siemens to set up the captive power plant at Hazira for their petrochemicals complex. (But then they denied having any interest in L&T too — so nobody's ready to believe them.) *Business India* also learns that the Ambanis are seriously considering buying into IEL Ltd (51 per cent equity held by ICI of UK) and Bombay Suburban Electric Supply Co Ltd (67 per cent held by institutions).

By all accounts, Dhirubhai Ambani and Nicky Desai came to an understanding some four months ago whereby Ambani would acquire a significant equity stake in L&T and gain representation on its board. Publicly, of course, Desai dismisses any such preconceived "alliance". But few will believe him. At the EGM held in Bombay last week, Desai told shareholders, "I do not know for sure whether the Ambanis have bought L&T shares. We have not received any shares for transfer." But he also added, "However, I believe they have bought shares." He further revealed that Mukesh Ambani and M.L. Bhakta, both Reliance directors, would join the board the next day. "Mukesh is young but a very capable person," he said. "Bhakta is a reputed professional with Kanga & Co and a director of Reliance Industries since 1975." Moreover, just a few days before the EGM, Desai along with five key directors, met Dhirubhai Ambani at his office in Bombay's Nariman Point and assured him of their full support.

Why did Desai, the man who built L&T along with Henning Holck-Larsen and the late Soren Toubro over the last four decades, "ally" with the Ambanis? Off-the-record interviews conducted by *Business India* with a cross-section of industrialists, merchant bankers, L&T insiders and others in the know reveal that Desai may really have had little choice but to ally with a powerful family house. The bell began to toll last year when Dubai-based corporate raider Manu Chhabria started picking up L&T shares from the stock-markets. By end-1987, Chhabria is believed to have picked up a little under 1.5 per cent of the company's equity capital through some investment companies.

L&T's equity is widely held by the public. Apart from the institutions, which own over 40 per cent, no single shareholder owns more than 1.5 per cent (*see table 1*). This makes the company a prime takeover target for anybody who has enough money power and the blessings of the institutions (read New Delhi).

Given the concerted bid by the Chhabria brothers and the hotting up of the corporate takeover game, which the Rajiv government appears to be acquiescing in, Desai must have realised that sooner or later L&T would be up for grabs. Moreover, the amendment to the Companies Act last year makes it virtually mandatory for the board of directors to transfer shares to any buyer. As Desai himself explained, "If the directors do not transfer the shares within 60 days, they are answerable to the Company Law Board. And today, the Board would never approve a decision to refuse transfer."

L&T House: improved muscle power

Table 1

L&T shareholding pattern (as on 9 March 1988)

	Per cent
FINANCIAL INSTITUTIONS	39.16
NATIONALISED BANKS	0.81
FOREIGN COMPANIES	1.66
INDIAN COMPANIES	1.81
NRIs	0.44
HENNING HOLCK-LARSEN	0.37
N.M. DESAI	0.07
OTHERS	55.68
	100.00

Manu Chhabria: out of the reckoning

Rahul Bajaj: left behind

SBI MUTUAL FUND INTRODUCES TAX - SAVING MAGNUMS

Save up to Rs. 5,250 in Income Tax

SBI Mutual Fund offers you an easy way to add to your income. It's called the Magnum Tax Saving Scheme, 1988-89. Here's how it works.

Your investment in the Scheme is 'mutualised'. That is, it's pooled together with investments from other members of the Scheme.

The Fund re-invests this accumulated money, in the equity shares of new companies covered by Section 80CC of the Income Tax Act, 1961 (I.T.A.).

And, from your taxable income, you are entitled to a deduction of 50% of your investment in the Scheme.

You can invest any amount in the Scheme. However, the maximum amount that qualifies for the 50% deduction is Rs. 20,000 – that is, your maximum deduction can be Rs. 10,000.

This deduction could save you upto Rs. 5,250 depending upon your income.

How to maximise your tax savings

Investments covered by 80C of I.T.A., such as NSC, PPF, LIC give you a deduction of 100% on the first Rs. 6000 (better than Magnums), 50% on the next Rs. 6000 (equal to Magnums), and only 40% thereafter (less than Magnums).

So after investing Rs. 6000 at 100% deduction, place the balance in Magnums. Because with Magnums you could also get a higher rate of return due to capital appreciation.

Three other tax benefits

First: Income from your Magnums together with income from certain other securities is tax exempt up to Rs. 10,000 per year under Section 80L of the I.T.A.

Next: Your investment in Magnums is exempt from Wealth Tax within the overall limit of Rs. 5 lakhs under sub section 1(A) of Section 5 of the Wealth Tax Act.

Lastly: The Fund would receive and pay all income by way of dividends, interest etc., without any deduction of tax at source.

IF YOU BUY TAX-SAVING MAGNUMS ONLY FOR THE TAX SAVING, YOU COULD GET MORE THAN YOU BARGAINED FOR.

Potential profits from capital appreciation

When the SBI Mutual Fund buys shares in new companies, it will choose the ones most likely to succeed with the help of its financial expertise.

So it's likely that such shares will rise in value... and so will your Magnums. The potential of profit being gained from capital appreciation is, therefore, very high.

Resale and loan facilities

You can sell your Magnums back to the Fund at a repurchase price which will be announced periodically. But if you sell within three years, suitable additions will have to be made in your taxable income in the year of sale.

You can also retain your Magnums and take a loan of upto 75% of their face value.

Minimum investment: Rs. 1,000

Rs. 1,000 will buy you 10 Magnums each with a face value of Rs. 100.

When can you buy Magnums?

Any time between August 1, 1988 and March 31, 1989.

Short, simple procedure

Designated branches of the State Bank Group and other authorised banks will handle Tax Saving Magnums.

The application form is simple. Just fill it up and pay in your subscription. You are guaranteed allotment of any number of Tax Saving Magnums as long as your form is filled up completely and correctly.

Yes, tax saving has never been easier!

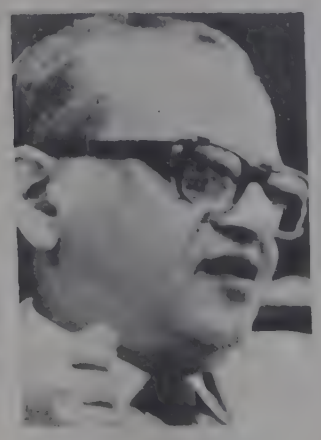
SBI MUTUAL FUND

MAGNUM

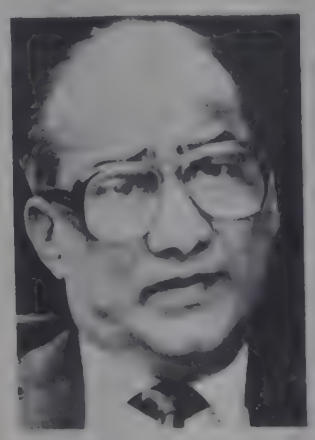
TAX SAVING SCHEME, 1988-89

LINTAS SBI MF 71 2418

Subramaniam: a Desai loyalist?

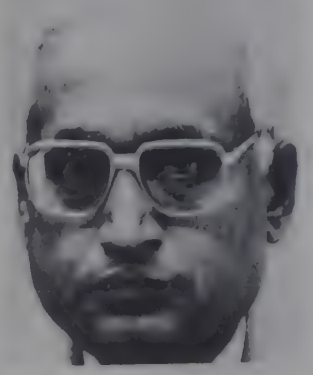


Rao: leaving in a huff

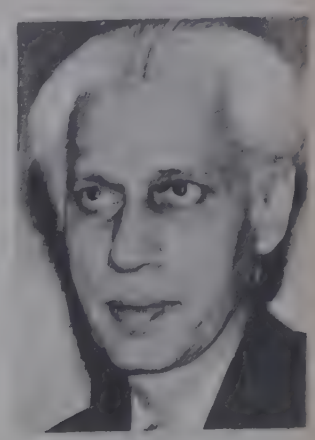


Pradhan: retiring next September

Ramakrishnan: dynamic



Kashyap: supporting change



Kulkarni: new directorship

Last year, in what was widely perceived to be a "defensive strategy", L&T applied to the government for approval of a scheme to offer stock options to all its 25,000-odd employees. The scheme envisaged a preferential issue of debentures fully convertible into equity at Rs.30 per share. Result: the employees would come to own 10 per cent of L&T's equity and strengthen the ability of the management to ward off raiders. Initially, the finance ministry is believed to have welcomed the proposal. But later, when L&T made a formal application, it developed cold feet. Finally, last May, the Controller of Capital Issues (CCI) rejected the scheme on the ground that the existing guidelines did not provide for such an issue of capital offered exclusively to employees. The CCI decision set off speculation in corporate circles that Desai had failed in his bid to ward off raiders. Desai of course dismisses any defensive intentions and simply says that the proposed scheme was "ahead of the times".

SEVERE DISCORD

A serious problem at L&T has been that its top management has been riven by severe discord in recent years. Since 1986, three top executives have left the company: K.S.S. Mani, the liaison man in Delhi, B.G.N. Patel, finance, and M.H. Pherwani, planning and development. The major reason for their exits, claim L&T insiders, was serious differences with Desai. And now, U.V. Rao, vice-president in charge of the most profitable switchgear and electronics business group, has tendered his resignation. This was following the appointment announced last month of S.R.R. Subramaniam, vice-president (excavators, shipping, personnel) — perceived to be a Desai loyalist by company insiders — as president and managing director of L&T from April 1989.

Rao, an L&T veteran and senior to Subramaniam, is widely regarded as a highly competent person. Said Henning Holck-Larsen, on the telephone, "U.V. Rao is a highly competent professional. His departure would be a loss to L&T." Significantly, Rao did not attend either the company's EGM last week or the board meeting on 9 October which Mukesh Ambani and Bhakta sat in on. He has been away on leave and could not be contacted for comment.

Another senior vice-president superseded by Subramaniam is D.L. Pradhan who is in charge of L&T's cement division. However, Pradhan is due to retire in September 1989. So he may not have much reason to complain, unlike Rao who still has six years ahead of him. Similarly, C.R. Ramakrishnan, the highly competent boss of the fast-growing construction group, which contributes over one-third of L&T's sales, is due to retire in December 1989. S.P. Kashyap, vice-president in charge of steel, mining and other equipments business, is also regarded as a Desai loyalist, and so is S.D. Kulkarni, the new vice-president, finance, who replaced Patel last year.

Desai joined L&T when he was only 22 years old; he grew under the wings of founders Larsen and Toubro and took over in 1978 with Larsen's blessings. No other manager in L&T has that kind of stature. Desai has always kept the succession issue vague. He may have felt that as long as he was around, he could somehow keep the top management together, but none of his successors would be able to hold it together for long. According to some company insiders, by not naming a successor Desai could wield absolute power. Last year, the financial institutions too had expressed concern over the fact that Desai had not identified a successor. Desai refutes all the allegations, saying he has full confidence in his professional managers and that they can run L&T even after he is no more on the scene.

The internal dissensions in the senior management had an unexpected fall-out that blotted the image of L&T in June last year. The Company Law Board (CLB) issued show cause notices to the L&T board under section 408 of the Companies Act. Under 408, the government has wide powers "to prevent oppression" of any members of the company and "to safeguard the interests of its shareholders or the public interest".

The show cause notices charged the company and its directors of favouring Desai and his wife with residential flats at rates far below their market values, of donating funds to organisations his wife and daughter were associated with, of high capital expenditure incurred without adequate scrutiny, of a misconceived diversification into shipping that resulted in big losses, and so on. It is widely believed that the CLB said that its notices were based on information supplied by some disgruntled senior executives. Subsequently, the CLB said that it did not find it necessary to appoint government directors "for the time being", and suggested that the institutions should be more active and revamp the management if necessary.

All these developments — corporate raiders on the horizon waiting to move in at the right time, the government's rejection of the stock option scheme, internal dissension, the CLB judgement that questioned the quality of the board's decision making — left Desai with little choice, corporate watchers feel, but to look for a "white knight" who would deliver him and L&T from all their travails.

FULL BACKING

And Desai's choice fell on none other than Dhirubhai Ambani. Some people say that once the Ambanis set their eyes on L&T, they got the full backing of the government and its institutions. So the others in the fray, Manu Chhabria, Rahul Bajaj, Aditya Birla, quietly moved out. And according to stockmarket sources, it is highly unlikely that the Ambanis could

Yes, now we've a new name. For some it's news. Because they didn't know that the company's name was actually Hi-Beam Electronics Ltd and Solidaire only a brand name. It is one of those rare cases when a brand name has outgrown the company's. So we thought it's better to call ourselves as Solidaire India Limited.

Moreover it should also give us an extra thrust to our ambitious expansion and diversification programme. Increasing the production capacity of Colour and B&W Televisions to meet the ever-growing demand. Diversifying into Electronic Tuners and hi-tech components — all import substitution items.

Solidaire India Limited

Watch out! Solidaire has more interesting news to share with you

Solidaire 10
A DECADE IN CONSUMER ELECTRONICS

Solidaire India Limited,
10, First Main Road, Adyar, Madras-20.

Insight-si-796

have picked up over 6.7 million shares from the open market. They claim that most of the shares must have been acquired quietly from the institutions. If this is true, the institutions' equity holding in L&T should show a sharp decline when its books close for the Rs.80-crore convertibles issue after a couple of months.

But Desai gives other reasons for tying up with Dhirubhai, "We have had business dealings with the Ambanis for many years now. They were unusual clients. We were impressed with their dynamism and farsightedness. Dhirubhai is one of those rare individuals who makes his assumptions come true, who translates his dreams into reality. We at L&T are always receptive to new ideas, new persons, so that we can all collectively widen our horizons."

For L&T, the alliance with Reliance will mean a much greater financial strength and greater risk taking capability. The undisputed political clout of the Ambanis should translate into a much faster growth of L&T's core business: heavy engineering. Despite top class engineering manpower resources and a professional style of functioning, this premier company has often been hamstrung by its inability to get government approvals and to compete with favoured public sector companies.

L&T lost out in its bids for the Nagarjuna fertiliser project (to the K.V.K. Raju group in Andhra Pradesh) and the Mangalore refinery (to Aditya Birla's Grasim Industries), even though it has the capability to design and fabricate key equipment like pressure vessels, heat exchangers, and ammonia converters. L&T has also to compete with public sector companies like Bharat Heavy Plates & Vessels Ltd (heat exchangers, pressure vessels), Bharat Heavy Electricals (power equipment), Mazagon Docks (oil platforms). The latter enjoy a 10 per cent price preference in tender bids, purchase preference, and sometimes even outright nomination.

EASING CONSTRAINTS

With its sophisticated fabrication capabilities, L&T can make boilers for power generation but is not permitted by the government to do so. In January last year, 40 per cent of L&T's new heavy engineering workshop at Hazira was lying idle, while Mazagon Docks had yet to hand over an oil platform to ONGC which it had promised to deliver by mid-1984! The Ambanis' entry into L&T is expected to substantially ease such constraints and propel the company faster ahead.

The Ambanis stand to gain much more. First and foremost, they are moving into the driver's seat at L&T. There can be little doubt as to who will call the shots. Over the next 15 months, there will be four vacancies on the L&T board. Rao, Subramaniam, Pradhan and Ramakrishnan will have to be replaced. As one L&T insider remarked: "It is open doors for the Ambanis." Second, despite some setbacks and external constraints,

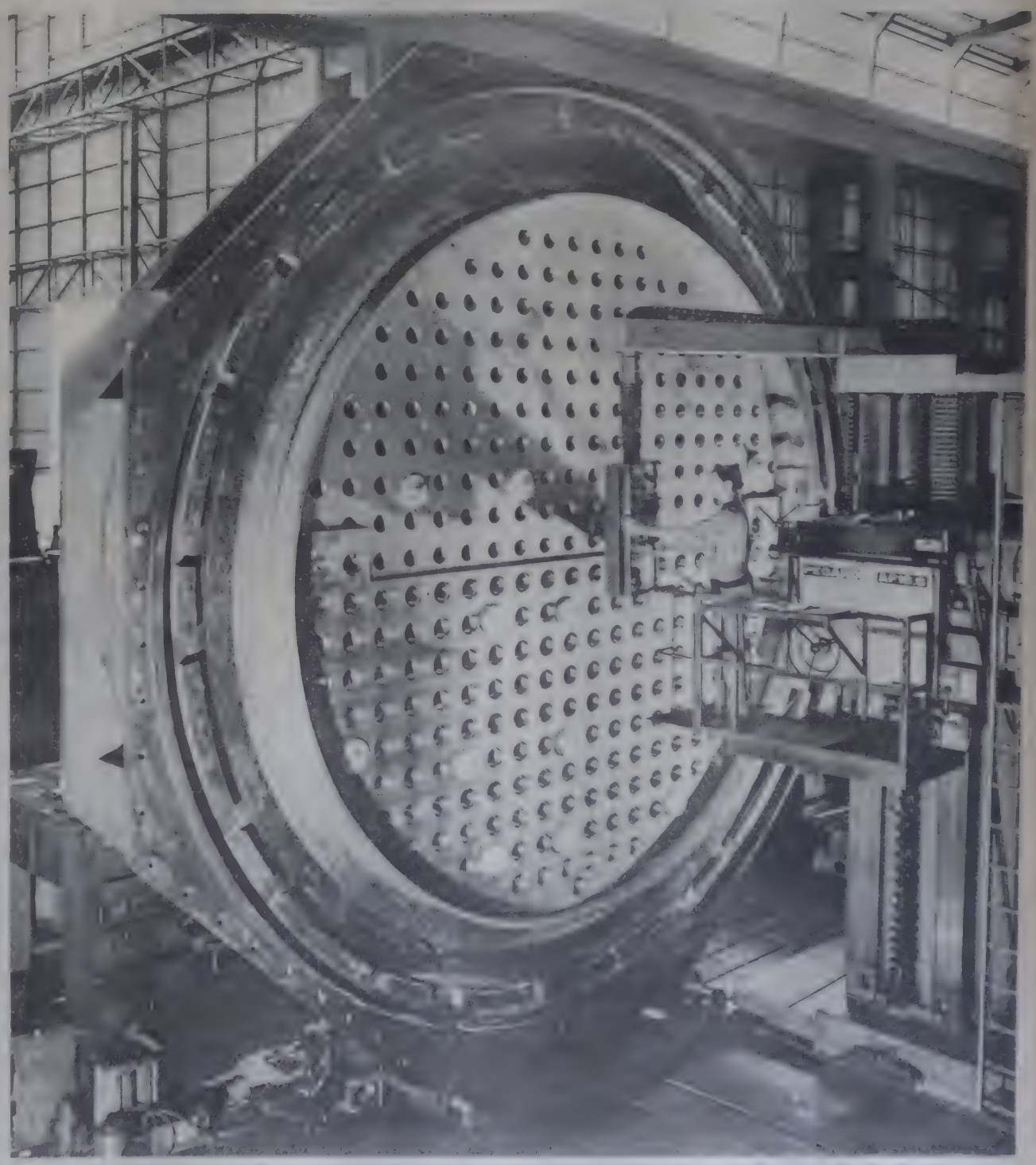
Table 2

Profile of Reliance group (1988)

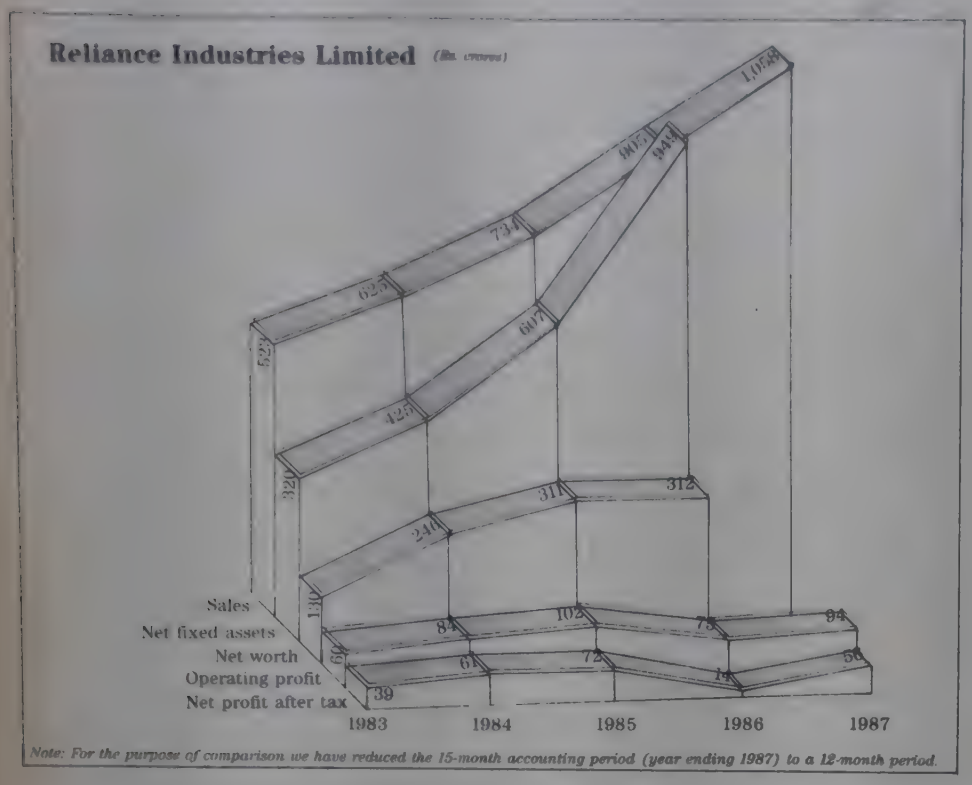
(Rs. in crores)

	RIL	L&T	Total	RPL
TOTAL ASSETS	2200.00	900.00	3100.00	775.00
TOTAL TURNOVER	1500.00	600.00	2100.00	900.00*
TOTAL NET WORTH	1050.00	350.00 +	1400.00	690.00
LONG-TERM DEBT	700.00	260.00	960.00	85.00
DEBT : QUITY RATIO	0.67:1	0.74:1 +	0.69:1	0.12:1
ADDITIONAL DEBT RAISING CAPACITY	1,400	440.00	1840.00	1,985
MARKET CAPITALISATION	3,000	1000.00 +	4000.00	800.00

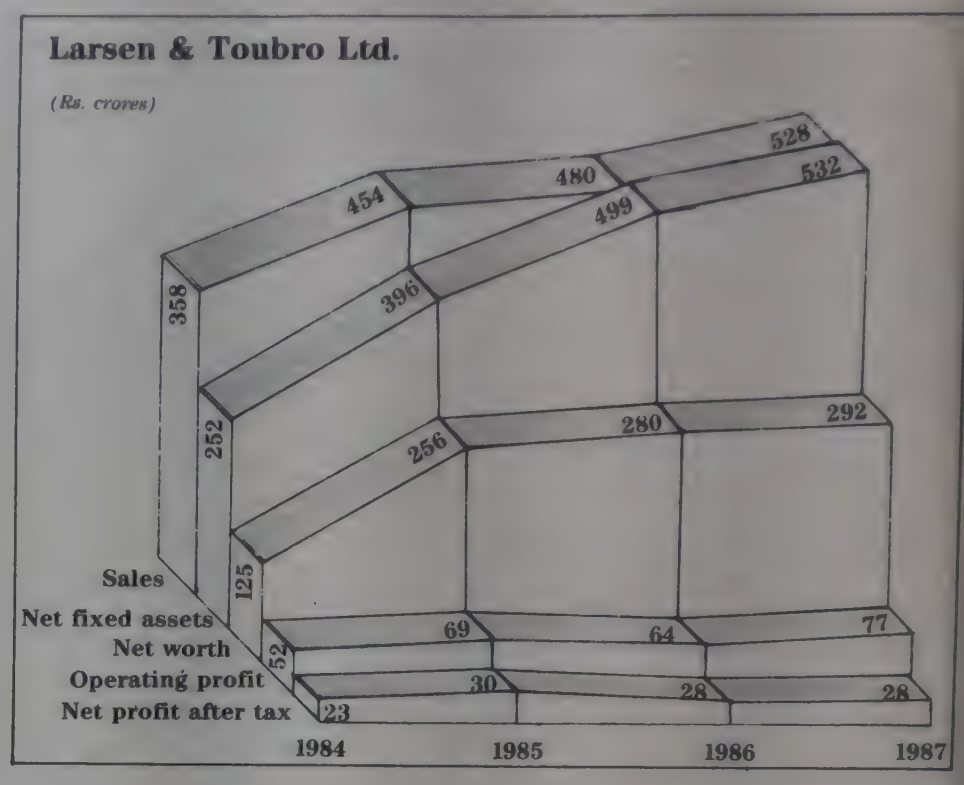
* First year — projected.
\+ The figures does not include fully convertible debentures issue of Rs.80 crores.



Nuclear end-shield boring at L&T's Powai works: sophisticated engineering skills



Note: For the purpose of comparison we have reduced the 15-month accounting period (year ending 1987) to a 12-month period.

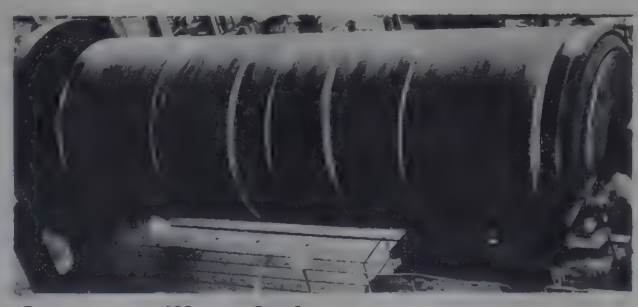


L&T has still managed to grow quite impressively. Since 1978, when Desai took over from Henning Holck-Larsen, the company's sales, assets and profits have grown manifold. Its debt raising capacity is a formidable Rs.440 crores. And today, with the increasing liberalisation of licensing and investment in core sectors of the economy, the opportunities for L&T are enormous.

In terms of engineering skills and professional management, L&T is incomparably superior to Reliance. In fact it may not be an exaggeration to say that today L&T is critical to Reliance consolidating itself in its newly-started petrochemicals operations that have largely been set up with the help of foreign engineers. For instance, once the Hazira petrochemicals complex starts operations, L&T's heavy engineering shop located there can be expected to get Rs.30 crores of business every year from support and maintenance activities alone. L&T will also serve as a launching pad for the Ambanis into capital-intensive or high-tech areas like construction, electronics, fertilisers, oil refining, power generation, and turnkey contracting both in India and overseas.

The Ambanis will provide the fund-raising power, the ability to get clearances from New Delhi and timely project execution skills. L&T will provide a top class engineering skill base that can confidently implement ambitious, mega projects entailing huge investments. As the Ambanis put it, the Reliance-L&T alliance is "a lethal combination of entrepreneurial and professional skills." Desai agrees and sees L&T "internationalising its business operations" in the years ahead.

Pherwani of UTI, Nadkarni of IDBI: fully backing the Ambanis


Cement mill on lathe

However, some L&T insiders fear that "the company will go down" if it is run like a family operation and if its professional culture is tampered with. Despite the hype about having "the latest technology" and the undoubted skills of "high finance", Reliance is an extremely centralised, family-run operation. It lacks the in depth engineering skills and professional management so vital to diversified, high-tech business house it is transforming itself into. Reliance is essentially a commodities producer (to date it has made most of its money from only one commodity: polyester yarn) unlike L&T, which makes sophisticated products that embody a high level of design and engineering skills. Reliance's operating experience is restricted to textiles, fibre, yarn, textiles trading (petrochemicals like LAB and PTA have just been introduced). L&T on the other hand offers a mind-boggling range of products and services: from crown corks to nuclear end-shields, from heat exchangers to rocket motor casings, from constructing civil-engineering marvels like the lotus-shaped Bahai temple in New Delhi to shipping.

Thus this first major share acquisition by the Ambanis will serve as force multiplier for the Reliance group. Virtually overnight, its scope of operations expands to another seven businesses: engineering, construction, cement, shipping, switchgear, electronics, consultancy. Clearly, Reliance has a lot to acquire in L&T.

If L&T is regarded as a Reliance group company, which for all practical purposes it now is, then the Reliance group balloons in size. Its asset base expands from Rs.2,200 crores to Rs.3,100 crores, turnover from Rs.1,500 crores to Rs.2,100 crores, net worth from Rs.,1050 crores to Rs.1,400 crores, and market capitalisation from Rs.3,000 crores to Rs.4,000 crores (*see table 2*). This takes the Ambanis a big step closer to the Aditya Birla group, the second largest business house in the country in terms of sales after the Tatas, according to a recent listing in *The Economic Times*. And once Reliance Petrochemicals goes on stream three years from now, the Ambanis may well begin to move closer to the No.1 slot. No mean achievement for Dhirubhai Ambani, son of a simple school teacher from Porbandar who started with nothing just 30 years ago.

■ MUKARRAM BHAGAT

APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR

Best of the west. Europe every day.

Linked daily with Switzerland, Bombay is only one stop away from over 50 bustling cities in Europe. In Germany alone, we fly every day to as many as eight important centres: Bonn/ Cologne, Dusseldorf, Frankfurt, Hamburg, Hanover, Munich, Nuremberg and Stuttgart. Five in France: Bordeaux, Marseilles, Nice, Paris and Toulouse. Four in Italy: Catania, Genoa, Milan and Rome. Three in the U K: Birmingham, London and Manchester.

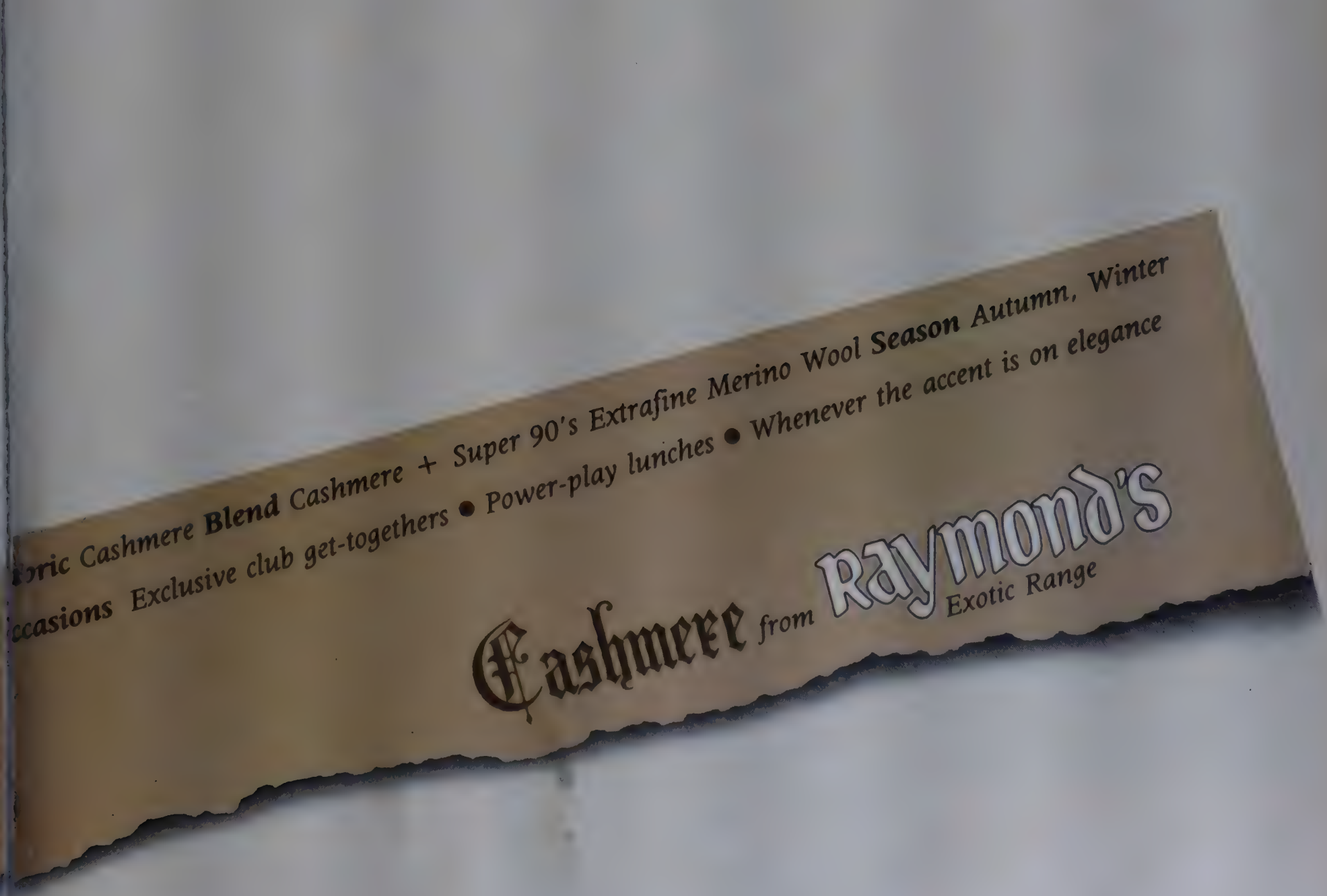
Best of all, you can take our hospitality and punctuality as read.

swissair

For details call your IATA travel agent or the nearest Swissair office
AHMEDABAD 449149 • BANGALORE 571983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 325511 • HYDERABAD 224244 • KATHMANDU 222452 • MADRAS 861583

everest/88/SW/53 R1

For men of infinite horizons, a fabric available only in limited editions.


ric Cashmere Blend Cashmere + Super 90's Extrafine Merino Wool Season Autumn, Winter
casions Exclusive club get-togethers • Power-play lunches • Whenever the accent is on elegance
Cashmere from Raymond's
Exotic Range

DUNLOP

Radial Class

RADIAL CAR TYRE

Dunlop is Dunlop. Always ahead.

NEW CREDIT POLICY

A whiff of liberalisation

Partial deregulation — the hallmark of the new credit policy — is very much in line with liberalisation in other sectors of the economy. It is expected that bank credit to industry will now be driven by actual market prices

Saturday, 9 October seemed to be just another hot October afternoon in Bombay. For the bank chairmen and executive directors, assembled in the conference room of the RBI headquarters in Bombay, the occasion was apparently just another credit policy announcement for the approaching "busy" (because it is harvest time for the kharif crop) season.

The general expectation was that, with the banks having an overall excess liquidity of around Rs.1,800 crores, the statutory liquidity ratio required to be maintained with the RBI would be raised by one percentage point. But the union ministry of finance and the RBI had decided that this time round the announcement was not going to be as tame as that. The 1988-89 busy season policy — effective from 10 October — has far-reaching implications.

- The credit authorisation scheme (CAS) which regulated the working capital limits of borrowers has, for all practical purposes, been abolished.
- The bank lending rate for commercial borrowers which had been fixed at 16.5 per cent since April 1987 will now cease to have a ceiling. It will however be subject to a minimum of 16 per cent.
- Borrowers are now free to transfer accounts from one bank to another without the "losing" bank having to issue a no objection certificate as required earlier.
- Participation certificates (PCs) have been reintroduced as a short-term instrument to broaden the money market.
- Certain changes have been made in the lending for housing finance by banks.

Comments a senior RBI official, "The new policy will be continuously reviewed. This is our stance at the moment, as we see it happening in the second half of 1988-89."

The new policy was obviously being worked on for quite some time. Sources in Delhi reveal that Raju Chelliah, member, planning commission, has been working on it for the last several months. Thus, the new initiatives should not be linked only to the current liquidity in the banking system. It is just that it provided the right environment to push the package through.

With interest rates freed, the CAS considerably watered down, and transfer of accounts permitted, the busy season credit policy seems like the dawn of a new competitive era which might force commercial banks to become more market-oriented. While it is true that lending to industry or commercial lending constitutes only 10 to 20 per cent of total advances, the fact is that banks depend on this segment for profits. Thus the new policy is significant, though it does ignore the priority sector and sick industries.

For the borrowers too, the introduction of a flexible lending rate would imply a premium on the quality of account. A customer with good track record could definitely gain and others lose. In short, efficiency is to be rewarded.

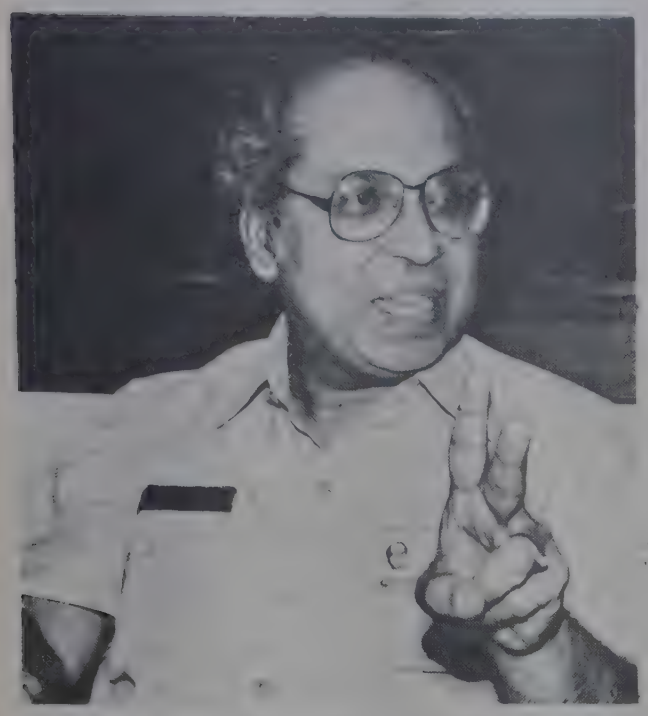
Malhotra: bringing good news for industry

DIVIDED OPINIONS

Opinion on the real impact of the new policy is divided. Not all bankers and customers are convinced that it will lead to any drastic change of scenario. "There is only an aura of liberalisation," sums up Kalyan Banerjee, chairman and managing director of Exim Bank.

When the CAS was introduced in 1964, it was relevant in a scenario of rationed capital. The idea was to allow for sectoral allocations in a situation where big business controlled the major banks.

As RBI governor R.N. Malhotra's communique to the scheduled commercial banks notes: "CAS was intended to ensure that bank credit for large borrowers does not make a disproportionate draft on lendable resources of banks to the detriment of other borrowers. This scheme was also aimed at promoting financial discipline and optimal use of



Banerjee: only an aura of liberalisation

bank credit." When CAS was first introduced, the limit was Rs.1 crore — all working capital credit of Rs.1 crore and above to industry required the prior sanction of the RBI. The limit was raised from time to time and stood at Rs.5 crores.

With the Ghore and Tandon committees set up subsequently, the focus of the CAS moved from ensuring sectoral allocations to scrutinising individual accounts. This is evident from the inventory norms and quarterly information systems (QIS) that accompanied CAS applications.

With the latest review, the RBI has decided to withdraw the system of prior authorisation of working capital credit. In its place it has been proposed to subject all applications above Rs.5 crores to post-sanction scrutiny by the RBI. "This is a recognition of the fact that the banker knows better than we sitting here," says the RBI official quoted earlier. "Our judgement is that banks will and ought to observe credit discipline on their own." V. Mahadevan, deputy managing director, State Bank of India, agrees, "Now that we have no one to veto our decisions, we have to become more responsible."

"MORE RISKS"

The moot point is, did the CAS serve the purpose for which it was created? While most bankers and customers agree that the RBI machinery was geared to clear CAS cases in a relatively short time (35 days), they feel that the strict CAS guidelines often were not in line with the needs of specific industries. "We can now take more risks and offer a better credit package to industries, and bankers can stand by customers in tiding over their temporary difficulties," says D. Basu, managing director of SBI Capital Markets.

There are some who feel more strongly about the CAS having outlived its utility. Says the chief executive of a financial services company, "In my years as a banker, I have never known of a good borrower not getting money; CAS was being observed more in the breach." Says V. Shankar, vice-president for corporate banking, Bank of America, "CAS became a little bit of an anachronism. And today it is not as much the dismantling of the CAS structure that is significant as is a devolution of responsibility to the banks." Mahadevan of SBI points out, "However, we will still have to stay within

BOX 1

PCs — well balanced and timely

Apart from other things, the new credit policy has also reintroduced inter-bank participation certificates (PCs), which had been phased out during I.G. Patel's tenure as the RBI governor.

PCs enable a lending bank, temporarily short of funds, to borrow from another bank. The newly introduced PCs are of two categories: risk sharing and non-risk sharing.

- If a bank borrows from another on a risk sharing basis, the RBI has stipulated that the period of loan should be restricted to between 91 and 180 days. The rate of interest, to be determined between the issuing participating banks, would be subject to a minimum of 14 per cent. Also, the level of participation in any specific case should not exceed 40 per cent of the outstandings in that account.
- The tenure of a non-risk sharing PC cannot exceed 90 days at a mutually decided rate of interest, not exceeding 12.5 per cent. This allows participating banks to take recourse to the bank that issues the PCs in case of default. However, the amount of non-risk sharing PCs taken by any bank will be added to its total deposits. Hence, proportionate reserve ratios will have to be maintained.

Says R. Kannan, executive vice-president for corporate banking, Canbank Financial Services Ltd, "The banking system was badly in need of instruments of temporary asset transfer. The PC scheme is a well-balanced package which takes care of differential pricing for risk-taking and debt adminsitration cost, with a built in safety mechanism against over indulgence."

Earlier, the working group on the money market, chaired by N. Vaghul, chairman and managing director of ICICI, had recommended the introduction of PCs as instruments (besides call money restricted to 90 days) for short term funds within the banking system. This would be in addition to the inter-bank call money market. PCs phased out earlier were only the non-risk sharing variety and not restricted only to banks. The Unit Trust of India and Life Insurance Corporation were also allowed to participate and were active lenders, making it difficult for RBI to have any control on liquidity at any point of time.

Comments V. Shankar, vice-president corporate banking, Bank of America, "What you are going to see is syndication of working capital credit through the media of PCs." PCs are basically securitisation of loans. Effectively, they will help banks to sell cash credit at a price within the band permitted by the RBI. Thus, one could expect a dynamic money market in place of the state market that exists today.

For the existing short term inter-bank instrument, ie, call money, the Indian Banks' Association has set a ceiling rate of 10 per cent. However, in times of tight liquidity, the rate is known to have been exceeded, unofficially of course. In order to make such transactions above board, the RBI-run Discount and Finance House of India (DFHI) has been allowed to operate in the money market without a ceiling rate. Thus, in tight money market situations, the DFHI can borrow from banks at higher rates provided it can, in turn, find a borrower.

According to an RBI official, the logic behind this is that since the DFHI only earns a margin between the borrowing and lending rates, it would not be in its interest to push up the call market rate. It will thus only reflect market conditions. Its role in money market operations will lead to multilateral negotiations with DFHI as the mediator, rather than bilateral negotiations.

We'll deliver. Wherever on earth. SKYPAK The worldwide couriers.

Skypak House, Off M. Vasanji Road, Marol Naka, Andheri (E), Bombay 400 059.

BOX 2

What corporate customers have to say

"Freedom of choice" and "premium on efficiency", these are the stock reactions of bankers and corporate customers to RBI's busy season credit policy announced on 9 October. Here are some customer viewpoints.

N.A. Soonawala, director, *Tata Industries financial adviser to Tata companies*

On the credit authorisation scheme (CAS)
Why should one feel that the RBI is the custodian of bank discipline? The RBI is adequately represented on the boards of banks and has the right to inspect bank books. If banks are lax with their customers the RBI should pull them up.
On transfer of borrowal accounts
I don't put much store by transfer of borrowal accounts. The fact that there is a consortium of banks means that one company deals with many banks at the same time. Therefore I don't expect companies to change banks for the sake of it. But yes, it is nice to feel that there is flexibility and freedom.

Davendra Ahuja, *chairman and managing director, Twentieth Century Finance Corporation*

On the CAS
While it has improved discipline within the banks and among borrowers, CAS has also delayed genuine applications for enhancement of credit because it was put in a strait jacket. Now the onus is on the banks.
On the new interest rate structure
The big borrowers will get a 0.5 per cent deduction on cash credit interest rates. I expect marginal borrowers to suffer. However, I don't see interest rates becoming volatile unless money market conditions become extremely tight over a long period.
On the new credit policy
What happened in the market for products will now happen in the financial services industry. This is the first step towards liberalisation.

S.V. Venkateshan, *group financial controller, Essar Group of Companies*

On transfer of borrowal accounts
I would not think of taking such a step overnight. I would definitely ascertain whether the new bank can sustain the account over a long time. For instance, the strength of the State Bank of India (bankers to the Essar Group) in servicing accounts is unrivalled and its response is very good too. Currently, they offer the best foreign exchange rates. How many other banks can match the SBI? The freedom to transfer accounts will give the big banks an added edge over the medium and small banks. It is the latter who have to be on their toes. On the other hand, for medium-sized borrowers this is a very good opportunity to select banks on the basis of efficiency and service.
On the new interest rate structure
The new structure will definitely lead to a distinction between prime borrowers and others.

M.V. Wagle, *group finance director, TI Group, Madras*

On the interest rate structure
The new lending rate will not really help industry as most banks have heavy overheads and priority sector obligations. They will certainly not be able to lower the lending rate.

R. Seshasayee, *executive director (finance), Ashok Leyland*

On the interest rate structure
Hitherto, marginally performing companies have been clubbed with the good companies. Now the banks will definitely favour good companies.

the broad guidelines of the RBI." But there is the other side too. "Often banks used the RBI as a buffer against outside pressure and to steer clear of unworthy borrowers," says S.M. Pathak, general manager, Bank of India.

With flexible interest rates, blue chip companies are happy that there is now a premium on efficiency, and banks have a tool to motivate clients to perform well. And the freedom given to clients to switch banks is expected to encourage banks to offer satisfactory service. Comments Basu, "Service will be a decisive factor in transfer of accounts and not the graded interest rates."

The common belief among bankers is that cash credit interest rates will move in a narrow range — not beyond 17 per cent. The better borrowers will command the minimum rate. Therefore, they would have no interest in transferring accounts. It will only be the slack performers who, in their quest for better rates, will look for banking options.

This will, however, be more the exception than the rule. Given the longterm nature of the banker-client relationship, frequent shifts in accounts are not envisaged. Flexible interest rates will put to test the ability of banks (mainly the nationalised ones) in evaluating company performance to determine applicable interest rates. Says Mahadevan, "Before the introduction of the fixed 16.5 per cent rate in April 1987 we operated on a 17 to 18.5 per cent band. We then had an internal rating system on a 5 point scale. Now we will revert to it."

In the circumstances, how will banks forming a consortium come to a consensus on perceptions about borrowers? SBI has already scheduled meetings with its other consortia lenders to apprise them of rating norms.

"There should be a relationship between credit-worthiness and interest rates, and in my view companies should be encouraged to ask for a rating from the Credit Rating Information Services of India Ltd (CRISIL)," says an outside director on the board of the RBI. (Pradip Shah, the managing director of CRISIL, was out of town and therefore not available for comment on the new opportunities for CRISIL.)

The partial deregulation might make India more interesting for foreign banks who are geared to make use of the new flexibility. Also, they are not required to fulfil any priority sector commitments, so the new norms will have an impact on their total advance portfolios. As far as the public sector banks are concerned, the Sukhomoy Chakravarty Committee had said that their organisational structure needs to be reviewed if monetary policy is to have a desired impact. However, the instruments of transmission of the monetary policy, namely the banks themselves, remain the same. Long used to physical controls, will they be able to effectively readjust to fiscal controls?

■ BASUDEV DASS and KEYA SARKAR

In business there's no substitute for experience. And TVSE is backed by 75 years of TVS experience.

The TVS Group, a large Rs.900 crore group is behind TVS Electronics. A group that's one of the largest industrial houses in India. A group that comprises 21 companies and employs 27,000 people, with operations that span the entire country.

The TVS Excellence

It's not the size of its operations however, that TVS is known for. In fact it's better known for its high quality, it's reliability, its solidity, its tradition of customer support.

Its vast experience, ranges from fleet operations to an extensive automotive marketing network, from the manufacture of auto ancillaries to 2-wheelers.

TVSE: The same tradition

For TVSE, the strengths of the TVS group are advantageous to the computer peripherals business it is committed to. Strengths it can draw upon to provide the Indian computer market with the finest range of computer peripherals. On par with the best in the world.

TVSE

TVS ELECTRONICS

YOUR SHARE OF THE FUTURE

Circle 5 TVSE 202 88

16th Century Dutch philosopher Erasmus wrote: "We hold this world the common fatherland of all."

20th Century Dutch ABN Bank is committed to India's growth in international trade and investment.

A sound perception of a world community spelt out over 400 years ago by one of the first internationalists, Desiderius Erasmus, is carried forward by the leading international Dutch Bank – ABN Bank for over 150 years.

ABN Bank established in India over 65 years ago has seen years of active involvement in the development of trade and economic cooperation between India, the Netherlands and the world.

Today, with over 700 branches in the Netherlands and 250 branches worldwide, the tradition of leadership in international banking flourishes. ABN Bank, business oriented with a proven record of reliable service, provides a full range of wholesale and retail banking support.

Call us to find out how ABN Bank can help you:-

Bombay:
Mr. M.V. RAMANAMURTHY
Telephone – 2042331

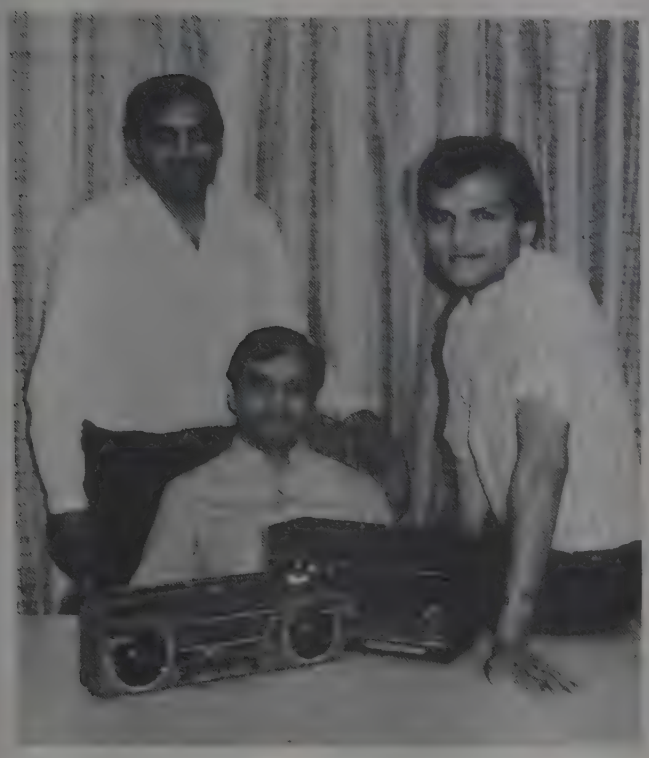
Calcutta:
MR. A. CHAUDHURY
Telephone – 262160

ABN Bank

Algemene Bank Nederland N.V.

The Dutch Banker – worldwide with you

Veer Nariman Road, Near Horniman Circle, Fort, Bombay-400 023. Tel: 2042331. Zaveri Bazar (Sub branch) T G Shah's



The Dhoot brothers: (left to right) Raj Kumar, Venugopal and Pradip Kumar

Testing of assembled PCBs

Shipment of Videocon TVs from the Ahmednagar plant

VIDEOCON

Growing out of the small screen

Known until recently as a producer of television sets, the Videocon group is now spreading its wings. It is already manufacturing washing machines and audio cassette tape recorders and plans to manufacture video cassette recorders and a host of home appliances

The colour television (CTV) industry in the country has been booming for the last five years. And riding high is the Videocon group of Maharashtra. In just five years, it has emerged as the second-largest seller of TVs in the western region (next only to Onida). The group is now also making a thrust into other regions in order to become a truly national brand.

Videocon is establishing new companies to manufacture video cassette recorders, audio-tape recorders, washing machines and a host of other home appliances; these new products are expected to more than treble the group's turnover to Rs.850 crores in the next three years from the present Rs.250 crores. The group is also gradually coming out of its cocoon of closely held family-owned companies and floating large public limited companies of which at least one has a large foreign equity participation. Moreover, it has also bagged an export order from the USSR for 100,000 CTV kits valued at Rs.25 crores.

THE HELMSMAN

The Videocon group belongs to the Dhoots who settled in Ahmednagar district of Maharashtra nearly 150 years ago. Venugopal Dhoot (37), the eldest of the three brothers (the other two are Rajkumar and Pradip Kumar) who manage all the activities of the group, is the man who steered the family's interests into manufacturing. Venugopal's father, Nandlal, started a sugar mill in Aurangabad district of Maharashtra in 1958 but it was soon converted into a co-operative and the family lost the business. The family, which has considerable landed property, continued with trading activities in cotton and the dealership of Bajaj Auto's two-wheelers and three-wheelers. Even today, Venugopal claims, the family's Bajaj Auto dealership is one of the largest in the state and does about Rs.25 crores worth of business every year.

The major breakthrough for the family came in 1983, when Venugopal, a graduate in electrical and electronic engineering, set up Videocon India, the first TV manufacturing unit of the group, at Ahmednagar in Maharashtra. "In those days after the Asiad in Delhi, the government liberalised the licensing of TV manufacture; we thought it a good opportunity to enter the field," recalls Venugopal. But many others too jumped in prompted by the low capital investment required (TV manufacture consists largely of the assembly of bought-out components). There were far too many manufacturers and several were thrown out of business. Videocon survived and emerged as one of the most successful ones. The group today comprises one public limited company (Videocon International) and six companies closely held by the family, all selling TVs under the Videocon brand name. It sells 145,000 CTVs a year — 15 per cent of the national market with at least 160 other manufacturers.

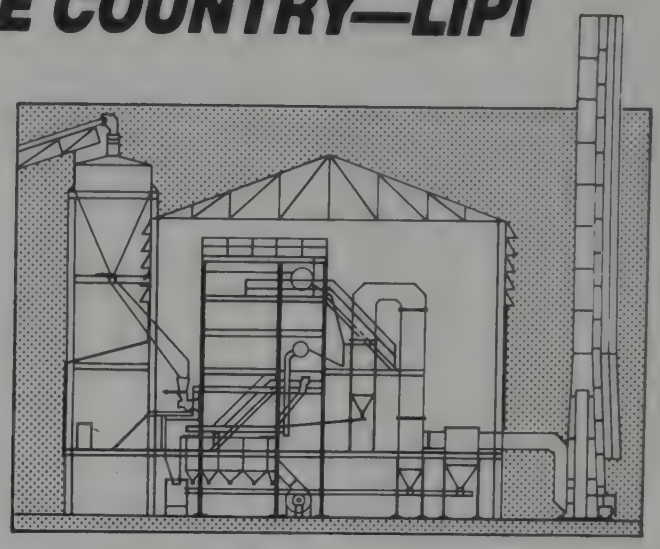
How did Videocon succeed where so many failed? For one, the marketing strategies of the group, which aimed at the lower end of the CTV market, paid off. "Videocon colour TVs are the most popular because they are priced lowest," observes a TV dealer in Bombay who also sells CTVs of other companies.

From the very beginning Videocon kept prices low, although it could very well have charged more because in the initial years CTVs were in short supply. "The idea was to establish the brand name by a large volume of sales at low margins," says Pradip (29), the youngest of the three brothers, who now looks after the marketing of the entire group.

DISTINCT SEGMENT

Another company, which came into the market around the same time, and has been immensely successful is Onida. Onida, however, aimed mainly at the upper end of the market with its high-priced

NOW GREAVES COTTON BRINGS YOU PACKAGE WATER-TUBE BOILERS FROM ONE OF THE STRONGEST TECHNOLOGY COMPANIES IN THE COUNTRY—LIPI



LIPI boilers measure up to international standards.

LIPI boilers can burn coal and other fuels like bagasse, rice husk, groundnut shells and wood bark.

Major segments of Indian industry depend on LIPI for cost-efficient boilers.

LIPI package water-tube boilers have steam generation capacity of 1 to 6 tonnes/hr.

Dry steam is what you want from LIPI boilers. Dry steam is what you will get—at all loads. Package water-tube boilers from LIPI have quick unmatched ready-to-steam ability. The entire pressure part is shop-assembled and hydraulically tested before despatch. Which means minimum work at the installation site.

LIPI boilers now come to you with a guarantee of quick, efficient after-sales service and spares through Greaves network of branches.

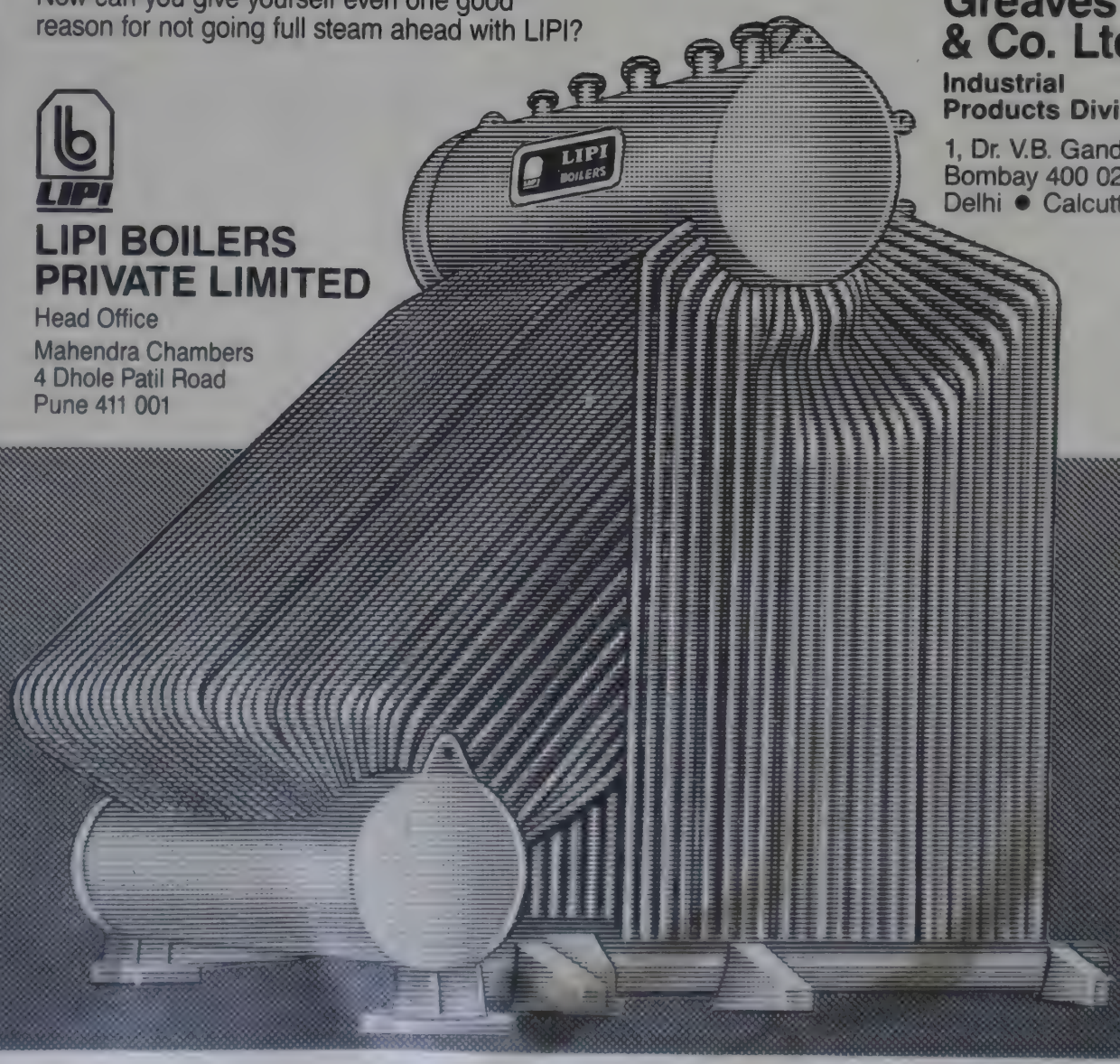
Now can you give yourself even one good reason for not going full steam ahead with LIPI?

SOLD & SERVICED BY GREAVES

Greaves Cotton & Co. Ltd.
Industrial Products Division
1, Dr. V.B. Gandhi Marg
Bombay 400 023
Delhi • Calcutta • Madras

LIPI

LIPI BOILERS PRIVATE LIMITED
Head Office
Mahendra Chambers
4 Dhole Patil Road
Pune 411 001



CHAITRA-B GC 353

range of CTVs with ultra-modern features. Clearly, there are two different segments in the CTV markets and the marketing approaches are different. "A common buyer looking for a colour TV wants a reliable set with good picture quality at a moderate price and this is what we offer," says Pradip. After establishing its brand name Videocon introduced high-priced models (including the highest priced "picture-in-picture" model) but its low-priced models still account for nearly 60 per cent of its CTV production.

The question is, how could Videocon sell its CTVs cheaper and outprice others? One advantage was that it enjoyed a sales tax benefit of 15 per cent for five years. Videocon enjoyed the benefit because its unit in Ahmednagar district was eligible for incentives under a package scheme for backward areas launched by the Maharashtra government in 1979. This scheme was subsequently replaced by a new one in 1983 which was less attractive to new entrepreneurs; many in the industry feel this was done to favour Videocon and block potential competitors. Videocon meanwhile could continue to avail of the old scheme since it was set up in 1982.

"Venugopal is very close to people in the state government and could thus influence the government," says one. Venugopal admits that he knows people at the top not only in Bombay but also in Delhi. "My family has a long association with the Congress party since the days of my grandfather who was a Gandhian and a freedom fighter," says Venugopal who was the vice-president of the Ahmednagar Congress (I) district committee till recently. But he flatly denies pulling strings in the government. "The scheme was in effect from 1979 and we came up in 1982. It was an open scheme and any one else could have taken advantage," he says. "Besides, the total quantum of benefit was not unlimited, but restricted to the value of investment in fixed assets on a cumulative basis".

Videocon group: Sales

'000 nos.

	1985		1988*		1991 (projections)	
	'000 numbers	(Rs. crores)	'000 numbers	(Rs. crores)	'000 numbers	(Rs crores)
COLOUR TVs	22.00	19.80	144.73	159.20	395.00	347.00
B&W TVs	NA	8.32	91.20	17.32	470.00	116 00
WASHING MACHINES	Nil	Nil	29.00	23.40	90.00	78.50
TAPE RECORDERS	Nil	Nil	22.00	6.04	500.00	100.00
VCRs	Nil	Nil	Nil	Nil	110.00	143.00
AUTO-TRADING	—	11.08	—	25.37	—	40.00
EXPORTS	Nil	Nil	—	15.30	—	60.00
TOTAL	**—**	**39.20**	**—**	**246.63**	**—**	**884.50**

** The annual figures have been worked out on the basis of actual sales for the 9-month period from January to September.*

FABULOUS INCENTIVES

One reason for Videocon's marketing success is the fabulous incentives it offers to dealers. In fact, in wooing dealers, many say, it has outsmarted everyone. "Last year I sold 700 Videocon colour TVs and got two Maruti cars, no one else offers such incentives," says a large dealer on Bombay's Lamington Road, who also sold 300 CTVs of other makes. That's not all. In September this year Videocon took 410 of its 600 dealers from all over the country on a five-day trip to Singapore which is estimated to have cost the company about Rs.25 lakhs. No wonder that at many shops Videocon TVs are available at a price lower than the recommended price of the company (which includes the trader's margin).

Videocon's quality too has been consistently good. Even G. Mirchandani, owner of the company which manufactures Onida TVs, admits, "There is absolutely no doubt that Videocon makes good TVs."

Moreover, as a dealer points out, its after sales service is as good as that of the other popular brands in the market. Adherence to quality and aggressive marketing helped Videocon establish itself in the market; sales of CTVs went up to 145,000 in 1988 from 22,000 in 1985 and that of black and white TVs to 91,000 from a negligible number in 1985.

The group has also spread its wings; besides Ahmednagar where it has five units manufacturing kits and finally assembled TVs, Videocon now has units in Delhi, Ahmedabad, Cochin, Bhopal, Hyderabad and Calcutta. In Aurangabad it has established a unit under a new company. The Delhi and Aurangabad units manufacture kits and also assemble TVs; the other plants assemble TVs using kits from the units in Delhi, Ahmednagar and Aurangabad. A major reason for setting up assembly units in various states is to take advantage of sales tax concessions for sets produced within those states. Another reason was to reduce the transport cost of TVs and thus compete with local brands.

Interestingly, the group which until now was largely family-owned is setting up several public limited companies. It made a beginning in 1987 when it set up a large TV manufacturing unit at Aurangabad under the name Videocon International Ltd (VIL). The Rs.9-crore project which went on stream early this year, will manufacture 100,000 CTVs, 200,000 electronic tuners and 200,000 extra high tension transformers (EHT), when fully operational. (TVs manufactured by VIL are being marketed under the Videocon brand name.) "This project was a major test of our group image when we went to the public," says Rahul Sethi, deputy general manager (commercial) of VIL. "And we have passed with flying colours; our issue was oversubscribed 30 times in an otherwise dull market."

SHARE FLARE

Incidentally, VIL has declared an interim dividend of 18 per cent in its very first year of operation. The company reported a net profit (after tax) of Rs.1.79 crores on a turnover of Rs.43 crores for the 12 months ended September 1988. As a result the price of VIL's equity shares shot up from Rs.29 to Rs.45 in the space of one week in October.

Meanwhile, the group is also enlarging its product range in a big way. From being essentially a TV manufacturer, it is now expanding into other areas of consumer electronics and home appliances. It has already set up a small unit in Walluj near Aurangabad in Maharashtra for the manufacture of washing machines. The unit which has been set up with technical knowhow from Matsushita Electric Company of Japan (makers of "National" products) began operations in September last year and is currently manufacturing 4,000 washing machines every month, one-third of them sophisticated microprocessor-based machines. "There were hardly any reliable washing machines be-

ing made in the country. So we decided to manufacture them," says Rajkumar.

At a later date Videocon will set up a public limited company under the name of Videocon Appliances to manufacture washing machines in a big way. The collaboration agreement with National has already been approved by the government. The project profile has already been submitted to ICICI which will provide financial assistance. The Rs.15-crore project will also manufacture electric motors for home appliances, air-conditioners for cars, mixers and refrigerators.

Recently, the group launched a range of stereo music systems. The sets are manufactured in Ahmednagar in collaboration with Toshiba of Japan. The systems are cheaper than those of the market leader, Philips (according to dealers they are cheaper by 15 to 20 per cent). "Our prices are lower because our overheads are much lower," explains Pradip. The audio product division also has an ambitious plan to expand its production from around 50,000 sets this year to nearly 400,000 sets in 1990 (Philips' current annual production is around 1.20 million pieces per annum). "The consumer response has been good and I think Videocon will give Philips a run for its money," says a dealer in Bombay, who also sells Philips sets. D.L. Jain director and vice president (consumer electronics) of Peico Electronics however does not feel threatened. "It is just another passing shadow. In the past Sonodyne and Cosmic gave us hell but we have bounced back" says Jain.

Perhaps the most ambitious project Videocon has in hand is the video cassette recorder (VCR) project for which it has already received a letter of intent (LOI) to manufacture 300,000 VCRs. Videocon is one of only three private firms (the other two are BPL-Sanyo and Kalyani-Sharp) that have been granted permission to manufacture VCRs. There were nearly 60 applicants of which six were shortlisted. Those who were shortlisted but did not get the LOI are Philips and a consortium of five TV manufacturers — Weston, Crown, Dyanora, Salora and Sonodyne. How did Videocon manage to bag the VCR project while older firms did not? Critics of Videocon point to Venugopal's tremendous political clout. "There was absolutely no logic in choosing Videocon and Kalyani; the only explanation is that they have the right political contacts," says one of the unsuccessful contenders. Venugopal, however, maintains that these allegations are totally baseless. "We were chosen because we had already made some investment for the manufacture of VCRs at our Aurangabad plant."

Videocon's TV kit assembly line

A DGTD and Department of Electronics (DoE) team paid a visit to VIL's factory at Aurangabad. Says K.P.P. Nambiar, secretary, DoE, "It was found that Videocon had invested about Rs.1.5 crores for manufacturing the video tape deck." Others find it strange that investments were made before getting the approvals.

TOSHIBA TIE-UP

Videocon's VCR plant to be set up at Aurangabad will be in collaboration with Toshiba Corporation of Japan under the new name Videocon-Toshiba Ltd. The project will cost Rs.55 crores and will be floated as a public limited company in which Toshiba will have an equity stake of 25 per cent. At full capacity the company's sales turnover is expected to touch Rs.400 crores per annum. Currently, however, there is a cloud of uncertainty over the project. The Japanese government has reportedly imposed a ban on the transfer of VCR technology to India. But Naveen Mandhana, executive director of VIL who had recently been to Japan, feels that the Japanese companies will be able to persuade their government to waive the ban.

Does the group have the ability to manage a big business? "Yes," say those who know the Dhoots well. C. Lakshmaiah, deputy general manager of ICICI, the lead financial institution for the VIL and Videocon Appliances projects, says, "The way the group has established itself within a short period proves its entrepreneurial ability. I am sure it is capable of handling a much bigger business now." Says S.K. Shelgikar, advisor to the Videocon board of directors, "All the three brothers are very receptive and have quickly adapted themselves to changing business circumstances." The management style of the group is also changing fast; it is co-opting professionals on to the board. For example, Mandhana, who has been working with the group for the last five years, has been given a free hand to run VIL. Venugopal, the managing director of the company, now spends more time on the new projects of the group.

Will the Videocon group soon be ranked among the country's corporate giants? It may be a little early to make a prediction; the future of the group depends heavily on the success of the new projects in hand. ■

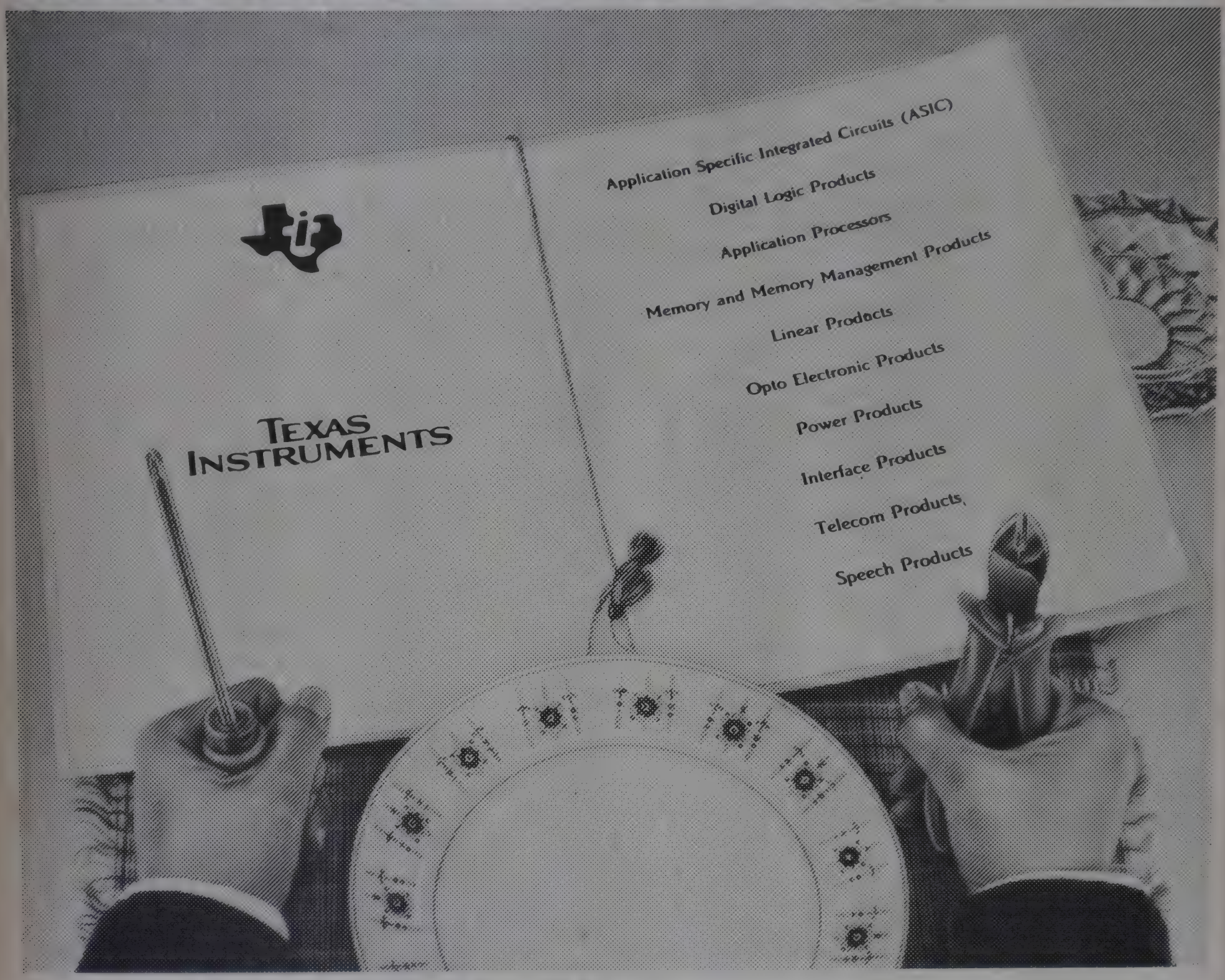
DILIP MAITRA

HIGH
SOCIETY.

As the four Rolls Royce engines ease you to Mach 2 and the Earth slips away, you realise flying need never be routine. But whatever British Airways flight you're on, rest assured you'll enjoy the height of courtesy.

BRITISH AIRWAYS
The world's favourite airline®

NOW! AN END TO SEMI-CONDUCTOR STARVATION.



State-of-the-art semi-conductors for the Indian electronics industry.

This is just a taste of what Texas Instruments offers. A company known worldwide for technological innovation. Not surprising, since Texas Instruments invented the IC — the corner-stone of the electronics revolution.

Indian industry can now have speedy and trouble-free access to top-quality semi-conductor components from Texas Instruments, through Zenith Technologies.

Contact us and discover the feast that lies in store.

TEXAS INSTRUMENTS

AUTHORISED DISTRIBUTORS:

ZENITH TECHNOLOGIES LIMITED

A-3 Annexe Bldg., A-Z Ind. Estate, G.K. Marg,
Lower Parel, Bombay 400 013.
Tel: 4941677, 4947457, 4946027.
Tlx: 011-73772 ZNTH IN. Fax: 91 (22) 4941680.

Other Zenith Technologies branches:

Bangalore: 30/1, 3rd Floor, Leeman's Complex, Cunningham Rd., Bangalore 560 052. Tel: 76548, 24999. Tlx: 0845-8619. **Calcutta:** 27/1 Monoharpukar Rd., 1st Floor, Calcutta 700 029. Tel: 483561, 483872. **Hyderabad:** 2-2-18/18/3/19 Bagh Ambarpeth, Hyderabad 500 013. Tel: 66102. **Madras:** 15/1 Narasinghapuram St., Mount Rd., Madras 600 002. Tel: 562063. **New Delhi:** 1108, Pragati Towers, 26, Rajendra Place, New Delhi 110 008. Tel: 5715250, 5724465. Tlx: 031-66781.

daCunha/ZC/77/88

ARVIND MAFATLAL GROUP

Going all out to export

An ambitious export plan for petrochemicals and cotton textiles has thrust the Arvind Mafatlal group into the news. The group is confident of making exports of Rs.350 crores, if its expansion and modernisation plans come through

It was certainly uncharacteristic. The Mafatlals have not exactly been a dynamic group in the last two decades. So it was quite surprising that one faction of the Mafatlal group, ie, the Arvind Mafatlal companies, was the first to announce a major export commitment in response to the government's demand for export plans from all major industrial houses in August this year.

Since the family split in 1979, the Arvind Mafatlal group (turnover: Rs.848 crores) comprises two petrochemical companies, National Organic Chemical Industries Ltd (NOCIL) and Polyolefins Industries Ltd (PIL), and two textile companies Mafatlal Industries Ltd and Mafatlal Fine Spinning and Manufacturing Co Ltd. The four companies, which currently have an export turnover of Rs.40 crores (mostly from the grey cloth exports of the textile units), have submitted ambitious plans to the government: total exports worth Rs.350 crores by the end of the next decade, ie, by 1999-2000. "I agree it is a very ambitious target," says Arvind Mafatlal, "but we are a very old business house and we cannot afford to lose our credibility by saying things we cannot stand by."

What are the group's strengths that make Mafatlal so sure of delivering the goods, how well do the export plans fit in with current government policy, and how appropriate is such long-term planning in the context of the global scenario? In short, why the export plan now?

As far as petrochemicals are concerned there was no question of exports earlier. With a majority of petrochemical products in short supply in India and with sizeable imports, exports were banned. The present acute balance of payments crisis has however forced the government to think differently.

First, the government is now willing to accept local shortages in petrochemicals. Thus, the industry can now firm up export commitments, irrespective of the market conditions in India. Second, although petrochemical prices are not subject to statutory control, the government

Textiles: all set to take wing?

did take a very keen interest in pricing. So even in times of acute shortages, companies could not make enough profits in the domestic market that would enable them to develop the export markets. The government is now willing to allow a certain price flexibility. Third, domestic prices of naphtha, the main raw material for petrochemicals, has ranged between $250 and $270 a tonne compared with the international prices of $130 to $150 a tonne. The government is now willing to supply naphtha at international prices for production earmarked for exports. This includes deemed exports of petrochemicals to downstream processing units.

ADDING VALUE

"Although the government has realised that even if there is a shortage in the domestic market there is a need for India to export, it makes little sense to import petrochemicals on the one hand and export them on the other," says M.S. Patwardhan, managing director of NOCIL. It is value-added products that must be exported. Thus, although it is possible to export just petrochemicals, NOCIL and PIL have plans to make downstream plastic products (from ethylene and PVC) and then export. For this, the plan is to involve medium and small scale processors who will buy the raw material from NOCIL or PIL and sell the converted products back to the two companies for exports. Thus, the projected export turnover includes direct exports by NOCIL and PIL as well as turnover from converted products. For the latter, the Mafatlal companies will act as an export house.

These plans seem to fit in well with the export scheme submitted to the government by the Plastics and Linoleum Export Promotion Council (Plexconcil). The export of plastic processed goods from India was only Rs.64 crores worth in 1987-88, and the council hopes that this will touch Rs.130 crores by 1988-89. However, this target is based only on the export potential of traditional plastic goods like moulded and extruded products, spectacle frames, polyester film, linoleum, and a variety (almost 50) of miscellaneous products which India has been exporting to as many as 106 countries.

In recent years, there has also been a surge in domestic capacity of non-traditional products like heavy duty film, multi-layer film, bi-axially oriented polypropylene (BOPP) film, high density polyethylene (HDPE) woven sacks, and moulded luggage and containers. Given the low domestic consumption, Plexconcil feels that spare capacity could be used to process for exports; this could earn almost Rs.400 crores a year.

However, the markets for these products have yet to be identified. "With so many goods being exported to so many countries, we have spread ourselves too thin and really do not have an idea today where exactly to target our products to get a reasonable market share," says K.P. Nanavaty, regional manager, Indian Petrochemical Corporation Ltd (IPCL), the public sector petrochem giant. Predictably, even Patwardhan wasn't quite sure of the destination of converted products while N.M. Dhuldohoya, managing director of PIL, admitted that "specific market surveys are yet to be conducted."

What are the chances that a flood hit factory will show profits in the same year?

Mudra:M:UI:3588

Why you should meet the people who know the answers to questions like this.

United India. A company where we are answering such questions all the time.

Seems a rather unusual way to keep busy, doesn't it?

The truth is, it is precisely this that keeps us at the forefront of the insurance business.

Let's explain. We at United India are forever trying to settle claims faster. So that our clients are back on their feet as quickly as possible.

With the result that today we are geared to assess and settle any loss incurred by a client in double quick time. Be it due to flood or fire. Riot or breakdown. Theft or earthquake.

To be able to do this, we must understand risks. Completely. So we ask ourselves all sorts of questions. And find answers to them.

This attitude of carefully studying our clients' risks before covering them, is a deeply entrenched habit at UI. Which is why, we know so much about risks. And how to manage them. Which is why, you will benefit by meeting us.

Call us, at United India. At any one of our 983 offices. We'll share our experience and innovative expertise with you. We'll analyse the risks that your business faces (believe us, you'll be surprised how many there are).

We'll help you control and minimise them.

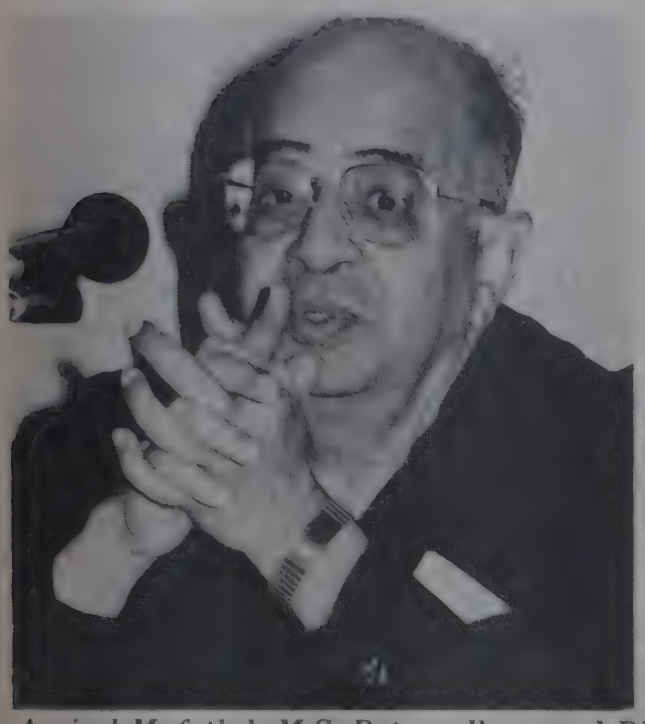
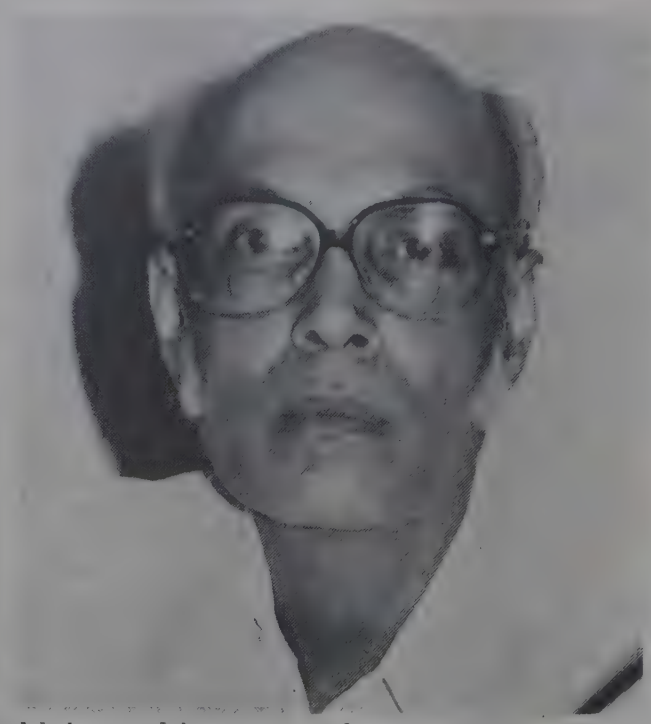
Our team of top-notch underwriters (we have Engineers, Lawyers, Chartered Accountants and Veterinarians!) will custom-design a comprehensive cover for your business. Competently and efficiently.

Call us, at United India. Together, we'll make risk management work for you.

UNITED INDIA INSURANCE CO. LTD.
(A Subsidiary of the General Insurance Corporation of India)
24, Whites Road, Madras - 600 014.

RISK MANAGERS TO THE NATION

स्वतंत्रता के चालीस वर्ष
FORTY YEARS OF FREEDOM
1947 1987

Arvind Mafatlal, M.S. Patwardhan and Dhuldohoya: big export plans

Commenting on NOCIL and PIL's export targets, M.P. Taparia of Supreme Industries, one of the biggest processors of plastic raw materials says, "If they are thinking of selling petrochemicals in raw material form, exports should not be a problem, but otherwise to achieve a turnover of Rs.35 crores in just one year would be a tremendous feat." Taparia, who exported around Rs.35 lakhs worth last year, hopes to step up exports but is categorical about not going through the Mafatlals or other export houses. If more of the medium scale processors think like him NOCIL and PIL might have problems. It is the processors in the small scale who would probably like to go through the Mafatlal companies provided, of course, their quality is good enough for exports.

There is also one major precondition for the success of the group's export plan for petrochemicals: the government's approval of NOCIL's plan to expand its ethylene capacity to 300,000 tonnes per annum (tpa) and PIL's expansion of its HDPE capacity to 150,000 (tpa). The application has been pending with the government for a few years now; it has not been cleared for environmental reasons -- NOCIL wants to set up its new capacity at its existing unit in the Belapur area near Bombay.

Arvind Mafatlal is hopeful of obtaining the license soon since, as he puts it, Sharad Pawar, the Maharashtra chief minister is "now even thinking of reopening the Union Carbide plant in Bombay itself". Patwardhan points out that without expansion, and more important, a modern plant (NOCIL's earlier plant came up in the sixties), it will be impossible for the Mafatlal companies to stay competitive assuming world prices of petrochemicals over the next decade remain as tight as they are now.

In fact, those critical of the Mafatlal export plan say that the group is making "premature noises" about exports to get the government's sanction on the pending licenses. Arvind Mafatlal defends his plans by pointing out that, given the country's foreign exchange reserves, an export turnover will be essential for individual companies to pay for their own foreign exchange requirements. If the approval does come through, the group expects to pay a part of the foreign exchange required for plant and machinery imports itself. Of the estimated project cost of Rs.2,000 crores, at least 25 to 30 per cent will be the foreign exchange requirement. The other reason for this uncharacterstic publicity of its plans, Mafatlal admits, is to create a public image about the company in case the government approval does come through and money has to be raised from the market.

FIRMER GROUND

The Mafatlals' textile export plans seem to be on firmer ground. Both the textile units of the group, ie, Mafatlal Industries and Mafatlal Fine, have been exporting for a decade now. Cotton cloth exports, which hovered around Rs.7 to 8 crores worth ten years ago, were almost halved at the time of the textile strike. This was, however, stepped up to around Rs.20 crores in 1986-87 and doubled to Rs.40 crores by fiscal 1987-88.

"Although almost 90 per cent of this Rs.40 crores was in grey cloth exports to the UK and Middle East, what is significant is that we have made a beginning in export of processed cloth also," says Hrishikesh Mafatlal, Arvind Mafatlal's son who looks after the two textile units. Of the Rs.50 crores worth of exports which the two units hope to achieve in 1988-89, the greater growth will be in processed cloth.

"With 25 per cent of the world's cotton acreage in India, there is tremendous scope for exports — all this time we were restricted to grey cloth exports because our processing capabilities were not up to world standards," says P.R. Amin, executive vice-president of Mafatlal Fine. The Mafatlal group has spent almost Rs.80 crores on modernisation of both weaving and processing in the last five years, and seems confident of being able to sell value-added processed cotton textile.

"In processed up-market textiles, buyers are looking more at quality rather than price," says Arvind Mafatlal. For upgrading quality, the Mafatlals have had for the last few years the expertise of Tootals, the Manchester, UK based textile house which has a turnover of 500 million pounds from marketing in 60 countries. "The principal to principal agreement we have with Tootals implies an informal commitment of marketing our textiles through them," says Hrishikesh Mafatlal.

"There is great scope for cotton textile exports to the US, Europe and the Far East," says R.P. Poddar, of Century Textiles, the other company exporting cotton textiles. "Its up to the government to provide the policy back-up," he says.

So the cotton is there, so is the weaving and procesing capability, and the markets. With the government's present emphasis on exports, the Mafatlals may well be able to live up to their commitments.

■ KEYA SARKAR

FINISHING TOUCHES

Harmony's gracious velours transform simple chairs into fine pieces of art for fine homes. Choose between the autumn hues of English velours, the lustrous pale shades of German or the exuberance of French. Carefully crafted with the finest yarns in the manner of textures and fabrics found in the stately homes of the world.

HARMONY

PREMIUM FURNISHING FABRICS

VIMAL

Mudra RIL 44

Day Curtains • Drapes • Upholstery Material

Bold, sporty and fashionable. The statement of rich and refined Vimal suiting

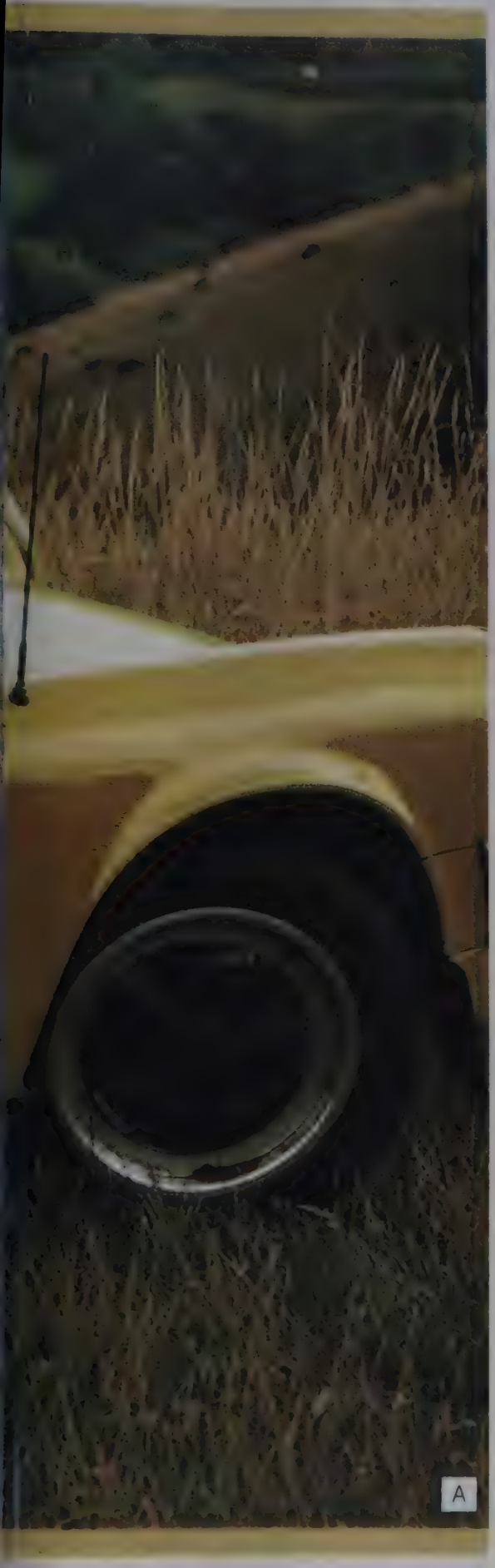
V I M A L ' S □ W I N T E R □ S T A

A) A bold attire. A heavy overcoat worn straight over a conventional waist coat. Pleated trousers with cross pockets. A red checked tie and a bright woollen scarf add colour to this boldness.

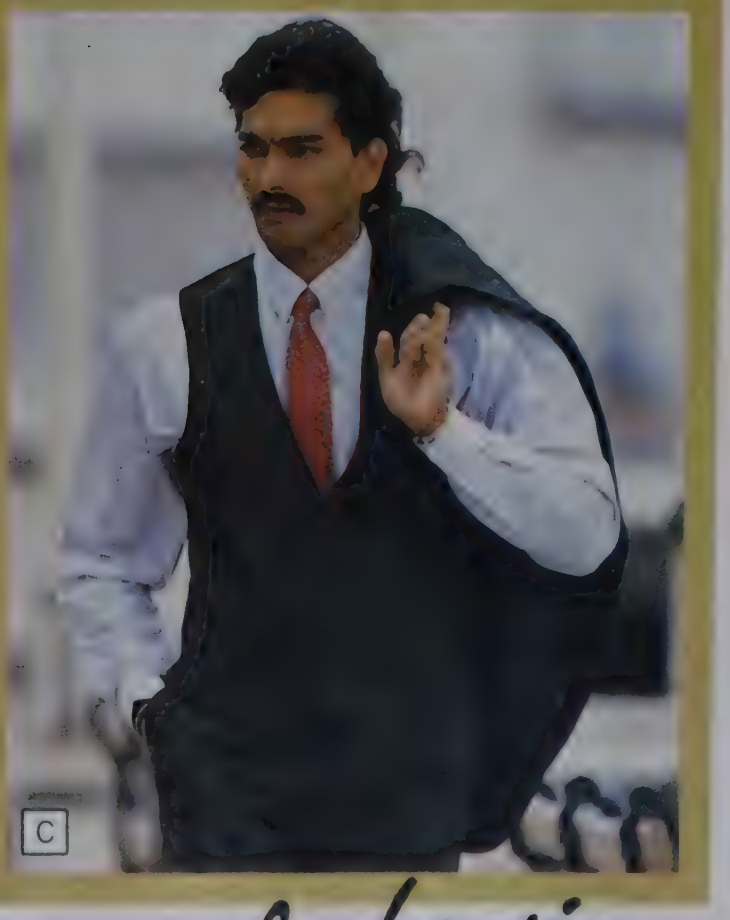
B) A light day suit for that clean distinguished look. Jacket has notched lapels and flapped pockets. Trousers have seven loops and double pleats. Shirt is pristine white with a prominent tie.

C) For [illegible] formals. Ravi wears a simple three piece vest over a loose cotton shirt. Trousers are pleated. A red tie adds the contrast.

ne statement of Ravi Shastri.



E M E N T S



The looks of a winner

VIMAL

WOOLLEN & POLYRICH SUITINGS

Mudra:A RIL 4392

APRIL, AND IT'S SNOWING! WHY DOES THE FREAK WEATHER ALWAYS ARRIVE WHEN I DO? AT LEAST THERE'S A WARM FRONT APPROACHING — SINGAPORE AIRLINES BUSINESS CLASS, ALL THE WAY HOME.

WIMCO

Matchless no more

The prospects for Wimco today are gloomy. Match production, still its mainstay, has become unprofitable, with stiff competition from the cottage industry. And its diversification into processed foods has yet to show results. All in all, the company's new managing director has a tough job ahead of him

Wimco Ltd's managing director designate, Bengt Nordman, faces a challenging task. He heads a company which in 1987 suffered a loss, albeit for the first time in decades, of Rs.7.09 crores. Its main product, matches, which constitute almost 80 per cent of total sales, face severe competition from those made by the non-mechanised middle and tiny units. Wimco pays much higher excise duties — as much as 265 per cent more. There has been a lockout at its Calcutta plant for the last year and a half. Wimco's diversifications, Sun-Sip, Cleanfoods, and A.R. packaging, in which it has made significant investments, have rung up considerable losses. The strategy Wimco has employed since 1977 to fortify its position has not worked.

Kamaljit Singh: "hit by excise duties and drought"

Below: *At Sun-Sip, Hyderabad: holding out new hope*

TIME TO MOVE

By 1977, it was clear that with the government's insistence on reserving matches for the middle and tiny match units, Wimco, which had dominated the market for 50 years, had a bleak future if it stayed only in its traditional business. This realisation was accentuated when the Janata government tried to force Wimco out of match production by sharply increasing excise duties on its products.

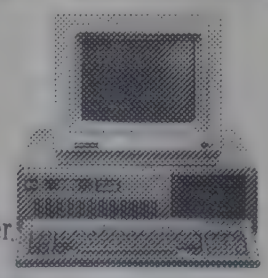
Wimco attempted a two-pronged strategy. In the area of matches, to get around the perennial problem of the supply of matchwood, it encouraged farmers in UP, Haryana and Punjab to grow poplars for its use. It also attempted to address a more quality-conscious, less price-sensitive audience by putting on the market high-quality "karborised" matches in cardboard matchboxes. According to S.S. Sami, formerly general manager, business development with Wimco, (and now president, Noble Soya House Ltd) the company, which had previously attempted to get its product into all the villages in the country, now selectively targeted urban areas.

Wimco also attempted diversifying into areas which fitted in with its existing areas of activity. It began to manufacture metal coated anodes and electrodes (chiefly used in the manufacture of caustic soda), as it already was producing chlorates which it needed for its match production. It also went in for the production of paper pulp to partially supply its own paper needs.

More adventurously, it ventured into the areas of cardboard packaging systems and the manufacture of fruit and vegetable concentrates packed in aseptic containers. The concentrates were aimed chiefly at the export market. Wimco's subsidiary in Hyderabad, A.R. Packaging, manufactures packaging systems, and the two other subsidiaries, Sun-Sip and Cleanfoods Ltd, are in food processing. Wimco has invested Rs.2.75 crores in share capital in these subsidiaries and has also advanced Rs.9.43 crores to them. All these companies have registered losses which have wiped out their share capital. Wimco intends to ammalgamate A.R.Packaging with itself and has reported details about the other two subsidiaries to the Board for Industrial and Financial Reconstruction.

According to Kamaljit Singh (who headed the company for 14 years, and will now be based in London with Wimco's parent, Swedish Match), Wimco was hit by two factors which were beyond its control. It reported an excellent performance

"HOW STRANGE. IT DOESN'T LOOK LIKE A NELCO COMPUTER."



Just because we're big in minicomputers, people tend to forget that we make anything else. So here's a gentle reminder.

Nelco also make PCs.

For use as network solutions. Stand-alone systems. Terminals for minis and mainframes. Data entry systems. And as CAD work stations.

They get the same quality of support that our minis do. And they have as outstanding a reliability record as our minis. So if you're in the market for a PC, take a look at the Nelco range.

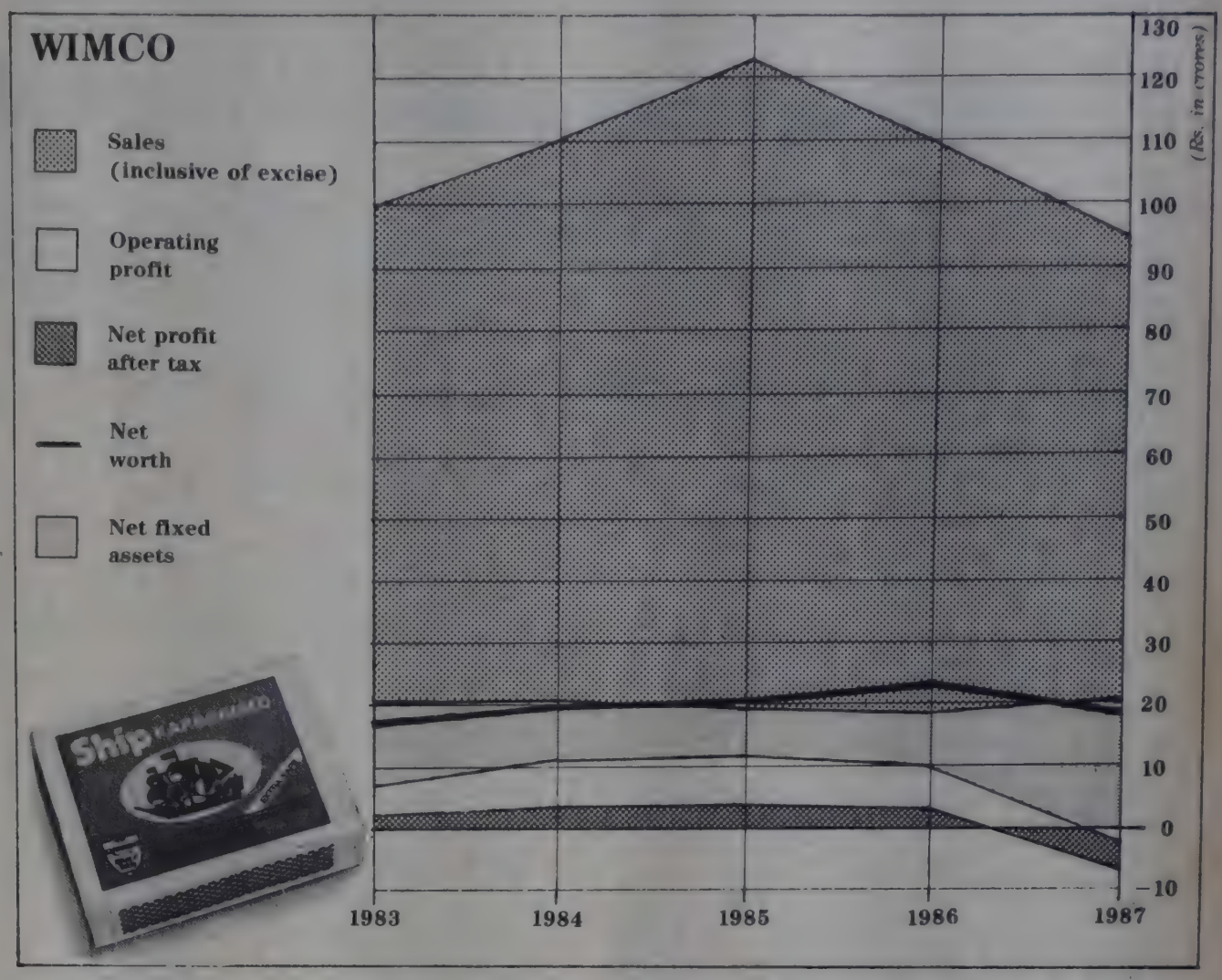
Matrix PC. Matrix XT. Matrix AT. Matrix 386.

You'll find just what you're looking for . And more.

NELCO MATRIX

For more information please call or write to our Regional Manager/Area Manager at

☐ **BOMBAY** Holland House Annexe, 2nd Floor, 11-C Shahid Bhagat Singh Marg, Bombay 400 039. Phones: 202 5687, 202 1349 ☐ **PUNE** Devi Heights, 4th Floor, Shanivar Peth, Pune. Phone: 44 4209 ☐ **AHMEDABAD** 25 Raopura Co-operative Housing Society, Near Memnagar Fire Station, Navrangpura, Ahmedabad 380 009. Phones: 46 9120, 46 9230. ☐ **INDORE** 3/1 Race Course Road, Indore 452 003. Phone: 7988 ☐ **DELHI** Deen Dayal Upadhyaya Trust Building, 5th Floor, 7-E Rani Jhansi Road, New Delhi 110 055. Phones: 77 9656, 51 9431, 73 9701. ☐ **CALCUTTA** Trust House, 1st Floor, 12-A Chittaranjan Avenue, Calcutta 700 012. Phones: 27 1904/5. ☐ **JAMSHEDPUR** Kasi Kunj Road No.2, Contractor's Area, Bistipur, Jamshedpur. Phone: 29468 ☐ **BANGALORE** Shri Lakshmi Complex, 3rd Floor, 15-17-19 St. Mark's Road, Bangalore 560 001. Phones: 56 0198, 56 0348, 57 6656, 57 6699. ☐ **MADRAS** 39 Montieth Road, Egmore, Madras 600 008. Phones: 86 9127, 86 9138, 86 9029 **SECUNDERABAD** Plot No.4, Sardar Patel Road, Secunderabad 500 003. Phones: 72048, 75344



in 1985, but was seriously affected by major changes in excise in that year's budget and had to reduce its match production. Prior to this, the difference in excise between Wimco's cardboard matches and those manufactured by the cottage sector was only Rs.85 per case. In 1985 the difference between Wimco and the middle sector increased to Rs.175, while that between Wimco and the small sector shot up to as much as Rs.212.50 per case. Wimco became plainly uncompetitive.

Secondly, Wimco's diversification into food processing was hit by the prolonged drought of 1986 and 1987; the availability of critical raw materials like mangoes and tomatoes declined precipitously, reducing the capacity utilisation.

Wimco observers, however, are unwilling to accept Kamaljit Singh's explanation. According to them, the crux of the company's problem is its inability to formulate a viable long term strategy. This is evident in the absence of a succession plan. Four senior managers, R.K. Kutty (now president, Bhadrachalam Paper Boards), P. Krishnamurthy (now executive director, RPG Enterprises), S.S. Sami (now president, Noble Soya House Ltd), and B.K. Bhalla (now managing director, Shalimar Paints) had the potential to succeed Singh but did not. The company has had to bring in someone from the parent company.

Lack of foresight was also evident in Wimco's failure to accept a political reality. Since 1973, the production of matches had been reserved for the small scale sector and high excise duties on organised industry were an expression of this policy. Other companies, like Godrej and Colgate in cosmetics, or Peico and Bajaj Electricals in electronics and electricals, reacted aggressively in similar situations by buying products from small scale producers and marketing them under their own brand names.

Singh responds to the criticism by pointing out that Wimco was specifically restricted from trading in matches with the small scale sector between 1973 and 1987. The restriction was withdrawn when Wimco's share in the match market had fallen from about 45 per cent in 1973 to approximately 15 per cent in 1985.

IDLE CAPACITIES

Singh says that Wimco is now exploring the possibility of marketing matches manufactured by the cottage sector, but that is easier said than done, as match manufacture is a high volume, low value activity where production is highly decentralised. In addition, Wimco faces the hazard of having unutilised capacity along with a standing labour force. Wimco's match production slumped from 4,256 million boxes in 1982 to 3,370 million in 1987. The company's application to the Tamil Nadu government to close its Tiruvotiyur plant late last year was rejected. It also declared a lockout in its Calcutta plant in April last year after a breakdown in wage negotiations. The lockout has not yet been lifted. In such a situation, it would be difficult for Wimco to justify buying matches from other sources.

Now it looks as if the diversifications, into food processing, are likely to take off. While Wimco had initially targeted only the export market for its aseptically packaged fruit juice and pulp concentrates, a significant domestic market has developed recently. According to Sharad Vardhe, vice-president, food and trading, a healthy market for fruit concentrates has developed internally as a result of the launch of several aseptically packaged fruit based drinks. In addition, Vardhe says, the demand for tropical fruit in Europe and America is expected to expand dramatically. Sun-Sip is the only company in the world which has managed to package mango chunks in mango juice aseptically; other processors have been forced to freeze mango pulp. According to Vardhe, Wimco's subsidiaries will be able to develop high strength concentrates, enabling its products to be economically transported to the vast US market.

QUALITY-CONSCIOUS SEGMENT

Nordman sees no weakening of Wimco's commitment to the production of matches. He is confident that the central government will be willing to review the excise duty structure on matches. Nordman considers that the cornerstone of Wimco's strategy in matches is to continue to address a more quality-conscious market. Wimco will never be able to get into a price war with smaller producers; it can at best target a segment which will buy quality products even if they are pricey. Wimco's new matches, called Homelites, earn the company 30 per cent more revenue than its ordinary matches.

Wimco is also cutting costs by rationalisation of its workforce coupled with increasing productivity per employee. If such a strategy is successful, Nordman sees Wimco being able to participate in the growth of the match market, which is increasing every year by 4 to 5 per cent.

But this strategy is really not very different from what Wimco has been doing to date. Wimco's success rests ultimately on its ability to persuade the government to make changes in the excise structure.

■ EAPEN THOMAS

robotron

Robotron Image Processing System

IMAGE — C

Connect to your PC via a Robotron adapter the Robotron Graphic-Subsystem for Image Processing and the powerful software package IMAGE-C for application in the field of :

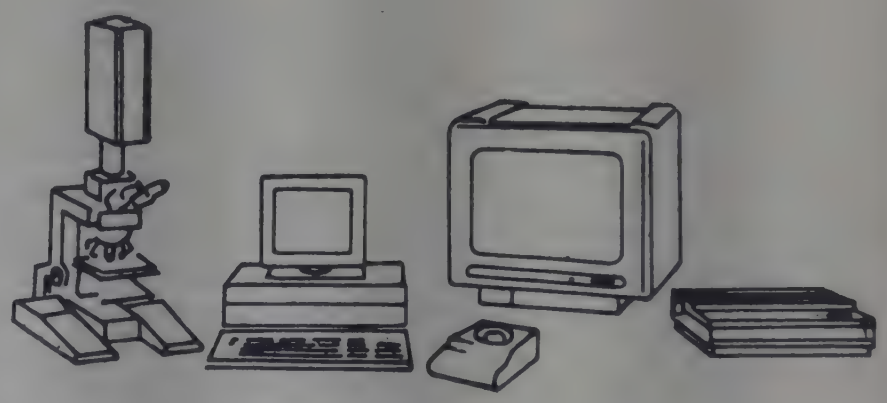
— Research and Development
- Material research
- Medicine
- Biology

— Industry
- Quality control e.g. of tyres for Aircrafts and in Food Processing

— Medicine
- Chromosome analysis

— Environment control

— Remote sensing



Exporter :
ROBOTRON EXPORT/IMPORT
Allee der Kosmonauten 24
PSF 11
Berlin
1140
GERMAN DEMOCRATIC REPUBLIC

Manufacturer
VEB Robotron — Vetrieb Berlin
Mohrenstrasse 62
Berlin
1080
GERMAN DEMOCRATIC REPUBLIC

For further information please contact :
Commercial Section of the Embassy of
the German Democratic Republic,
D-12, South Extn. Part II,
NEW DELHI — 110 049

GRASIM INDUSTRIES

Rebirth at Mavoor

The rayons unit of Grasim Industries at Mavoor, Kerala, has been shut down for more than three years. But now an epochal agreement among labour, management and the state government has paved the way for its reopening

Industrialists will have good reason to be pleased with what's happening in Kerala. The LDF government, along with the trade unions involved, has come to an agreement with the management of Grasim Industries to re-open its rayons plant at Mavoor. According to R.N. Saboo, executive president of Grasim Industries, "The LDF government's sincerity has been evident. It adopted a realistic approach and was fair and open-minded."

Grasim Industries' pulp and fibres divisions at Mavoor were closed in July 1985. The immediate provocation was a labour agitation. Yet the real problem — and the one pivotal to the current agreement — was the supply and price of raw material. In 1958, when the Birlas were first wooed to Mavoor, the state government had promised 200,000 tonnes of softwood every year. But it never supplied more than 122,000 tonnes to the Mavoor factory. And the price the company paid for this scanty raw material was very high, the management claims. Around 1974 it was paying Rs.22.50 per tonne of eucalyptus and Rs.18 to Rs.36 per tonne of bamboo. (The government was supplying eucalyptus at Rs.11.50 a tonne to the public sector Hindustan Paper Corporation.)

STEEP HIKE

In 1978 the state government hiked the notified price of bamboo to Rs.250 per tonne. Eucalyptus, the ideal raw material for pulp, then cost Rs.380 per tonne. Grasim Industries' management never paid these prices; instead, it went to court. The cases are still pending. Not surprisingly, raw material prices and supply were the central issues in the mammoth negotiating sessions in which the current agreement was hammered out.

At the time of going to press the terms of the agreement had not been finalised; even the broad terms were closely guarded secrets. It is learnt, however, that according to the agreement, which will be valid for five years, the state government has promised to supply the Mavoor factory with 200,000 tonnes of softwood a year (160,000 tonnes of eucalyptus and 40,000 tonnes of bamboo). Prices, however, continue to be a bone of contention: the management is learnt to have offered to pay no more than Rs.222 per tonne. And the Kerala government isn't happy with that.

Whatever its reservations about Grasim's demands, the government had no choice. Political pressure was mounting to re-open the Mavoor factory. Also, the government could do little to browbeat the Grasim Industries management. Aditya Birla can afford to keep the Mavoor factory closed. Most of what it produces is used in Grasim Industries' own viscose staple fibre unit at Nagda. With imported pulp being much cheaper, Nagda need not look to Mavoor at all — imported pulp costs around Rs.8,500 per tonne, while the cost of pulp produced at Mavoor is about Rs.11,000 per tonne.

The Kerala government will therefore have to agree to a price close to Rs.250 per tonne. But, if it does so, it is almost certain that other softwood users in the state, like Western India Plywoods at Cannannore, will demand wood at the same rates.

According to Saboo, the turning point in the long negotiations was the LDF government's acceptance of the concept of "fair wages and fair returns". This formed the theme of the crucial meeting that chief minister E.K. Nayanar and industry minister K.R. Gouri had with Aditya Birla.

Under the agreement, workers will get a Rs.32 rise in basic pay. In dearness allowance, every point rise beyond 150 will fetch a one paisa increase — from 25 paise to 26 paise. All told, the total increase in a worker's pay packet will be around Rs.140. The last wage rise was in 1978 — so the hike is not something most workers would want to write home about.

Worse, the Kerala government's reduced supply of raw material means a cut in production. At the agreed 200,000 tonnes a year, the factory will have to prune its daily production from 200 to 120 tonnes. Many workers will thus be rendered surplus.

The management claims that the Mavoor factory is already heavily overmanned. A work study is to be done by an autonomous body like the National Productivity Council or the Kerala State Productivity Council. The findings will be summarily accepted. After that, the management will redeploy and redistribute workers between its fibre and pulp divisions. It will also create a reserve pool of workers for both divisions. To reduce the workforce further, the company will announce a voluntary retirement scheme. But even after this, 250 workers will have to be retrenched.

Those left in the company, for whom 15 unions will sign the agreement, will allow the management to modernise the plant, provided it doesn't displace any more workers. Grasim Industries will have to pump in about Rs.15 crores immediately to get the Mavoor factory into shape again. Another Rs.20 crores is to be earmarked for modernisation.

MARATHON TALKS

The agreement, epochal by Kerala standards, was preceded by the most protracted and gruelling negotiations yet in Kerala's industrial relations. The state's labour commissioner, M.P. Joseph, must have himself spent over 500 hours in conciliation talks, which lasted for 10 hours at a stretch on occasion.

On the Grasim side, apart from Saboo, the key negotiators were I.H. Parekh, president, and D.P. Mandelia, adviser to Aditya Birla. The management, however, is not willing to speak to *Business India* on the agreement until it is ratified by the cabinet. The management acknowledges that the LDF government was willing to work out a solution from the time it came into power in March 1987.

The Mavoor agreement comes close on the heels of the one signed at Alind, where workers agreed to a wage freeze. If the Kerala government can nurture this image of a new-found pragmatism, it may be able to persuade more industrialists to invest their money in the state. Mavoor's painful rebirth would then not have been in vain.

■ K G KUMAR

Now your electrical equipment can wear what they're wearing in London.

One of the world's most sought-after names in insulating varnishes is proud to unveil his latest creations, hot from the London circuit.

Sterling Technology Ltd. of U.K.

Merging talents with India's largest manufacturer of industrial laminates and resins, Sterling presents a stunning new wardrobe of insulating varnishes.

The Sterling Hyvar Collection, from Bakelite Hylam.
Featuring the exclusive F Class Air Drying Varnish, for the first time in India.

And a stunning ensemble of international coatings designed to suit every kind of electrical equipment. All created to live up to the legendary Sterling label. In perfectly harmonized batches. Faultless in every detail.

View the Collection at any of the Centres listed below.
Or write to Bakelite Hylam for a sneak preview.

Sterling HyVAR®

BAKELITE HYLAM

Sterling Hyvar Insulating Varnishes from Bakelite Hylam.

The most trusted protection in the Electrical world.

Corporate Head Office: 'Surya Towers', Third Floor, 'C' Block, 104, Sardar Patel, SECUNDERABAD-500 003.
Tel: 849736/37. Telex: 0425-6671.

REGIONAL OFFICES: AHMEDABAD: 376A, Dr. Vikram Sarabhai Marg, Ambavadi, Ahmedabad-380 015. Tel: 444552, 460133 ■ **BANGALORE:** Zam Zam Complex, 26, Infantry Road, Bangalore 560 001. Tel: 573896/577836. Telex: 0845-8719 ■ **BOMBAY:** TIECICON, 3rd Floor, 18, E. Moses Road, Bombay-400 011. Tel: 4938568. Telex: 011-73759 ■ **CALCUTTA:** 3, Esplanade East, Post Box No. 663, Calcutta 700 069. Tel: 289921-23, 280988. Telex: 021-7504 ■ **CHANDIGARH:** SCO 2475-76, (Ground Floor), Sector 22-C, Chandigarh-160 022. Tel: 26405. ■ **COCHIN:** Door No. 35/2219-A, Karingatta Cross Road, Cochin-682 016. Tel: 362307 ■ **MADRAS:** 645, Anna Salai, Madras-600 006. Tel: 474537, 475945. Telex: 041-7383 ■ **NEW DELHI:** Atmaram House, 9th Floor, No. 1, Tolstoy Marg, New Delhi-110 001. Tel: 3318131-33, 329509. Telex: 031-2517 ■ **SECUNDERABAD:** 183-184, Rashtrapathi Road, Post Box No. 1617, Secunderabad-500 003. Tel: 77755. Telex: 0155/6275

Rediffusion/BH/7039

COMPUTERS

Mainframe warfare

Until a year ago, mainframes were considered too complex to be manufactured in India; in any case they comprised an insignificant segment of the computer industry. Now the demand for mainframes has grown to constitute one-fourth of the total market. ECIL and ICIM have already locked horns for a share of the market

Prabhakar: "our product is superior"

In the four years since the government announced the "new" computer policy which was to usher in a brave new world of bits and bytes, the Indian computer industry has undergone a radical transformation.

The impact of the liberal policy, which allowed for cheaper imports and fewer curbs on licensing, came in three phases. In Phase I the market for personal computers (PCs) expanded dramatically; the rules of the game were high volumes and low margins and several manufacturers understandably fell by the wayside. Phase II had manufacturers in the minis segment jousting for market share.

The time has now come for Phase III, which in film land parlance would be called "undoubtedly the biggest spectacle of them all". It concerns a hitherto insignificant segment of the Rs.250-crore computer industry: mainframes. "The battle today is to command the largest share in mainframes, powerful machines with large data processing capabilities," says an industry observer and with a sense of drama, adds, "the stakes are high".

HIGH STAKES

The stakes are certainly high for the three companies that got the government's benevolent go ahead for mainframe manufacture. The public sector Electronics Corporation of India Ltd (ECIL) has a tie-up with Control Data Corporation of the US to initially assemble and then manufacture the Cyber-830 and Cyber-930 models. The project cost is Rs.30 crores and the CDC range is to be marketed under the brand name Medha. In January 1988, International Computers Indian Manufacture (ICIM an affiliate of the ICL group of UK and until recently the largest computer company in India) put out its first Series-39 mainframe from its Pune factory. ICIM spent an estimated Rs.9 crores on this project. And last month, PSI Data Systems, the Bangalore-based company, announced that it had signed a collaboration agreement with Honeywell-Bull of France to set up a new unit for mainframe manufacture.

In what can be termed the super-mini segment, PCS Data Products has a tie-up with Data General, again of the US (for the MV-15000 range), and Hinditron has a tie-up with the venerable Digital Equipment Corporation to manufacture the VAX range. The total investment in these projects is Rs.60 crores, about 25 per cent of the size of the computer industry. Is there sufficient demand in the market to justify such large scale investments?

The government and large public sector companies constitute 70 per cent of the market for mainframes. In recent years, both have computerised rapidly. Indian Railways has so far spent Rs.20 crores to computerise passenger reservations at the four metros; all the systems are based on imported DEC equipment. For the reservation system in Secunderabad, the Railways decided to shop for a local manufacturer; ECIL's tender was selected. The value of that single order is Rs.3.5 crores. Considering that the railways have ambitious plans to totally computerise passenger reservations, albeit gradually, Indian companies naturally expect a lot from this segment.

Other government departments too are shopping for mainframes. The home ministry recently invited tenders for a central computer system for the National Crime Research Bureau. Its value: Rs.20 crores. Mainframes for the head offices of nationalised banks are expected to cost Rs.50 crores. Says Veer Sagar, senior vice-president (marketing), ICIM, "Large private sector companies and foreign banks too have ambitious computerisation plans. But given the size of government it will always be the largest buyer." The annual demand for such large machines has been placed anywhere between 60 to 100. Says B.S. Prabhakar, managing director of ECIL, "An estimate of 100 machines is a bit on the higher side. Our own guess would be around 50 systems a year, a number which could gradually increase."

Considering that the average cost of each system is around Rs.1.5 crores the mainframe market would be valued at around Rs.75 crores. It is not surprising then that ECIL and ICIM are fighting for a share of the market, today. The battle has been controversial. Private sector computer manufacturers complain that ECIL, by virtue of being a public sector undertaking, has so far walked away with major government and public sector orders, placing companies like ICIM in a "difficult" situation.

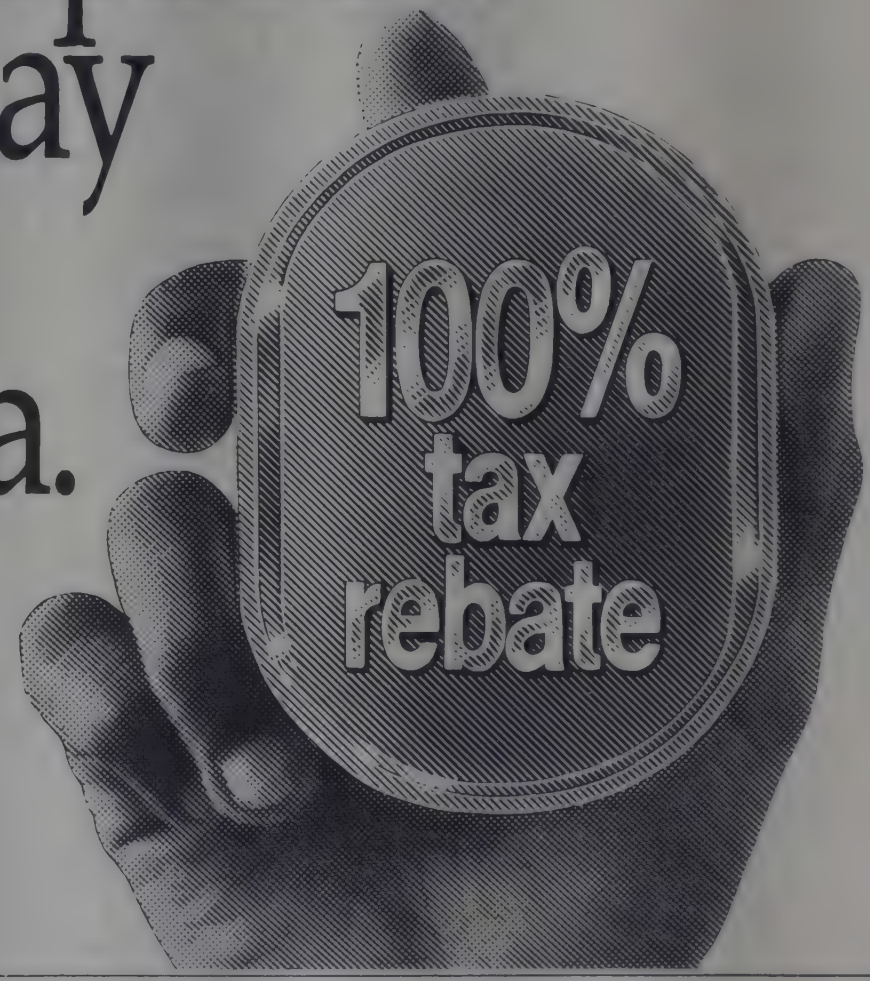
ICIM, which has lost its pre-eminent position in the computer industry and reported a loss in the first six months of the current year, feels that selling the Series-39 is a question of survival. According to Veer Sagar, the company is aiming for a 30 per cent market share. ECIL's Prabhakar says that his company's Medha series should be able to maintain its 50 per cent share. Both products hit the market towards the end of last year and about 20 systems have so far been shipped — ECIL bagged 14 and ICIM the rest.

DIFFERENT SITUATION

ICIM's contention is that even when orders were placed through an open tender (and in several instances its price was cheaper than ECIL's) government companies preferred to buy from ECIL. The price preference allowed for public sector companies is not a new phenomenon and the computer industry is no exception. Industry observers cite the example of what happened initially in the PC market. "The so-called state electronic undertakings were given large orders by the government. These units bought PCs from the private sector and sold them to government under their own brand names. This did not hurt PC manufacturers because the market was large. In mainframes, where the investments are

Now!

80 CCA Benefit extended to LIC's pension plans... Jeevan Akshay and Jeevan Dhara.



Both schemes now come to you with the 80 CCA Benefit... 100% tax rebate on premiums up to Rs. 30,000 paid in 1988-89.

Get a lifelong pension. Provide security for your family. And save on income tax. With Jeevan Akshay and Jeevan Dhara. Contact your nearest LIC office or agent. Today.

योगक्षेम वहाम्यहम्

Life Insurance Corporation of India

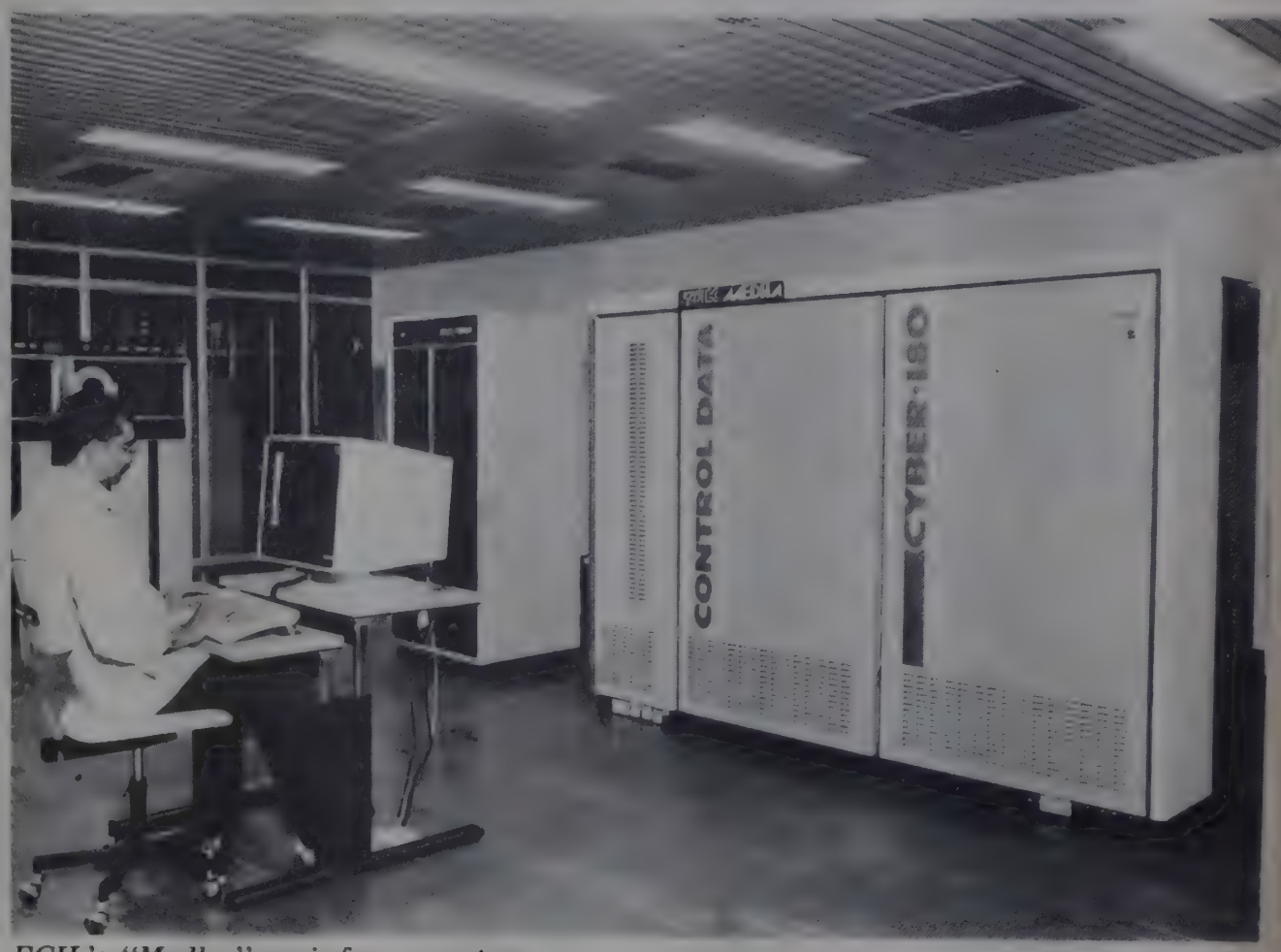
R K SWAMY/LIC/1706 C

huge and the markets not large, the situation is quite different."

The department of electronics (DoE) maintains that it has taken a "neutral" position in the mainframes controversy. K.P.P. Nambiar, secretary, DoE has repeatedly asserted that there is no directive from his department which categorically states that government departments should place orders exclusively with ECIL. This view is endorsed by Prabhakar, "There is no government directive anywhere. In fact, we bid in competition by fair means. And we have been able to win orders because our product is superior and our prices competitive."

P.P. Gupta, chairman of CMC, which is widely regarded by the private sector as the "big brother" of the computer industry, offers an interesting insight into the controversy. "If there were two private sector companies in the mainframe market instead of ECIL and one of them was consistently losing orders, it would be interpreted as nothing more than bad luck. This issue has assumed an altogether different dimension because ECIL is a public sector company." However, computer manufacturers dismiss these observations and say that the record so far proves that ECIL has been given protection. "There can never be an official government directive on such a sensitive issue. But public sector chiefs are probably nervous about giving an order to a private company in competition with ECIL," says an industry watcher.

The benchmark evaluation of mainframe computers for the head offices of the nationalised banks is an example of how ECIL is indirectly favoured. Three months ago the Reserve Bank of India set up a committee consisting of representatives of the DoE, State Bank of India, and CMC Ltd. The committee was expected to study the requirements of public sector banks (for the first tier of their three-tier computerisation programme) and suggest a suitable system. The potential business from this segment is estimated at Rs.50 crores.



ECIL's "Medha" mainframe system

CLEAR INDICATION

In September, after conducting the usual benchmark surveys, the committee submitted a report whose second paragraph reads, "You will observe that ECIL system is found suitable for all banks whereas ICIM system is considered more suitable in category II banks with around 500 branches." A harmless sentence by all indications, but if one were to read between the lines, observers feel it is a signal to all public sector banks which way the order should be placed.

Moreover, ICIM's price in both the categories was lower than ECIL's (Rs.2.65 crores against ECIL's Rs.3.03 crores in category I banks, and Rs.1.76 crores against Rs.1.90 crores for category II). The most intriguing aspect of this exercise is that CMC, whose representative was on the committee, is now actively pitching its services as a consultant to public sector banks during commissioning. "If the banks request our services we will take it up," says Gupta, with a smile.

Neither ECIL nor ICIM can afford to regard the mainframe market as its fiefdom. There is competition from two sources: from imports of large machines which are allowed under OGL and from manufacturers of super-minis. For the first phase of the railway computerisation programme, CMC, which was chosen as consultant, imported a VAX system. During the second phase, the bidding process was restricted to Indian companies. According to Prabhakar, most of the industrial and data processing application systems can now be provided by local manufacturers. He says, "The DoE is aware of this and permission to import large systems is granted on a case-by-case basis. But imports should not be banned." It is estimated that at least seven to eight machines are imported each year. Ironically, IBM today sells more computers to India than it did before it opted to leave the country in 1978. SBI, RBI and ONGC have been among its important customers.

SURPRISE DECISION

Competition from the super-minis could be tricky. The Ordnance Factory Board (OFB) recently floated tenders for its Hyderabad unit. Besides ECIL and ICIM, PCS Data Products also submitted bids. The OFB first wanted to float global tenders but then grew interested in the Series-39, say ICIM officials. But a benchmark survey revealed that a powerful mini could meet the requirements. So, when the bids were opened, out went ECIL and ICIM and the Rs.5-crore order went to PCS.

PCS has been accused of undercutting (by upto 30 per cent) and not possessing a licence to assemble and manufacture Data General machines. Both charges have been denied by the company which claims it has an "interim" licence to assemble Data General machines until the Rs.8-crore project goes on stream in February 1989.

It is evident that dramatic changes are taking place at the higher end of the computer market. The stated objective of the government's liberalisation policy was to introduce competition in every segment of industry; it has certainly achieved it in computers. But the battle should be fought on equitable terms.

■ S.N. VASUKI with reports from SYED MAJEEDUL HASAN, Hyderabad

THE ANNUAL MAINTENANCE CONTRACT FOR YOUR PC. DOES IT MEAN YOU GET TO SEE YOUR SERVICE ENGINEER ONCE A YEAR?

Just like a birthday party, once a year. That's how rarely you get to see your computer maintenance engineer, particularly if you happen to be a small customer.

True your computer doesn't have a problem every month.

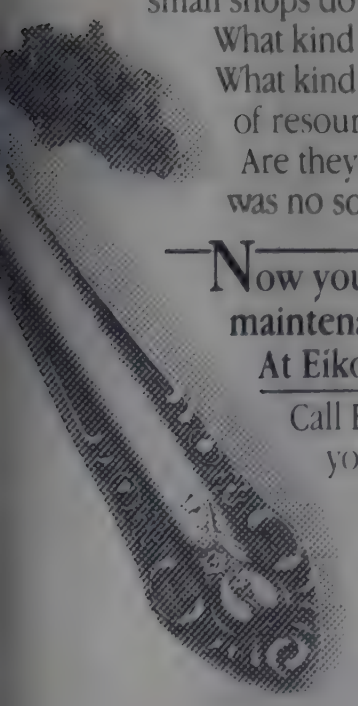
But preventive maintenance at least every quarter could make all the difference in the meantime between failures. Instead.... everytime you call, it's the same reply.

I'll get back to you

It never really happens unless you happen to be a top priority customer.

So what do you do? Go to the small shops down the road.

What kind of service do you get? What kind of spares? What kind of resources do they have? Are they good enough? There was no solution. But ...



Now you can book the finest maintenance engineers. At Eiko.

Call Eiko. No matter what your brand of PC.

Get yourself a maintenance service reputed to be the best in the country.

The only maintenance service of its kind, offered by a computer company.

Eiko PC Care

Backed by a full-fledged computer manufacturing company.

By a network of skilled service engineers.

By the facility to offer the best spares whenever you want it. Everything to take on where the others left off. .

Find out more. Ask any Eiko PC Care customer

Ask Procter & Gamble, Nuware India, Kirloskar, C.D.O.T., Indian Organic Chemicals Ltd., Dabur India, Vedanta Printers, Chandan Auto Agencies, Mohini Wines...

Some names you know, other you don't know. But all satisfied Eiko clients. Because their PCs are the best maintained PCs in the country.

INTRODUCING

The best maintenance service for your PC

Yes, I want more details on Eiko PC Care.

Name : .....

Company: .....

Address : .....

.....

Tel No. .....

BI 2

Eiko Computers Pvt. Ltd.

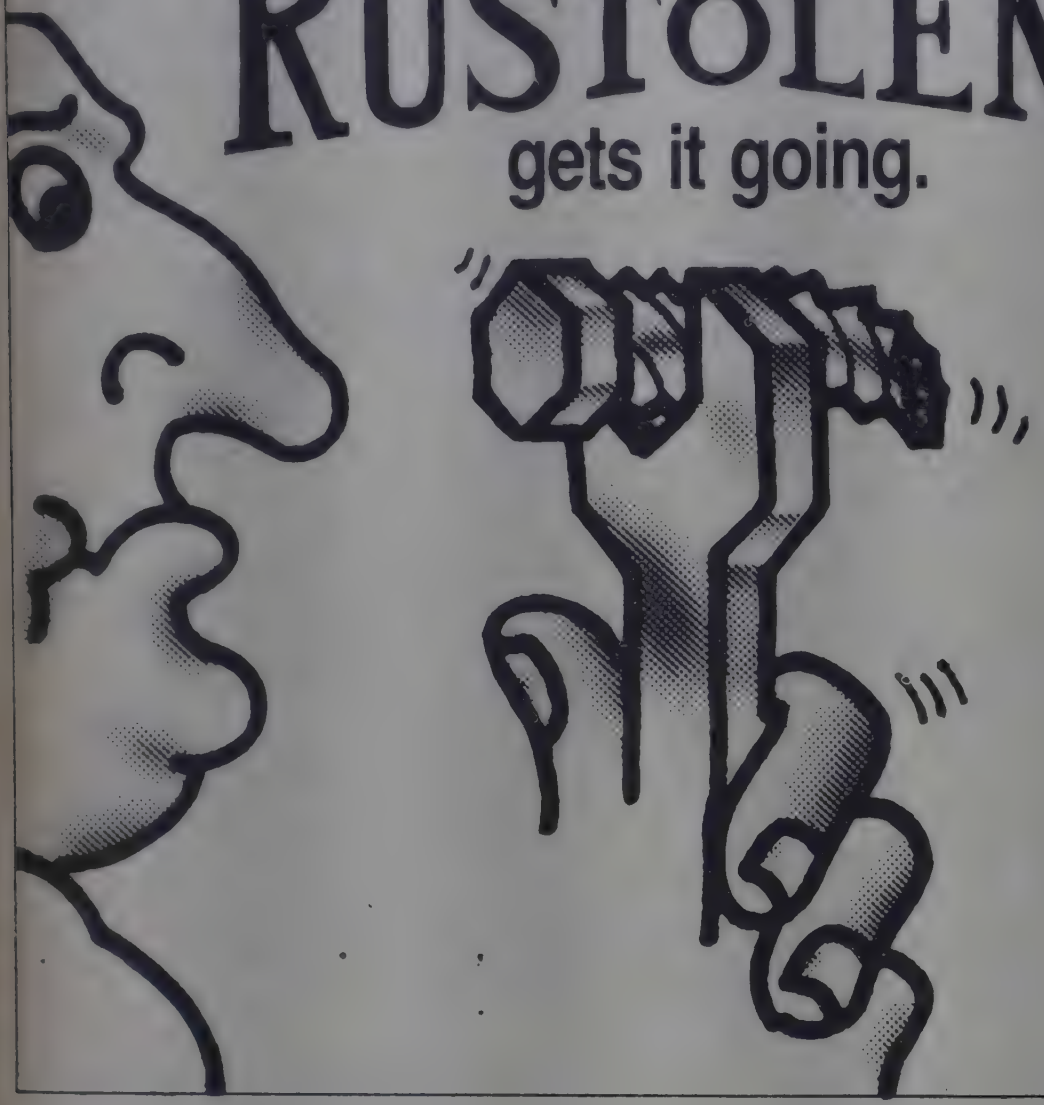
10-5 Lakshminaravan Complex, 5th Floor, Palace Road, Vasanthnagar, Bangalore 560 052. Phone: 24969, 70538 ■ 117-118 Dalamal Towers, 211 Nariman Point, Bombay 400 021. Phone: 232577/233296 ■ 1207-9, Pragathi Towers, 26 Rajendra Place, New Delhi 110 008. Phone: 5713481 ■ Cisons Complex, 150 Montieth Road, Egmore, Madras 600 008. Phone: 861483 ■ 113/5A, Hazara Road, Calcutta 700 026. Phone: 482487/265802/268998

Contract:EC-270-88

When the going gets rusty...

RUSTOLENE®

gets it going.



From a small cog to a mammoth machine — anything that is rusted needs Rustolene.

Rustolene gets rid of rust so simply. Just apply it wherever necessary, leave it for a while... and watch the rust disintegrate.

Rustolene.
The wonder solution that destroys rust anywhere.

HAWCO

Hardcastle & Waud Manufacturing Co. Ltd.

Brabourne Stadium,
87, Veer Nariman Road,
Bombay 400 020 Tel.: 222114

CHAITRA-B HAWCO 2 R

WANTED CO-PROMOTER

The advertiser is holding a licence to manufacture a 100% import substitution high-tech metallurgical product of tungsten and molybdenum rods with Japanese collaboration. The project is estimated to cost around Rs.16.00 crores and is to be located in Mysore City. Entrepreneurs/large industrial houses/public sector undertakings interested to join as co-promoter, to invest, implement and manage the unit may kindly contact:

Box No. DA/277/LM/2, **Business India,** 157 8th Main Road, Vasantha Nagar, Bangalore 560 052.

CREDIT CAMPS

On a more sober scale

It was hot and stuffy. With over a thousand people packed into a village theatre hall it couldn't be anything else. The heat, however, only seemed to add to the expectations of the waiting crowd. Rubbing shoulders with the inhabitants from Valpoi and its surrounding villages in north Goa were Pratapsinh Rane, chief minister of Goa; Shantaram Naik, north Goa MP; D.N. Ghosh, chairman, State Bank of India; S. Krishnamurthy, managing director, General Insurance Corporation, and a host of senior bank and insurance officials. They were all waiting for the arrival of the man of the moment, Eduardo Faleiro, union minister of state for banking and economic affairs. The occasion was what in banking parlance is known as a "credit delivery programme" for the weaker sections or a "credit camp" in layman's language, organised by SBI.

The objective of the camp held on 23 September at Valpoi, the eleventh of its kind to be held in Goa since April this year (when Faleiro took over from Janardhana Poojary), is to give the the priority sector lending schemes of the nationalised banks a renewed thrust. Sanctioned loans actually handed out at these large public gatherings are believed to have tremendous demonstration value.

When Faleiro arrived and made his way up to the dais the halo around his head was all but visible. After all, he was bringing bankers from their air-conditioned offices to meet poor clients on their home ground. Goa is Faleiro's home state and the camp would give him much political mileage. But all bankers agree that Faleiro's credit camps are not mere binges, like the loan melas organised by his predecessor, Poojary.

Instead of the thousands of loan approvals at each camp which Poojary insisted on, Faleiro talks in hundreds. And the one month which the minister gives each bank branch to process a hundred applications is considered adequate. Moreover, as one SBI official emphasises: "It is a question of following the minister's targets in spirit rather than in letter." If we cannot find a hundred eligible beneficiaries we can stop at ninety two. There is no meaningless compulsion."

The camp at Valpoi covered members of 12 village panchayats; 1,606 members of the economically weaker sections were granted loans amounting to Rs.58.04 lakhs. Amounts ranging from Rs.3,000 to Rs.5,000 were sanctioned for varied activities like retail trade, bamboo work, cycle repairing, and for buying cattle, pumpsets and sewing machines. LIC and GIC settled claims totalling Rs.55,000.

The next day, 24 September, a similar camp was held in Assolna village in south Goa which brought the total amount sanctioned at the 12 credit delivery programmes since April to Rs.6.45 crores benefiting over 17,000 people belonging to 152 village panchayats (The 411 villages of Goa are organised into 380 village panchayats). As a result, the percentage of advances given at differential rates of interest (DRI) has risen from 0.44 per cent of the total deposits in Goa in December 1987 to 0.76 per cent in June 1988. (According to Reserve Bank of India guidelines DRI loans should amount to 1 per cent of total advances.)

In a a state where the credit absorption has been low compared with deposit generation, the credit camps have helped in giving advances a new push. "Bankers in Goa who were good at getting deposits are now having to go out and look for borrowers," says P.G. Kakodkar, chief general manager, SBI.

To ensure, however, that villagers do not interpret the whole exercise as a dole Faleiro, Rane and Naik in their speeches repeatedly stressed the importance of repayment. Six beneficiaries who had already repaid their loans were held up as examples and awarded certificates. (These certificates, according to local bank officials, are often framed up in the villagers' homes!)

Obviously pleased with the fact that Faleiro is allowing enough time for credit appraisals and also laying stress on loan repayments, Ghosh in his address (translated into Konkani by a bank officer) said: "What is being done in Valpoi will be repeated all over." He admitted that despite the high priority given to lending to weaker sections what had been achieved was not enough. But, he pointed out, the nationalised banks had adopted the "service area" or the "village by village planning approach". Students of Goa university, he said, would be enlisted in drawing up the village plans.

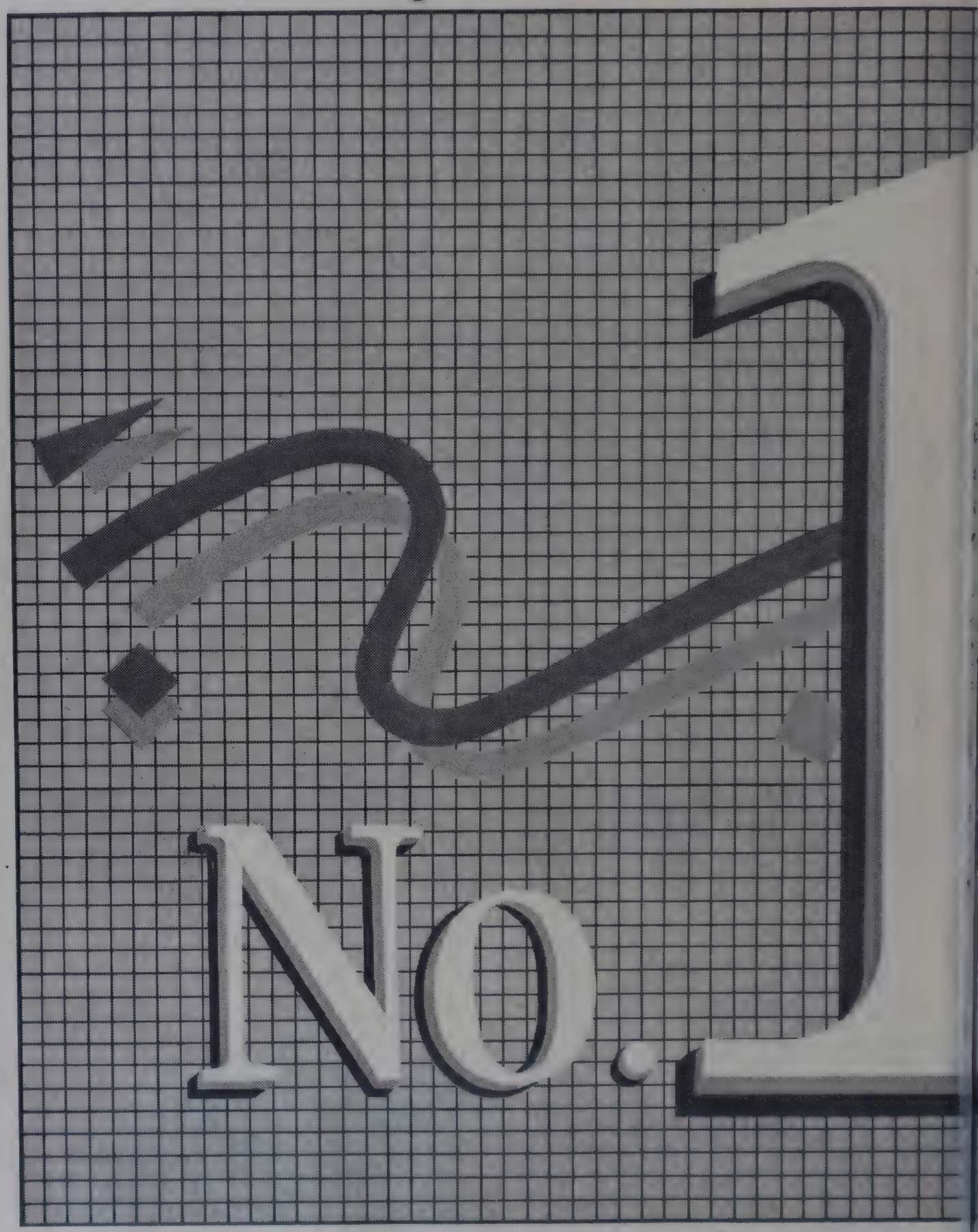
Pamphlets listing out various schemes of the banks and insurance companies were distributed at the camp. At the end, widows of landless labourers walked up to collect their insurance claims, premiums for which had been paid by the government — evidence of policies going beyond paper.

"A credit camp is an excellent awareness creating medium," said Faleiro in an interview after the camp. "Probably more so for the bankers," said Ghosh. As Krishnamurthy summed it up: "When you actually come here and see the conditions you can reorient yourself to the social policies of banks and institutions."

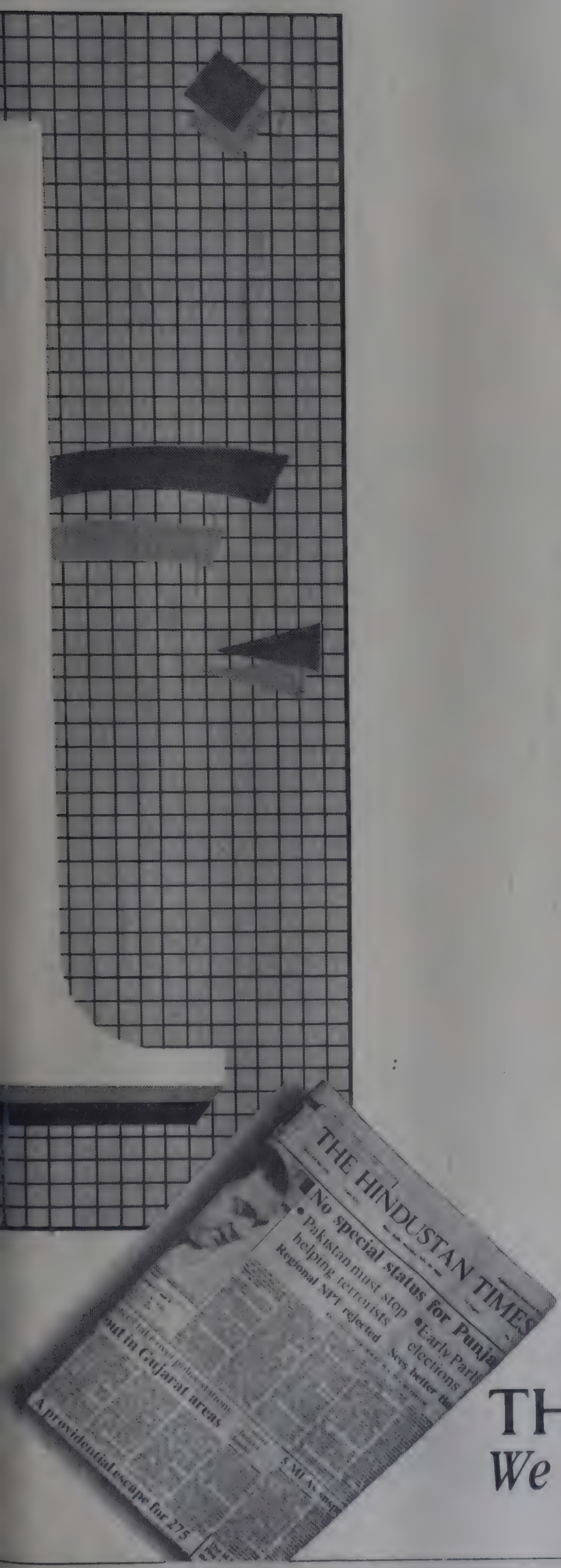
Faleiro at the credit camp: policies going beyond paper

KEYA SARKAR

The Hindustan Times is No.1 in more ways than one



F.N./XIII-97


THE HINDUSTAN TIMES
No special status for Punja
Pakistan must stop helping terrorists
Regional NPT rejected
out in Gujarat areas
A providential escape for 275

The Hindustan Times is the capital's largest circulated national daily newspaper today. And it has been the largest selling since its inception in 1924 :

The HT is always the first with news of national and international importance.

The HT carries in-depth and comprehensive analyses of vital developments.

The HT is a forum for discussions on a wide range of issues.

The HT carries fascinating articles written by men who know and think.

The HT Sunday Magazine in colour, carries interesting stories and articles for relaxed weekend-reading.

The HT with its 'Action Line' provides a forum that gives readers a chance to voice grievances and seek redress.

The HT, printed by latest offset technology with excellent reproduction quality, is the best produced paper from the capital.

The HT gives full return to the advertisers through its extensive reach and exposure.

The HT today, as in 1924, is still the most widely read newspaper in Delhi and northern India.

THE HINDUSTAN TIMES

We sell more. Because we tell more.

CFC-LAZARD TIE-UP

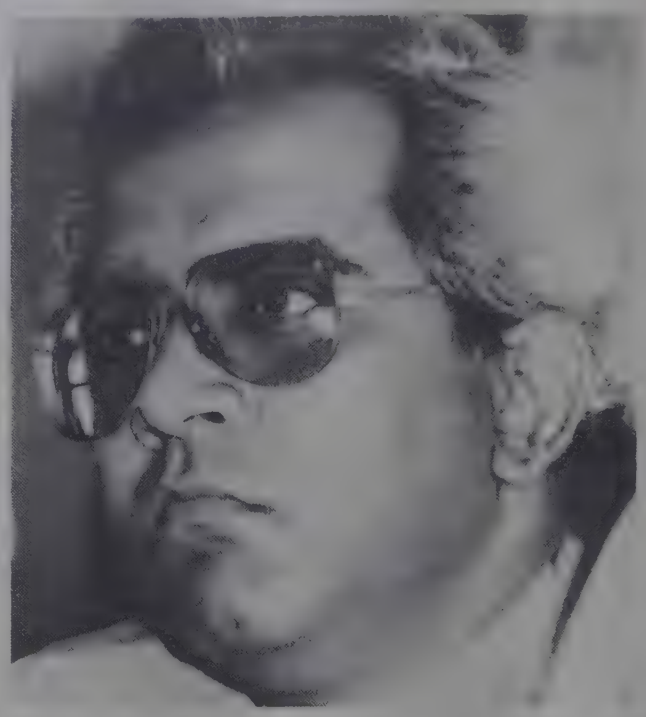
RBI sets a precedent

It may not usher in the Big Bang. But last week's announcement that the Reserve Bank of India, the country's central banking authority has permitted Lazard Brothers, London, to invest 25 per cent in the equity of the Bombay-based Credicapital Finance Corporation Ltd (CFC) is expected to internationalise several other merchant banks in India. "Independent merchant banks will now move towards converting their existing loosely defined financial collaborations like CFC has done," observes one manager in a merchant banking company in Bombay.

The amounts involved may not be significant — Lazard's investment in CFC equity is a small £200,000 on a repatriable basis. But that is hardly the issue, says the chief executive of a public sector leasing company, "It is high time we had organisations that are capable of genuine investment banking and CFC appears to have the capability. Let's hope it delivers." According to him the Indian merchant banking community has yet to see the introduction of technology in financial services and products, "but this could well be the beginning."

Lazard Brothers, one of London's leading merchant banks, has particular strengths in corporate finance, corporate strategy and advisory work, privatisation, mergers and acquisitions, and international financing. In India, Lazard Brothers is involved in raising foreign currency loans for Tisco, Reliance, Bharat Aluminium among others and is also ad-

Scott: earnings are linked to success



Bose: success after four years of hard sell

visor to the National Thermal Power Corporation. Lazard Brothers has ownership linkage through a partnership firm with Lazard Freres et Cie, Paris and Lazard Freres & Co, New York. Its investments in CFC gives it a presence in India which is quite similar to its arrangements in Hongkong and Tokyo.

For CFC's chairman Udayan Bose, former regional director of Deutsche Bank's International Finance Group, South Asia, it is a culmination of four years of hard sell to the union ministry of finance. It is the first time that a major international merchant bank has been allowed to participate in a joint venture with a private sector independent merchant bank. The agreement signed in London in the last week of September between Bose and Sir John Nott, chairman of Lazard Brothers, provides for an equity investment of Rs.50 lakhs by Lazard in CFC.

"The proposal was cleared on the justification that CFC earns foreign exchange either directly from Lazard or because of Lazard," says Bose.

The formalised agreement says that Lazards will train people from CFC, market services jointly and exchange ideas on new products and new techniques. In other words, CFC has access to Lazard's think tank.

The collaboration has brought much hope to in the financial services industry which has been on the decline. But given the dominant status of the public sector in this nascent industry, can such tie-ups help independent merchant bankers? The answer is "yes" provided such collaborations add value to the financial services and bring in new technologies which are unknown here. Comments John P H Scott, director, Lazard Brothers, "It is our experience that the customers in UK are unhappy about doing commercial banking and merchant banking with the same bank as there is a conflict of interest. Independent merchant banks such as Lazard, and Rothschild are in an unique position as they have no significant funding activities." "Current records suggest that the merchant bank subsidiaries of the major clearing (commercial) banks are losing ground to the independent merchant banks."

But the scenario is quite different in India. Practically the entire banking and financial institution sector is owned by the government unlike in the UK where no one bank has a market share anywhere close to what State Bank of India and Bank of Baroda command. And after 1986 with the change in the Banking Regulations Act (1949), the financial services companies within the private sector have now lost business to wholly-owned subsidiaries of nationalised banks.

Can foreign collaborations then help independent merchant banks? Maybe yes. With takeovers becoming so common, the need for financial sophistry has increased. And Lazard Brothers has a particularly good reputation in the area of mergers and acquisitions (M&A). Says Scott, "The bulk of our income comes from M&A deals and general financial advisory fees. It is an area where you need to be highly skilled and therefore in every successful deal the fees are high." For instance, in warding off a hostile takeover, the Dee Corporation, UK, paid total advisory fees of over 10 million pounds in 1987. And Lazard was the lead bank in this deal.

In its four years association, with Lazard, says Bose, "Lazard has really helped us in many areas. They have involved me in their London, Paris and New York meetings, in client calls. They treated this as a joint venture from day one." CFC has adapted several models from Lazard. One area is in billing its clients. The fee it charges reflects two things: amount of time spent on the job and how well the job was done.

Over the past several decades Lazard Brothers has evolved into what Scott calls "a high-quality conflict-free merchant banking organisation with a very high level of integrity". Can the new collaboration and others that are bound to follow give the Indian financial services industry a similar direction?

■ BASUDEV DASS

MORE USA FROM PAN AM

MORE CITIES

Pan Am can fly you to New York and to over 30 cities throughout the USA, including Los Angeles, San Francisco, Chicago, Miami, Dallas, Washington DC plus many other destinations.

MORE SERVICE

Pan Am flies only 747s from Delhi and Bombay. And every flight offers you three classes to choose from. And once you're aboard, you feel right at home because our flights feature Indian attendants, delicious Indian cuisine, as well as announcements made in both Hindi and English.

MORE CONVENIENCE

Connections to flights across America are quick and easy when you land at the Pan Am Worldport.® This is the only terminal at Kennedy Airport in New York that has all international and domestic flights right under one roof. It's as simple as one ticket, one check-in.

MORE EXTRAS

Pan Am offers First and Clipper® Class passengers free limousine service to and from midtown Manhattan. And once returning home, you'll enjoy the exclusive use of our new Private Terminal at Worldport. There you'll experience a level of comfort and personalized service reminiscent of a fine hotel.

So if you're looking for more on your next flight to the USA, that's just what you can expect from Pan Am. For information and reservations call your Travel Agent or Pan Am in New Delhi at 3325222, 3327804; in Bombay at 2029048, 2029020

Number one across the Atlantic

PAN AM

Systems 565 88

AMUSEMENT PARKS

Bombay's own Disneyland gets approval

Bombay will have its own version of Disneyland after all. Fun City, being set up in Uttan village on the outskirts of the north Bombay suburb, Borivli, was finally cleared by the urban development ministry of the Maharashtra government last week. Moreover, a couple of weeks earlier, the union finance ministry agreed to waive customs duty of approximately Rs.2.4 crores on the equipment that is being imported for the project.

Promoters happy. These developments came as a relief to the promoters, Merry Movements and Equipments Ltd, who had to stop work on the Rs.15-crore project for over six months in the face of a controversy regarding the legality of developing the 200-acre plot. Ram Naik, BJP MLA from Borivli, had been trying to stall the project since he first read about it more than two years ago.

The project, as described by M.K. Saran, managing director, Merry Movements, will have 17 rides and games. These will include a roller coaster, a "Trabaut" (a merry-go-round cum giant wheel) "Gravition", (which is similar to the zero-gravity simulator for training astronauts) and submarine and spaceship simulators, all imported from Europe. For the very young, the park will have paddle pools and bumpy cars, among other games. Older people, who are looking for some peace and quiet, will be able to hire colonial bungalows or cottages that evoke the diverse cultural ethos of the country or stroll down a forested path. Besides, there will be several walk-through shows, a fort on a hill, a palace on an artificially created island in a lake, swimming pools and camping grounds. With all this, according to Saran, the park can entertain 40,000 people a day, although he does not expect so many to turn up every day.

The project ran into trouble when Naik, worried about the inconvenience such a large project would cause to the burgeoning population of his constituency, raised the issue in the state assembly twice in 1987. He was told that no permission had been given for the project. So, when the ad campaign broke in April this year, he decided to go take a look.

Complaint lodged. The magnitude of activity confirmed his worst fears. A fleet of around 50 trucks was carrying soil to the site from a [illegible]ring plot where extensive quarrying had defaced the landscape. He reported this to the Konkan division revenue commissioner, R.B. Buddhiraja, and soon the bricks and earth-moving equipment were seized and a complaint lodged against the contractor.

Saran: free to go ahead at last

Apart from the environmental and ecological issues, Naik also questioned the non-agricultural use of land, development within 500 metres of the sea-shore against the late prime minister Indira Gandhi's directive, ownership of the land, and encroachment on government land.

As things now stand, it seems that Naik had not done his homework well enough. It is Saran who has won out, though after a considerable loss of time and money. "It took us more than five years to obtain the various permissions and certificates," says Saran, waving a bunch of documents including letters from the state and union ministries of tourism recommending the project, the import licences, the sale agreement for the plot of land duly stamped, and various sanctions and no objection certificates (NOCs) from the Bombay Metropolitan Region Development Authority (BMRDA), the Maharashtra Pollution Control Board, the Bombay Suburban Electric Supply Ltd (BSES), the Public Works Department (PWD), the Town Planning and Valuation Department of Thane district where the project is located, and the Uttan gram panchayat.

Says one official in the town planning department, who admits that the project will be a tourist attraction and a good money-spinner for the state, "The land has been barren and totally useless for years. Now the company is developing it and planting trees. The government has not contributed anything to the project apart from giving the various permissions. Even these have been given on condition that the development blends with the landscape, taking environmental factors into consideration. The permission for non-agricultural use of the land has been granted with a meagre floor space index (FSI) of 0.4 which is the same as that for agricultural land. Moreover, the promoter will have to provide for the infrastructural facilities."

"I am not against any entertainment," says Naik. "All I said is: if there are any irregularities, they must be checked." And with that ends the opposition to the building of Fun City.

■ ALOYSIUS FERNANDEZ

GWALIOR SUITING
PRESENTS

GRASIM
MASTERWEAR

DISTINGUISHED BY ITS CLASS

- FAULTLESS CUT
- COMPUTER CONTROLLED SEAMS
- PRODUCTS OF EXCELLENCE
  IN DESIGN AND CRAFTSMANSHIP

GRASIM
MASTERWEAR

AN EXCLUSIVE RANGE OF GARMENTS AND ACCESSORIES

MAPP-GR-88-561

"You can call me the Chief of the Kirloskar Family, which a hundred years ago consisted of just four people and now comprises over 20,000."

— S.L. KIRLOSKAR

Kirloskar

We the Kirloskar engineers and executives... the workers and managers... together with shareholders, suppliers, dealers and distributors... we are all engaged in employing our national resources of money, men, materials and machines not just for our own benefit, but also for the benefit of our society and country.

From a single unit to a multi-company enterprise, from agriculture to industry, from import substitution to exports to 90 countries of the world... we have proudly seen the name Kirloskar race with time. And we look forward to the challenges of our new Century.

We shall continue to contribute to India's social and economic betterment through engineering excellence — our chosen method.

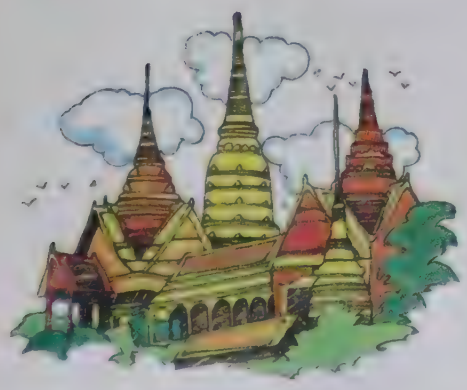
Into our next Century in the same spirit !

100

KIRLOSKAR CENTENARY
1888-1988

When Buckingham Palace beckons . . .
Fly Thai NONSTOP to LONDON 3 times a week.

From the Qutub Minar to the Eiffel Tower
Fly Thai NONSTOP to PARIS twice a week.



Sight-seeing, shopping, business, entertainment ? Visit Thailand.
Fly Thai NONSTOP to BANGKOK 8 times a week.

LINTAS DELHI THAI 56

Now you can take off for more than 43 destinations across the world on Thai.

Thai
Smooth as silk

COMPUTER TRENDS

Small systems will get an edge

Small and medium scale computer systems will gain greater precedence than large and costlier machines during the next five years, worldwide. Standards in operating systems, networking, datacom and hardware architecture will gain more priority than proprietary ones. UNIX, as an operating system of choice for medium and large scale systems, will come up as a prime force. And future buyers of computers will increasingly ask for integrated systems, common standards in hardware and software, and high levels of service and support.

These are some of the conclusions arrived at a one-day information industry seminar entitled "Directions '89", organised by the Indian branch of the US-based International Data Corp (IDC) in Bombay recently. The sessions were conducted by IDC's Asia-Pacific regional director, Len Rust, in conjunction with Cyber Media (India) chief Pradeep Gupta, IDC-India president Arun Mehta and computer consultant Prem Shivdasani. Others who were involved were Dr. A.K. Aggarwal, the director of the Academy of Computer Education (ACE), and Amit Dutta Gupta, director of Home Office Products Equipment (HOPE).

Rust, who had specially flown down from Australia, said the growth rate of the small systems (costing under US $ 100,000 each) market would grow from 42 per cent in 1982 to 67 per cent by 1992. Simultaneously, the growth rate in larger systems would fall from the present 41 to 33 per cent.

PCs TO THE FORE

The signs are evident even now. The old and large-size computer makers are growing at less than 15 per cent per annum, against 50 per cent plus for medium and small computer manufacturers. "IBM grew just 6 per cent, Control Data Corporation 1 per cent, and Unisys 7 per cent," Rust said, "whereas Apple Computer grew 50 per cent in 1987, Amdahl 56 per cent, Compaq 96 per cent and Sun Systems a whopping 120 per cent!" In 1988, the US hardware market would grow between 6 and 9 per cent, with PCs jumping the gun at 12 to 16 per cent; minis are expected to grow at 4 to 8 per cent and mainframes at a miserable zero to 4 per cent.

Rust: large market for small systems

UNIX, which has now garnered a US market worth $ 5 billion, has become virtually a byword with all start-ups, except PCs. By 1991, UNIX is expected to corner 20 per cent of the gross US hardware market.

However, much of the world scenario may not be actually reflected in the Indian computer markets. The share of computers manufactured as a percentage of India's GNP has been a miserable 0.13 per cent this year and is expected to barely touch one per cent by 2000 AD. In absolute terms, computers form a mere 7.9 per cent of the gross value of all electronics at Rs.375 crores today, and may form about 20 per cent of Rs.14,000 crores by the year 2000.

Prem Shivdasani, ex-managing director of ICIM Ltd (International Computers Indian Manufacture), founder-president of NASSCOM (National Association of Software and Service Companies) and independent computer consultant, spoke on the globalisation of the Indian computer industry. "Today, we have 38 tie-ups with foreign companies (11 in 1985). Of these, 13 are agency collaborations (five in 1985) and 25 are technical tie-ups (six in 1985)."

Shivdasani said increased interaction with foreign vendors would help Indians to cut down the technology lag, provide more attractive hardware features, and strive to meet after-sales service standards to match perceived international ones. "About 50 per cent of Indian users prefer indigenously manufactured systems with foreign tie-ups," he said. "But, foreign tie-ups do not necessarily mean success. The DCM-Tandy, ICIM-ICL, Tatas-Unisys and ECIL-Norsk Data tie-ups have not been resounding successes."

According to Amit Dutta Gupta, who has just set up HOPE in Delhi, "The right deployment of technology would hold the key to success by the year 2000 AD." He decried the Indian impulse to look to just the western markets for exports.

INCREASE MANPOWER

"By 2000 AD, Indian technical competence would be genuinely worth reckoning among developing nations," he said. "We can sell manufacturing knowhow, marketing and support, education and training, hardware and components and software applications." Gupta said about 3,400 training institutions train roughly half a million Indians on computers per annum, which ought to be boosted if we are to avoid the coming manpower crunch."

According to Aggarwal of ACE, software would grow in the exports and end-user computing markets and as sales by hardware vendors. However, during 1987-88, the growth rate has fallen to 41 per cent, against 60 per cent during 1985-86. The number of small-scale software vendors increased to 267 units during 1987-88, but 47 per cent of the market share of software is held by three large companies with revenues in excess of Rs.10 crores each.

Mehta, chief of IDC's Indian operations, said that the IDC survey had predicted a cumulative demand for minis at 8,000 units by 1991 and for PC-ATs at 26,030 units. "The current installed base of UNIX systems is under 2,000 each for minis and supermicros. Hence, the market can absorb at least 6,400 mini systems and at least 18,000 supermicro systems."

He said that the new application areas that may open up would include demand for expert and artificial intelligence systems, office automation, CAD, CAM, CAE (engineering), computer graphics and animation, imaging and CIM (computer integrated manufacturing).

■ VIJAY MUKHI

Grindlays. Such a pleasure!

Banking, Grindlays believes, should be one of life's conveniences.

Which is why, while Grindlays offers every major service the best international banks offer, there are some specialised services only Grindlays offers.

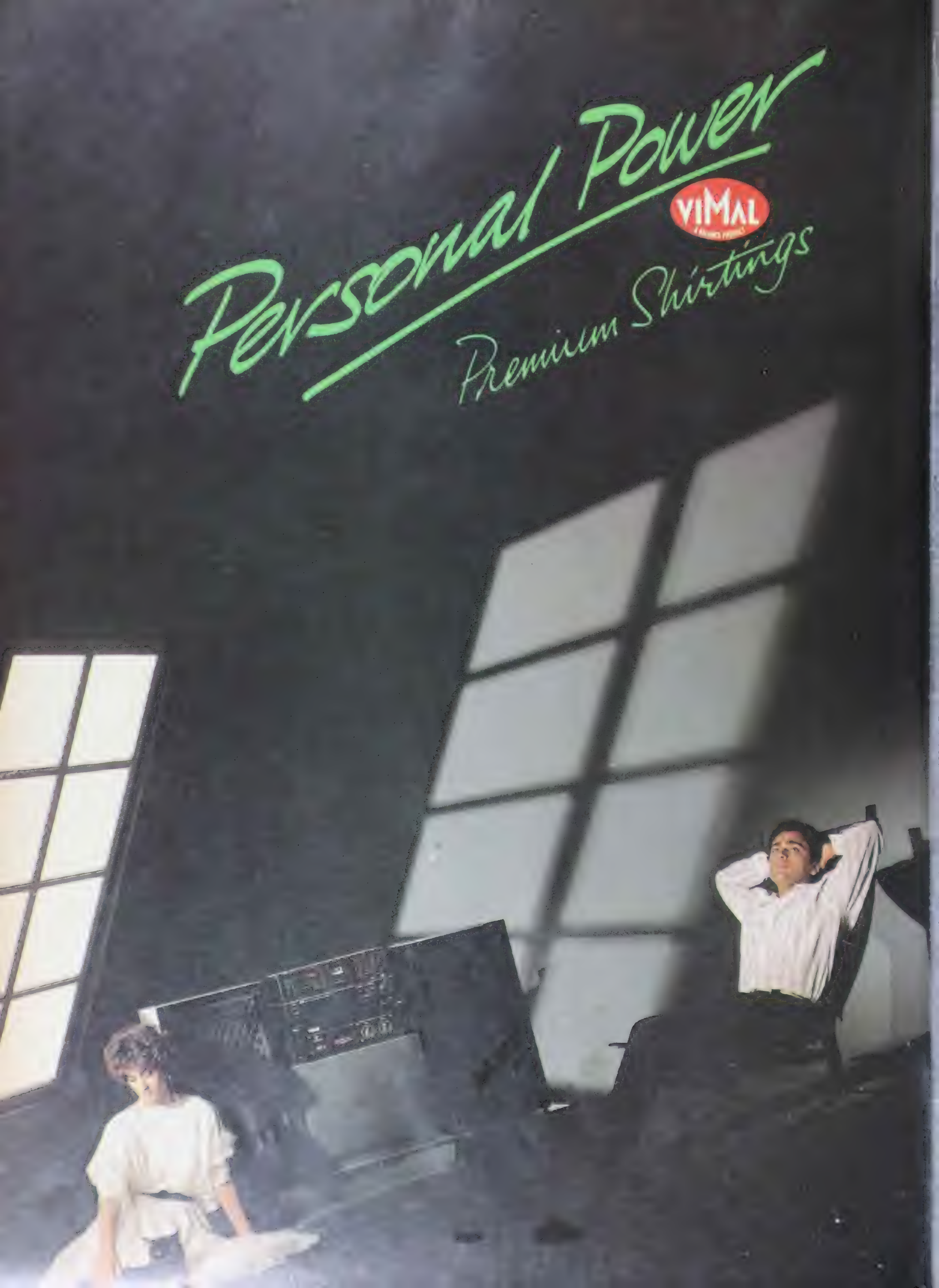
Each designed to make banking a pleasure.

Because by improving the quality of banking, we believe, we could ultimately improve the quality of the way you live.

Grindlays Bank

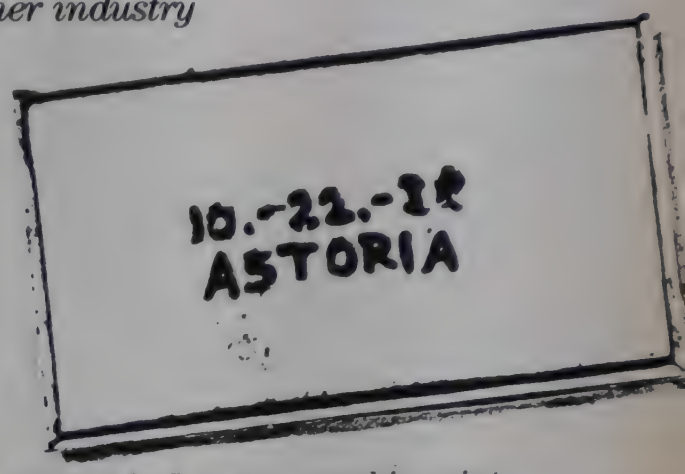
Member ANZ Group

Contract. GB/106/88

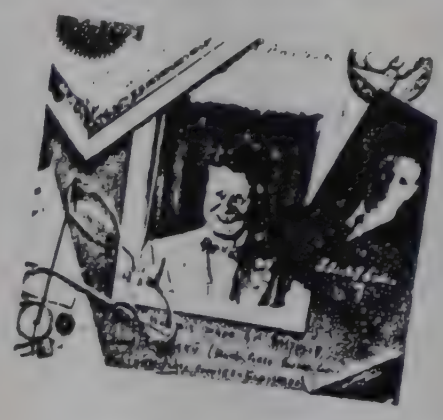

Personal Power
VIMAL
Premium Shirtings

Fifty years of xerography

Xerography turns 50 on 22 October. A look back on the five decades of the copier industry



Carlson's first xerographic print



The Xeroprinter being demonstrated in the late forties by John H. Dessauer, Haloid's research head; Chester Carlson; and Haloid president Joseph C.Wilson. This early xerographic device, which printed on rolled paper, commanded public attention, but was never marketed

From Astoria, New York to Agartala, Tripura is a long distance, but not a daunting one if you consider the pace at which technology travels. It has, however, taken 50 years for the world's most durable plain paper duplicating process, xerography, to traverse the 10,000 miles that separate the two cities. Modi Xerox, India's largest copier company, set up its first full-scale sales and service facility in the eastern Indian city this year.

Fifty years ago, on 22 October, a patent lawyer named Chester Carlson working weekends in his own kitchen in Astoria, New York, formulated the principles of what he called electrophotography — the process of creating an electrostatic image on a photoconductive surface and then transferring the image on to a piece of paper. Electrophotography was later rechristened xerography from the Greek word for "dry" and "writing". The first image that Carlson transferred on to a plain paper that day bore the simple plain legend 10-12-38 ASTORIA.

All those working in the 300,000 or so offices in India who still endure the pains of using carbon or stencil copies for want of a copier will draw small consolation from the fact that unlike the computer, the motor car or the aeroplane, it took as much as 22 years for Chester Carlson's discovery to be put to large-scale commercial use. For nearly nine years nothing happened. It was turned down by as many as 20 companies, including the likes of IBM, Remington, General Electric and Kodak as an unusable technology before the Haloid Company, a small photographic paper manufacturer based in Rochester, New York, took up the challenge of developing the first xerographic machine. And it was another 12 years before Haloid realised what then seemed an impossible dream.

In the latter years in fact, developing the copier was a do-or-die strategy for the company. Its earnings from the photographic paper business were fast shrinking and the only way to survive was to develop and make a success of this new product. In fact towards the end, hard-pressed for money, it tried selling the technology to companies like IBM and Bell. IBM rejected the offer saying, "..it has no place to go, there really isn't a need for it, it is a very specialised thing, maybe you'll build 5000 (copiers)." Despite the heavy odds against it Haloid ploughed along. The company spent as much as $ 12.5 million, more than its entire earnings for the fifties, on developing the product. The world's first automatic plain paper copier, called Xerox 914, was unveiled in early 1960. Offices across the globe were never to be the same again.

Haloid's chairman, Joe Wilson, wanted to change the name of his company to something that reflected the new product he was developing. He paid thousands of dollars to consultants to come up with a suitable name but no one could do better than "American Xerographic Corporation" and "National Xerography Inc". Wilson wanted something more catchy. And then while on a walk outside his house in Rochester he saw a Kodak signboard. Kodak, the world's largest photographic company, was like Haloid, based in Rochester. George Eastman, its

Move up... to McDowell's

Unmistakably No.1... McDowell's

McDowell's

The soda with spirit

founder, had christened his first roll film camera Kodak because "it was short, easy to remember and began and ended with his favourite letter K". Watching the Kodak sign, Wilson came up with a new name for his product, the euphonious 'xerox'. He renamed the company Haloid Xerox and later changed it to just Xerox Corporation.

The success of Xerox 914 was astounding. Wilson himself had predicted in 1959 that the 914 would double the company's sales to $60 million by 1965. Revenues that year were $392.6 million. When in 1962 revenues had reached $115 million, a *Fortune* article had said, "No one believes that the 914 is going to keep on growing at its present rate forever." Apple Computer is commonly perceived as the fastest company to reach sales of a billion dollars — in nine years; Haloid, later renamed Xerox Corporation, actually hit that figure in eight.

Wilson like everyone else had underestimated not only the popularity of the product but also his own marketing innovations. A 914 cost roughly $ 2,000 to build. It was leased for $95 a month and four cents a copy for every copy over 2,000. As with every Xerox copier since, the per copy charges are a more important revenue producer than the lease rate. In 1967 it was estimated that each of the 9,000 914s in use brought in about $4,500 in revenue. This means that each 914 made an average of over 100,000 copies a year, well beyond the 2,000 a month allowed in the lease agreement. This also meant that Xerox recovered most of the cost of the machine in the first year of rental. Except for servicing costs, everything else was pure profit.

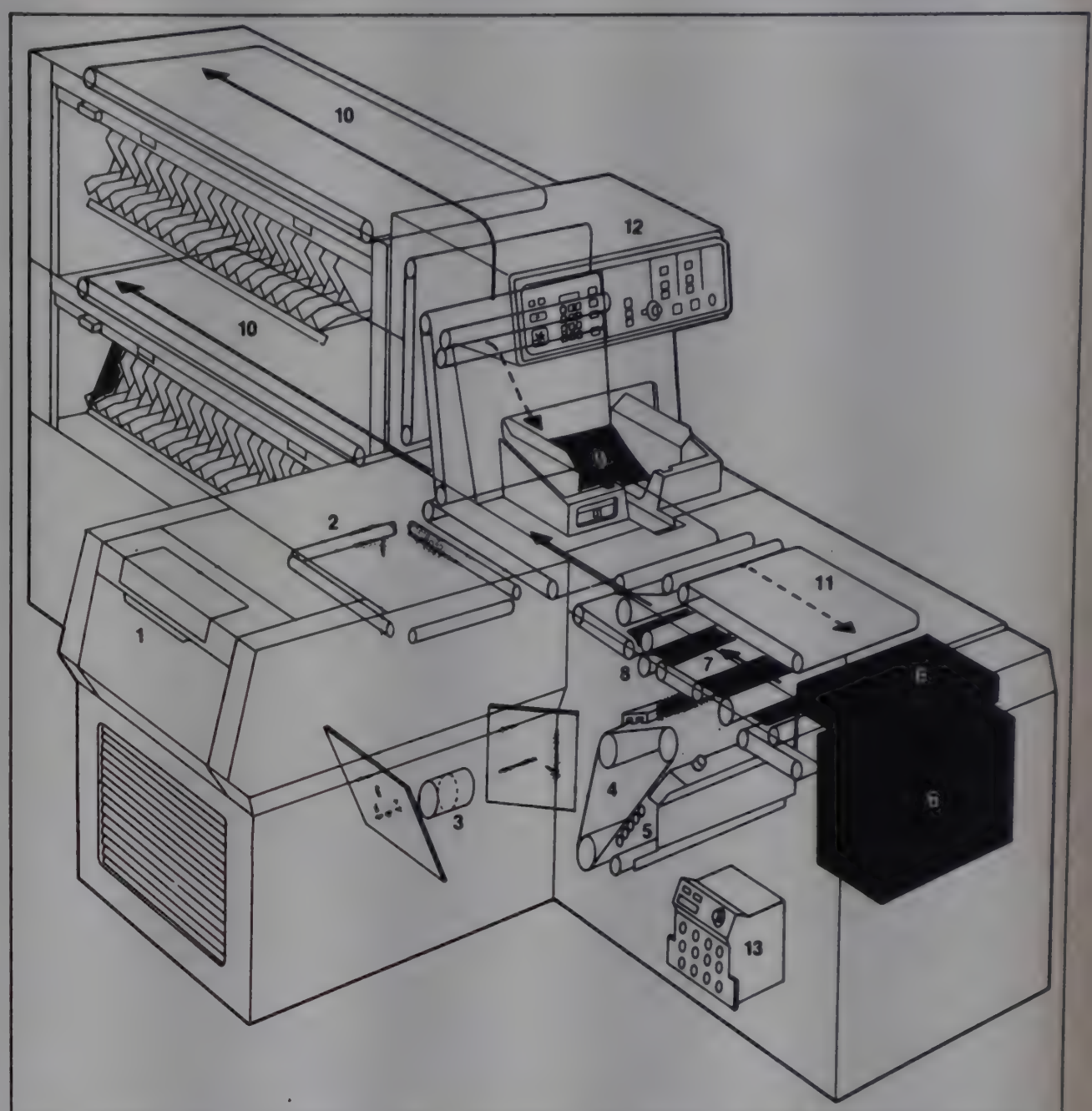
About 200,000 914s and simple variations of it were made around the world between 1960 and early 1970 when the company stopped manufacturing the model.

The 914 is estimated to have earned the Xerox Corporation profits of around $ 1 billion, more than any single product in corporate history. By 1970, Xerox was the 60th largest company in the US. Chester Carlson earned around $ 200 million for his discovery by the time he died in 1969. Joe Wilson, the other genius who fashioned Xerox's success, made around $ 100 million by the time he died in 1971.

Around the time of Wilson's death Xerox's halcyon days as an absolute monopoly began to come to an end. In 1970 the company's patent for a large number of its processes expired. That was just the beginning of the problems from which it would not recover till about the early 1980s. On 22 April 1970 IBM introduced its first office copying machine, the Copier I, to crack the Xerox monopoly. Xerox reacted by suing the computer giant for infringement of 22 patent rights. Xerox had licensed IBM to use some of the xerographic technology for computer applications. It accused the company of using it illegally.

The Xerox-IBM court case set the tone for the large number of litigations that the copier giant had to go through in the seventies. In fact this was a small-time affair compared to some others. In 1972 the Federal Trade Commission accused Xerox of illegally monopolising the office copier business. In 1973, SCM, an office equipment manufacturer, sued Xerox for anti-trust violations. In 1975, the Van Dyke Research Corporation also sued Xerox for anti-trust. IBM counter-sued Xerox. Many other manufacturers, copying service firms and even customers seeking anti-trust reliefs also went in for law suits. The very existence of Xerox was threatened as a result.

While Xerox concentrated on its legal problems, competition moved in, not only to expand the frontiers of xerographic technology but also to eat into Xerox's 90 per cent market share in the early seventies. Though IBM had problems with its copier, fellow hometowner Kodak burst onto the scene with its successful Ektaprint 100 in 1975. It made 70 copies a minute, thus attacking the mid-range



The working of a commercial copier: *the original document automatically moves from the document handler (1) to the platen (2) where it is exposed by lamps and mirrors through a lens (3) focusing the image (in same or selected reduced sizes) onto the photoreceptor belt (4). Magnetic rollers (5) brush the belt with dry ink which clings to the image area. A sheet of copy paper moves from either the main or auxiliary tray (6) to the belt, where the dry ink is transferred to it (7). The copy then goes between two rollers (8) where the dry ink image is fused to it by heat and pressure. A copy of a single-page document emerges in the receiving tray (9). Copies of multi-page documents go to the sorter (10) for collating into as many as 999 sets. If the sheet is to be copied on both sides, it returns by conveyor (11) to the auxiliary tray to repeat the process.*

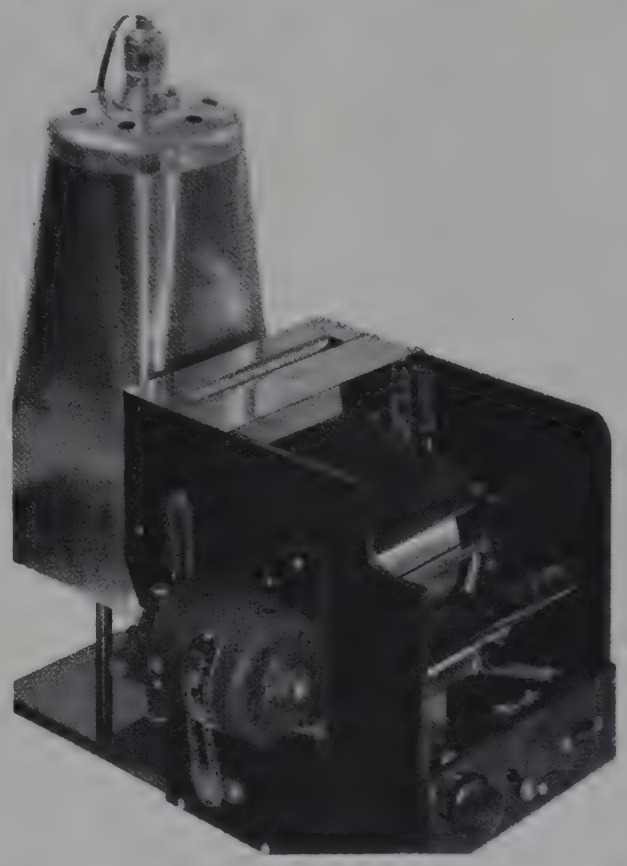
copier market where Xerox made most of its money. It was also the first copier to use microprocessor technology and was therefore far more advanced than anything Xerox could offer at that time.

Kodak's efforts at destroying Xerox's monopoly were followed by a sledgehammer assault by the Japanese starting 1975. And ironically, the man responsible was an American, by the name of Paul Charlap. He was the chairman of Savin Corporation, a small-time manufacturer of copiers. Charlap led a crusade to destroy Xerox's monopoly and in this venture he enlisted the help of many companies worldwide — a group of Australian scientists to develop the liquid toner that would be a step ahead of the powder toner that Xerox was still using; two American firms AD Little and SRO Interaction to help develop the roller to clean the drum of the liquid toner without scratching it; another American company Nashua to help in the marketing; a German company Kalle to market the product in Europe; and most critically, Ricoh, the Japanese giant to actually manufacture the copier.

The Japanese, led by Ricoh and Canon, were to bring about the second revolution in the copier industry in the seventies. They standardised the manufacture of a majority of the copier's parts with most manufacturers using the same vendors, unlike Xerox which still had units manufacturing parts exclusively for it. Besides, the Japanese had fully automated plants, which helped them keep inventory levels down to as low as a few days. All this brought down their production cost to half of that of Xerox.

Charlap introduced the Ricoh-manufactured Savin 750 in Europe in 1973 and in the US in 1975. In true Japanese style the copier was directed at a segment of the market that Xerox had consistently ignored, the low volume end. It cost Ricoh only about $ 600 to manufacture and it sold at around $ 5,000. The comparable Xerox machine sold for $ 12,000. Companies everywhere having gone through a recession and energy crisis were eagerly looking for a cheaper, more energy-efficient machine. Do you really want to trek down to the basement to use the expensive Xerox or put Savin machines on every floor? Or why lease a copier when you can buy one for what the lease costs you every year? These were the questions consumer asked. And the answer seemed to be: buy a Savin 750.

Besides, the Ricoh-made copier was much more reliable than anything Xerox had made till then. It could make 17,000 copies between failures and took less than 30 minutes to repair. The Xerox machine averaged 6,000 to 10,000 copies between failures and took up to twice as long to repair. As a result Ricoh's sales exploded. By 1977 it was placing more machines in the US than Xerox. In just three years, Xerox's share of the units placed in the US copier market fell from 82 per cent to barely over 50 per cent. Excluding Fuji Xerox (Xerox's Japanese partner), Japan's production of plain paper copiers swelled from 79,000 to nearly 400,000. The Savin 750 in fact was just the beginning, the other Japanese manufacturers like Minolta, Konishiroku, Toshiba, Matushita, Sharp and, mainly Canon, moved in swiftly to claim their share of the market. There was not much Xerox could do. The profits of Rank Xerox (Xerox's British partner) fell from £255 million in 1979 to £105 million in 1982; Xerox's own profits declined from $ 598 million in 1981 to $ 424 million.



Carlson's first xerographic apparatus. It never worked well, but researchers at Battelle Memorial Institute and Haloid Company later applied the resources needed to turn the basic discovery into functional machines

The Japanese success forced Xerox out of its slumber and for the first time in more than a decade it began to look inward to find out what had gone wrong. This effort started in the early eighties and by 1983 the company was on its way to making one of the most amazing comebacks in corporate history, something that probably left even the Japanese stunned. It started with a total rehaul of the top management structure of the company; followed by the introduction of competitive benchmarking, more emphasis on market research, reduction of the number of part vendors from 5,000 to 400, and a new look at quality.

Xerox's new 10 series of copiers was so sophisticated that it was difficult even for the Japanese to copy and mass produce. The series, launched in 1983, became the single most successful range of copiers in history. The company not only arrested the decline in market share but also picked up points along the way in the subsequent years. By the end of 1985, more than 750,000 machines had been rented or sold. The 1075 became the first Xerox copier made in America to be shipped to Japan. Xerox's sales peaked at $ 15 billion last year. Chief rivals Canon, Ricoh, and Kodak didn't do badly either. But Xerox had come back with a vengeance and there was no stopping the company from now on.

In the early eighties the Indian government threw open the local photocopier market to importers. As a result, in xerography's fifth decade, a nation which till then was content with carbon copies and cyclostyling found itself suddenly presented with an opportunity to buy and use the best contemporary copiers in the world like the Xerox 1045 and Canon NP 2015. So despite having virtually ignored the development of a whole new technology for more than two decades, India finally had access to state-of-the-art xerographic machines. The Modis, in collaboration with Rank Xerox, began manufacturing the Xerox 1045 and 1025 three years ago at their Rampur, UP facility, the only such plant in the country.

Modi Xerox now controls about 40 per cent of the estimated Rs.150-crore copier market in the country. The high duty levied on imports makes copiers twice as expensive as in Europe or the US and hence the slow 10 to 15 per cent growth in sales. The total copier population in the country is said to be in the region of 35,000. Only about 2.5 billion of the roughly 50 billion copies made in the country are made on copiers. And less than 10 per cent of the 300,000 offices have a xerographic facility. So there is still a long way to go. Maybe in xerography's 100th year we'll finally catch up.

■ N. RADHAKRISHNAN

THOSE WHOM YOU RELY ON, RELY ON THE JEEP.

Most calamities are not within human control. But relief certainly is. Provided it gets there in time.

Which is why those whom you – and the nation – rely on, have always trusted the Mahindra Jeep.

Safe and sturdy, with amazingly low fuel and maintenance costs.

And that unique Jeep styling which has set an ageless trend. Worldwide.

The Mahindra Jeep.
For you, it's performance you can rely on.

Mahindra Jeep®

Performance you can rely on.

Mahindra

THERE IS NO OTHER JEEP MADE IN INDIA

And now the CD Trousers with the Italian Fit make a hit!

CD Trousers

a fitting compliment to CD shirts

Rs.260/- onwards

Available only at

Charagh Din

Wodehouse Road, Colaba, Bombay.

NOWHERE ELSE

There are no branches or dealers & sub dealers
No agents or representatives appointed by us

The success of Seoul

Memories of the spectacle of the opening and closing ceremonies, the glamour of Flo-Jo, the artistry of the gymnasts and athlete recede, but others will remain: visitors to Seoul are not likely to forget the signs all around that South Korea has come of age. The success of Seoul is that the Olympics happened — without a hitch, smoothly and without a terrorist incident. The roads, hotels, airports, electronics were all ready on time — the people primed and the guests and visitors made comfortable. The South Koreans spent $ 3.5 billion to put up this show of shows. A second Asian nation had performed an economic miracle.

In 1953, South Korea was a war-ravaged nation in ruins, divided and overrun by military forces of many hues. The North Koreans were supported by Russian and Chinese armour and the country was divided at the 38th parallel; the South Koreans were supported by the Americans and their allies. There were over a million troops in South Korea then. Even today, in a population of about 43 million, the military and para military forces number around 600,000. As a result the nation's military budget continues to be very high (its percentage as a proportion of gross domestic product (GDP) had declined only because the latter has been growing at a rate between 12 and 20 per cent per annum during the last decade). Though there is no more war, covert North Korean hostility has kept South Korea's militry forces at near red alert.

In 1961, South Korea had a per capita income less than India's. By 1976, the Koreans were getting into their stride and putting up huge plants in a sensible manner. For instance, even then, their national economic strategy dictated that they should have a caprolactum plant; that plant was larger than any that exists in India today. They began producing cars for the first time, and in sizeable numbers. Their balance of payments position was critical, though their growth rate had just about hit double digits. That was maintained quite consistently, albeit with high inflation.

In 1979, Seoul applied for the 24th Olympiad in 1988. There was considerable dissension on the issue within the country and scepticism internationally. Nobody believed that Seoul would ultimately host the Games; nobody thought that the Koreans would be ready in time. But the International Olympic Committee decided in its wisdom that the Games should come to the most populous continent and Seoul was chosen in preference to Nagoya, which was the favourite, probably because Japan had already hosted the Olympics in 1964.

Today, the South Korean GDP stands at US $ 130 billion (Rs.180,000 crores) and its population at 43 million people, giving a per capita income of $ 3,000. Its exports stand at $ 50 billion (Rs.70,000 crores) and its balance of payments surplus in 1988 will be $ 8 billion (Rs.5,600 crores). They will have a fully convertible won (the Korean currency) in 1989.

A quick comparison with our 1988 figures, with over 800 million people, will further highlight their performance. India's GDP is Rs.250,000 crores and per capita income Rs.3,184. India's target for exports is Rs.20,000 crores this year and it hopes to have a balance of payments deficit of under Rs.5,000 crores. We export no ships or cars and import almost all our entertainment electronics — a good deal from South Korea. And what's more, South Koreans had their first free elections in 30 years in 1988.

Could India have put up such a performance? In perspective, our bid for the Olympic Games in Delhi in 1992 seems far-fetched. The effort that is required is phenomenal. Also, we must have at least a decade of double digit growth — like the South Koreans — before we can say we are ready.

The 1964 Olympics had marked the coming of Japan as an economic and industrial power. The opening ceremony of the 24th Olympiad on 17 September this year was a similar symbolic statement for South Korea. The outpouring of emotion, joy, pride and dignity of the Korean people made this an extremely moving ceremony. It is the quiet dignity and unity of purpose and hard work of the Koreans that will endure in our minds when the magic fades. That was the success of Seoul.

■ K H ADVANI

The Seoul of a new machine

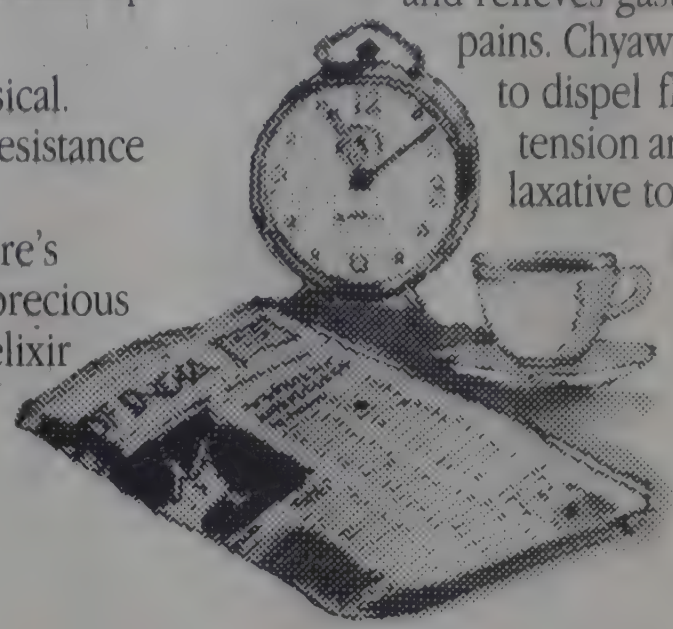
Your day goes something like this. Rush in the morning. Deadlines to keep. Meetings to attend. Targets to achieve. Snatched meals. Cups of coffee. After a hard day's work you get home. And all you want to do is sink into sleep. But you promised your wife an outing. So you keep pushing yourself. And the pressure builds up. Day after day.

Leading to fatigue – mental and physical. Tension. Digestion problems. Low resistance to common ailments.

To cope with all this, you need nature's own formula, created with over 46 precious herbs. Chyawan Shakti – the secret 'elixir of life' recipe handed down by the rishis of ancient times Brought to you by Dabur

Prevents acidity and digestion problems

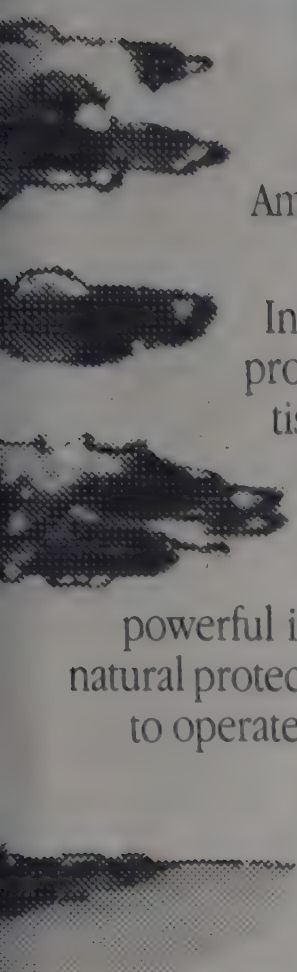
No more antacids and antiflatulence pills. A judicious blend of herbs like Akarkara, Lavanga, Madhu, and Mukta Shukti Pishti inhibits the formation of excessive acids, actually helps digestion, stimulates appetite and relieves gastric and intestinal pains. Chyawan Shakti also works to dispel flatulence caused by tension and acts as a mild laxative to encourage regular bowel movement.



SPECIALLY CREATED FOR F

Chyawan Shakti – combats stress, revitalises mind and body

To help combat the effects of stress on your nerves, Chyawan Shakti has ingredients like Draksha, Ashwagandha, Akarkara and Gokshur which act as demulcents and tonics. It is rich in Kesar, the legendary 'royal stimulant' for physical vitality. Together with Abhrak Bhasma and several other herbs, Chyawan Shakti tones up the metabolism, helps contract organic tissues, aids blood circulation and feeds both body and mind with readily assimilable forms of energy. Thereby building up stamina and invigorating the mind.



Rich in Vitamin C to fight illness

Who needs orange juice!

Chyawan Shakti is full of the goodness of Amla – the richest known source of Vitamin C and nature's best defence against illness.

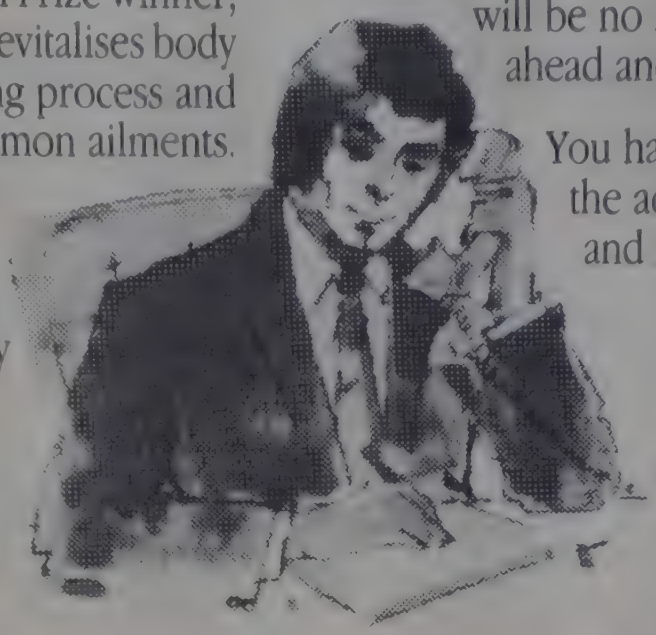
In fact Dr. Linus Pauling, Nobel Prize winner, proved that Vitamin C actually revitalises body tissues, slows down the ageing process and builds up resistance to common ailments.

Along with other herbs, Chyawan Shakti acts as a powerful immuno-stimulant enabling natural protective mechanisms in the body to operate more effectively.

Fountain of Youth

Besides Vitamin C, Chyawan Shakti supplies you with Iron, Calcium, Minerals, Magnesium, Phosphorus and acts as an all-round health tonic. Keeping you feeling young and raring to go. And since it is wholly natural you can be sure there will be no harmful side effects. So go ahead and give it a try.

You have nothing to lose, except the adverse effects of stress and strain!



OPLE WHO WORK HARDER

NEW

Dabur

CHYAWAN SHAKTI

AYURVEDIC TONIC
TO KEEP YOU GOING STRONG

Dabur INDIA LTD.

Harsha Bhawan, Block E, Connaught Place, New Delhi-110 001.

ICFAI ANNOUNCES

A Unique Correspondence Course

DIPLOMA IN BASIC FINANCE

(The DBF Programme)

ADMISSION NOTICE

Encouraged by the phenomenal success of the CFA Programme (Chartered Financial Analyst) meant for Financial Executives, The Institute of Chartered Financial Analysts of India (ICFAI) now launches a new and unique programme in Basic Finance, entitled the DBF Programme (Diploma in Basic Finance) through correspondence.

DBF Programme Design & Structure

The DBF Programme is designed to help the candidates get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four compulsory and two elective modules. Two-day Weekend Workshop Sessions will be conducted at major cities periodically to facilitate direct interaction between faculty and the participants.

Eligibility

Corporate executives, self-employed persons, entrepreneurs, bank and insurance executives, Government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. The Institute welcomes sponsorship of candidates from employers.

Prospectus

For Prospectus and Application Form, please write to the Administrative Officer (DBF) giving your address and enclosing a demand draft for Rs. 40 drawn in favour of 'The DBF Programme A/c ICFAI' payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA
Road No. 3, Banjara Hills Hyderabad-500 034.

MOULDS

We have been designing and manufacturing moulds and dies since 1970 and have 250 employees including engineers, designers, machinists, tool makers and moulders. Our engineers have been trained in the best tool rooms in the U.S.A. and are fully conversant with the latest techniques of precision mould manufacture.

We have a fully air-conditioned computer controlled tool room which is equipped with the best EDM's from Switzerland, three dimensional die sinkers from W. Germany, inspection and quality control machines from Japan and all other precision back-up machines.

We hold large stocks of the best imported alloy steels which are heat treated in our modern heat treatment plant. We can case-harden, harden, nitride and stress relieve all steels.

We are specialists in moulding the whole range of thermo-plastics and can ensure supply of moulded components to your requirements. Our moulding shop is equipped with ten Toshiba 150 ton fully automatic moulding machines, a Kautex blow moulding machine and a team of experts to run them.

Contact us for further information.

- High quality moulds for plastics and die casting industries.
- Moulded plastic components for general purpose and engineering plastics.
- Precision and electric discharge machining (spark erosion).
- Complex jigs and fixtures.
- Heat treatment of steels.

PMD

PRECISION MOULDS AND DIES ®

8/4C, Industrial Area No. 4, Sahibabad-201 010,
Ghaziabad (U.P.). Phones Delhi: 869357, 866523, 869226.

Pgvtra

DREXEL BURNHAM LAMBERT

Massive suit

The leading Wall Street firm, Drexel Burnham Lambert, changed the face of corporate America through its introduction of junk bonds — high-yielding securities issued by less well-known organisations to finance takeovers and mergers. Junk bonds spread rapidly, and today most leading American investment banks have sizeable junk bond departments, though Drexel continues as the leading operator in this market. Recently however, Drexel has received a body blow in the form of a massive suit by the US authorities alleging that it has infringed various securities laws, and indulged in insider trading activities, some in concert with stock market operator Ivan Boesky who is currently serving a jail sentence for insider trading offences. There are hints that the present civil suit may be followed by criminal charges against the company and the head of its junk bonds department.

APPLE COMPUTERS

Mackintosh II

Apple Computers has launched an upgraded version of its best selling Mackintosh Personal Computer. The new model named Mackintosh II is 30 per cent more powerful than the current models and can be used for computer aided design, desk top publishing, financial analysis and scientific research. The new computer will significantly broaden Apple's market and bring it into direct competition with work station manufacturers like Sun Micro Systems and Apollo Computers. The new product will also preempt the new computer to be launched by former Apple chairman, Stephen Jobs, who left Apple after management disagreements and set up his own computer company called Next Incorporated.

PARKER PEN

Takeover by Reebok Shoes

In a $193 million transaction, Parker Pen Company is going to be taken over by Pentland Industries, the UK-based conglomerate which manufactures Reebok Sports shoes. Parker was the subject of a management buy-out for $100 million in 1986 but has run into problems subsequently over its plans for a public share issue to raise fresh capital. With the takeover by Reebok, Parker will have access to Reebok's marketing network in the US and the Far East as well as to Pentland's capital resources.

Ford-Nissan: billion dollar tie-up

PHILIP MORRIS

Withdrawal from Greece

In an unprecedented move, the US cigarette company, Philip Morris, has decided to stop production of its Marlboro brand of cigarettes in Greece and instead shift the production base to West Germany, because of the allegedly unrealistic pricing policies of the Greek government. The company has also complained to the European Commission about the Greek government's tax structure and cigarette pricing policy. Philip Morris plans to meet the demand in Greece by exporting from its plant in West Germany.

RAMADA

Friendly merger with Hyatt

The Ramada Inns chain is likely to go for a friendly merger with the Hyatt group, which is owned by the Pritzker family of Chicago. Ramada was previously discussing the sale of its international chain to the British Airports Authority, but the talks have been broken off. The company is now recommending a $400 million friendly merger with Hyatt subject to clearance by the US anti-trust authorities.

FORD

Tie-up with Nissan

Ford Motor Company has announced a tie-up with Nissan of Japan to produce vehicles in the US. The joint Ford- Nissan project envisages an investment of $1 billion for setting up a manufacturing facility to produce front-wheel-drive vans. Ford has co-operated earlier with Nissan and the joint project marks a strengthening of this relationship.

IBM

Change of ad agency

IBM has announced that it is sacking its advertising agency, Lord Geller, a unit of the J. Walter Thompson group and in its place appointing Lintas and Wells Rich Green as joint advertising agents. IBM is one of the world's most prestigious accounts with an advertising budget of $120 million per annum.

TWA

Going private

The shareholders of Transworld Airlines (TWA) have voted in favour of the plan of the TWA chairman, Carl Icahn, to privatise the company. Under the plan, the shareholders of TWA will be offered $20 in cash and $30 in debentures in exchange for their shares which will thereafter be wholly owned by Icahn. The move to convert TWA into a private company controlled by Icahn has been challenged by the TWA Pilots Association which has filed a suit alleging that Icahn is stripping TWA of its assets, burdening it with debts

■ ABHIJIT SEN

ADVERTISEMENT

Address by Shri A.L. MUDALIAR, Chairman,

THE INDIA CEMENTS LIMITED

to the Shareholders at the

Annual General Meeting on 23.9.1988

Let me begin by extending a cordial welcome to all of you at this forty-second Annual General Meeting of your Company. The Annual Accounts and the Directors' Report for the year ended 31st March 1988 were circulated to you sometime back and, with your consent, I shall take them as read. The year under review has had its travails and challenges and I shall be covering them a little later. It will perhaps be appropriate if I were to start out by sketching the broad profile of the overall economic environment.

The Indian Economic Scene

As you are all aware, 1987 was a difficult year with one of the worst droughts ever ravaging our agricultural sector and leading to a steep drop in foodgrain production. The good news, however, was the efficiency of the Government's drought management programme which not only contained the impact of the decline in output but indeed enabled the momentum of industrial growth to be maintained at over 7%. This and the strong performance of the tertiary services sector resulted in a modest rise in real national income which would ordinarily have declined. The growth rate of 25% in exports achieved during 1987-88 is indeed commendable but **sustained efforts to increase and diversify exports — cement is a case in point — are required to finance the increasing imports.**

It is also a measure of the increased resilience of the Indian economy today that the agricultural sector has bounced back into its growth path, now that rains have been munificent. The anticipated growth of national income by 7-8% in real terms for the current year will provide a solid backdrop to economic activities

The Government has continued on the track of liberalisation of policies with a laudably consistent resolve. In fact, licencing is hardly an obstacle now for the sector of industry which is not under the purview of the MRTP and FERA legislation. However, may I note here that **the pace of relaxation of bureaucratic process and procedures has not matched that of Government's policy thrusts. There is a case for triggering off the changes that are necessary in this regard so that the entrepreneurial dynamism of the Indian corporate sector may drive the engine of industrial growth at an accelerated rate.**

This is particularly relevant in the context of the deliberations on the Eighth Five Year Plan that have started. It is only through stable growth that we can step up resource generation particularly from the capital market. Also, a steady growth perspective is perhaps a sine qua non in India's situation of vast unemployment. To the extent that growth fosters efficiency, it also enables our products to gain in international competitiveness and so ameliorate the growing deficit in our foreign trade. Finally, it hardly needs to be pointed out that the really effective counter to inflation happens to be a milieu of growing output. I have no doubt that the Eighth Plan deliberations will be fully imbued by the urgency of maintaining growth at a high rate, as reportedly emphasized by the Prime Minister.

Before leaving the overall environment, I would also like to make a reference to our specific context in Tamilnadu which has undergone a sea change. In the death of Thiru M.G. Ramachandran, we have lost a charismatic leader of great stature and standing, who bestrode Tamilnadu politics like a colossus. Hopefully, a stable political scene will emerge in the State with the elections. In the meanwhile **it is gratifying to note the continued stress on industry and growth that has marked the President's rule in Tamilnadu. Improvement of the infrastructural sector that is being sought will be most important in raising the pace of industrial development in this State.**

Cement Industry — Scenario

It will now be appropriate to comment on the immediate context of your Company, namely the status of the cement industry. Aggregate installed capacity of cement in our country is 57.25 million tonnes and production from the major plants in 1987-88 rose to a little over 39.4 million tonnes from 36.4 million tonnes in 1986-87, i.e., a growth of almost 7%. The production target for 1988-89 has been fixed at 43.5 million tonnes. However, at the current level of output, supply is estimated to exceed effective demand by over 2 million tonnes. In the context of our developing economy where housing, roads and construction are of such transparent priority, this kind of mismatch points to the need for tuning up the economy in a continuing manner. Indeed, the strength of demand for housing is so great that the sheer backlog of requirements is estimated at over 29 million units by 1990 and at a huge 39 million units at the turn of the century even assuming the strong trend in the construction sector that is projected for the nineties in the Seventh Plan document. **If construction of housing is declared as industry, it will give a further fillip to this area of economic activity.** Likewise, as the Indian economy continues to get more and more energized, the need for more and better roads is only getting increasingly keenly felt. As noted by the Indian Roads Congress recently, cement concrete highways score highly over the conventional bitumen roads in terms of economy and ease of maintenance. Demand from this sector is, therefore, bound to intensify. Similarly, the application of cement in lining canals to eliminate water seepage can raise demand by a significant factor. Therefore, **I would tend to look at the oversupply situation as something of an aberration. Nevertheless, it highlights the urgent need for Government action to stimulate demand so that there is equilibrium and growth.**

Exports

It is estimated that the potent market for cement in c neighbouring countries is abc 2 million tonnes. In order that t Cement Industry can compe successfully in internation markets, it is essential that t Government removes the ban exports and formulates a policy providing adequate incentives Industry to compete in the nearby markets. The Ceme Regulation Account which substantial surplus can be utilis to support exports.

Profitability of Industry

Whilst strengthening of demanc likely to take time to plan a implement, the cement indus also merits support in battli against production problems a cost escalations. **Improve supplies of coal and power a an increasing imperative.** T mandatory 70% jute bag packi which has been subsequen reduced to 65% for industr located beyond 1200 kms. fro Calcutta, that is enforced on t cement industry is a hardsh given the runaway inflation in ju bag prices. (The price of jute bc for cement packing h increased from Rs.4.28 September 1987 to Rs.6. currently). **It is estimated that t increase in the cost of packir on account of this order for yc Company will be about Rs.1 Lakhs in a full year.**

I believe the Government is seiz of the situation and indeed t Union Budget proposals February 1988 were positi towards the cement industry. T **progressive reduction of the le quota on the industry culmin ting in decontrol and the rece increase of the retention price cement by Rs.47 per tonr although belated, will b universally welcome as t essential sector gets bett placed in the market envirc ment away from the shackles control.** However, the transiti has to be smooth and prope managed, particularly bearing mind the very considerab investment that has been ma by the industry, and especially older units, in modernisi technology and hardware.

Company Operations

I shall now refer to the operations of your Company. The profit from the operations for the year ended 31st March 1988, inclusive of other income, after providing for depreciation and interest is Rs 2.09 Crores as against Rs.1.76 Crores in the previous year. The year's profit is after provision for the interim advance awarded by the Arbitrators of Rs.58.8 Lakhs. Although the year had started on a strong note with firm trends in production and sales volumes, various adverse factors in the second half of the financial year affected the final out-turn of production and sales in the Cement Division of the Company. These adverse factors were a three-week strike, inadequate availability of coal and frequent equipment breakdowns. You will have read about these factors in the Director's Report The question of course is what are we to do about them as a Company? Your Board has examined the entire position in detail and various steps to strengthen the technical side of management and to improve monitoring and control systems along with a sharpened matrix of accountabilities for performance have either been implemented or are under way. This is a task made difficult by the fact that we have to overcome the lag of several years in the past, of operating without much of systems and accountability

The profitability and return on capital employed, however have increased marginally on account of the inherent strength of the Company's product in the market. The Company has been able to partially contain the increase in costs by measures for cost reduction including a programme of phased reduction in manpower under Voluntary Retirement Scheme

Foundry Division

As you all know, we have been losing every year in our Foundry Operations, despite investments made to enlarge the product range and to support the production process. We also upgraded the technical manpower in the Foundry, all on the premise that we would breakeven financially towards the last quarter of 1987. Instead the result was that we made and sold less castings than the previous year and incurred the highest loss so far, of Rs.171 Lakhs! Input cost increases not compensated by commensurate price increases and absence of delivery schedules against order placed by large customers has resulted in the division incurring larger losses.

Our discussions with several large users of Foundry products indicate that given the right management culture and marketing strength, our Foundry can earn profits like well run foundries do. **After careful analysis your Board has come to the conclusion that the Foundry Division should be organised as a subsidiary company of India Cements Limited, earning its own keep, rather than remain as a drain on your Company's resources. We are quite clear that we should make for growth of our Foundry and for this, the prerequisite is, we are advised, that the Foundry should look within itself for sustenance and growth.** Your Board, therefore, believes that it should be run as a free standing entity with the appropriate change in management culture which is necessary to give it a competitive edge. As an independent corporate entity, the Foundry Division will be competing in the mainstream of the market place for Engineering products and, we believe, successfully earning profits. At the appropriate time, your Board will be coming to you for support in order that formal steps needed to establish this subsidiary can be implemented. Meanwhile, your Board has engaged a group of Professionals to assist in the turn-round of the Division to profitability.

Audit Committee of the Board

You may kindly recall that in the Directors' Report of last year, a reference had been made to the formation of an Audit Committee of your Board, on the suggestion of the Industrial Development Bank of India. **I am happy to report that the Audit Committee has been active throughout the year reviewing the working, systems and controls and also the audit findings and helping in strengthening the management process in accordance with the terms established by IDBI.** Following the recommendations periodically made by the Audit Committee to the Board, your Company's Management is taking action, also to see that written procedures to regulate the conduct of the Company's operations exist. These procedures will ensure that accountability is complete for actions and defaults. In its terms of reference, the Audit Committee has the onus to ensure that the internal control system in the Company is effective and any misuse and wastage of Company's resources are reported to the Board.

We are also deeply concerned that some external forces seem to be attempting to disrupt the production processes to create an impression of poor management. The State Government authorities and All India Financial Institutions have been kept informed. **I am happy to record the confidence and support displayed by the Governments both at the Centre and State and the Financial Institutions in giving support to the Management in implementing various strategic policy decisions taken by the Board to tone up performance.** The Management are also taking action on the various recommendations of the Audit Committee, in order to ensure accountability at all levels of Management

Sankarnagar Modernisation

The Directors' Report gives you the status of the Sankarnagar Modernisation Project. The civil works are progressing and equipment erection will be commencing shortly. The Company has incurred an expenditure of more than Rs.14 Crores out of which Rs.7 Crores was provided from internally generated resources for the project. The progress of the project is satisfactory. In view of the necessity to conserve resources for investment in the Modernisation Project in Sankarnagar, the Board has recommended to maintain the dividend on Equity shares at 12%.

Sankaridrug Modernisation

In my address for the last year, I had informed you that various technical options for conversion of wet process of Sankaridrug works to the modern dry process were being considered. The operations of the plant at Sankaridrug works are unprofitable at the present costs and prices. I am glad to report that the Board of Directors has, in principle, approved a modernisation programme for Sankaridrug Works at a cost of about Rs.75 Crores involving conversion of the plant to dry process with latest technology. An application has been made to the Financial Institutions for term loans and we look forward to its early clearance.

Government Response

I have given you this brief resume of your Company's efforts in the technical and marketing areas in order to highlight what we see as the responses being expected from Industry in the National Programme for Industrial Growth. While Companies like yours are confident of playing their individual roles in the future scenarios, it is expected that Governments at the Centre and the State will also continue to extend their positive support and encouragement to the Industry in its pursuit of technological excellence.

Cess and Cess Surcharge on Limestone

I have covered in previous meetings, the question of Government's levy policy, mining leases, taxes, etc. The Cement Industry in Tamilnadu contributes about Rs.100 Crores to the Central exchequer and about Rs.50 Crores to the State exchequer in the form of taxes and duties. Most of the cement units in Tamilnadu are taking steps to modernise their old wet process plant by converting to the energy efficient dry process at substantial costs.

I have drawn attention earlier on to the cess and cess surcharge on royalty on minerals under the Tamilnadu Panchayat Act, which works out to 295% of royalty on limestone when no other State in the country has imposed such a high tax! The royalty rate on limestone was raised from Rs.4.50 to Rs.10 per tonne, i.e., an increase of 120% with effect from May 1987 Although the matter is pending in the Supreme Court, **may I appeal to the Government of Tamilnadu once again to reexamine the fiscal policy of levying cess and cess surcharge on royalty with a view to eliminate it, so that this does not affect the competitiveness of Tamilnadu units in the emerging free supply market scenario.**

Captive Mining Lease

There has been enormous delays by Government in the sanction of captive mining leases in the past. Further such sanctions were for short periods resulting in industry making frequent representation to Government, which was both time consuming and unproductive. The original Mines Act provided for 20 year mining leases, renewable for a further 20 years, so that industry could plan investment for scientifically mining of the limestone reserves. This policy was changed resulting in disruption of the production process at enormous cost.

The Tamilnadu Government under President's Rule have restored the period for which the mining lease is to be granted for captive mines of the cement units to 20 years in the first instance and subsequent renewal for 10 years for which we are grateful.

However, the delay in obtaining mining lease continues due to the insistence on the prior approval of the Indian Bureau of Mines of the detailed mining plans even for the captive limestone mines, which have been operated for more than two decades. I believe there are regular inspections of these mines by the mining regulatory authorities and therefore, the requirement of prior approval of the mining plans for existing captive mines of limestone owned and operated by the Cement Industry appears unnecessary

I have mentioned on previous occasions the importance of assuring enough mineable limestone reserves for the existing cement plants, particularly those which are embarking on modernisation of the wet process plants to dry process at enormous capital outlay. The financial Institutions including the World Bank insist that there should be enough mineable limestone reserves for atleast 20 years from the date of commissioning of the modernised plants. We have made repeated representations to the Tamilnadu Government in the past that the limestone reserves available within 20 kms. of the existing plants should be reserved for them and these reserves should not be frittered away at the risk of shortening the life span of the existing cement plants.

I am happy to record that the Tamilnadu Government recently issued instructions to the District Collectors and the Director of Geology and Mining that no mining lease need be granted to anyone other than the Cement plants within a radius of 20 kms of the existing Cement plants. This is most welcome keeping in view, the interest of the substantial work force employed in the cement factories and the social and economic development that has taken place around them.

It now remains for me to formally thank the Union and State Governments and the All-India Financial Institutions for their solid support during the year

May I also thank, on behalf of the Board, all the employees for their efforts in what has proved to be a very difficult year

N.B: This does not purport to be a record of the proceedings of the Annual General Meeting.

AN ALLOY OF THE FINEST METTLE

The pioneers of two continents come together to manufacture a new generation of heat treatment furnaces.

World famous EFCO, UK and GEC, India, with over eighty years of combined experience, join hands to introduce a range of highly productive and energy efficient heat treatment furnaces.

Custom engineered as well as standard furnaces, both electrical and fuel fired, that serve ferrous, non-ferrous and even glass and electronics industries.

Maintaining GEC's unsurpassed record of consistent range expansion and technology upgradation.

GEC
Furnace Division

The General Electric Company of India Limited
P.B. No. 307 (Calcutta 700 001), 1 Taratala Road, Calcutta 700 024

First in Furnaces with Range and Technology

TRADE MARK GEC PERMITTED USER-THE GENERAL ELECTRIC COMPANY OF INDIA LTD

A special section
on global affairs prepared for
Business India

WorldPaper

DROUGHT USA

What now, brown cow?

AP/WIDEWORLD

Drought country news is good, despite food scare

US crop falls short but is still able to feed world

BY DENNIS AVERY
in Washington DC

THE MOST AMAZING thing about the 1988 US drought—the worst in 50 years for the world's most productive region—is how little impact it is likely to have.

The world may be truly said to have weather-proofed its food supply when a major monsoon in Asia is followed immediately by a severe drought in the United States, and the two disasters together produce only a small blip on the world food availability chart.

Despite scary headlines and humanity's natural fear about famine, the US drought should produce no increase in world hunger, only a minor increase in food prices and no trend leading to increased hunger in the future.

Dry weather needn't mean food shortages. Today's weather problems aren't producing food emergencies because of the global food system's increasing capacity to produce huge amounts of food, store it safely and move it swiftly to where it is demanded. The year 1988 is demonstrating vividly the benefits of a world-wide food supply network.

The biggest reason for the world's recent food success in the face of drought is the breadth and power of the ongoing Green Revolution. That historic event was more than a few new wheat and rice varieties for Mexico and India. It was that moment in history in 1960 when the rest of the world joined the United States in systematically exploiting the potential of plant genetic science.

The Green Revolution has affected nearly all the world's countries. India's monsoon failure last year produced little hunger because high-yielding seeds had allowed the country to accumulate 23 million tons of grain stocks. Western Europe had no trend increase in grain yields before 1960; since then Europe's wheat yields have tripled. European wheat breeders think yields may double again in the next decade through hybridization.

Asia's rice yields have nearly tripled in the same period. Asian nations, like one-time rice importer Indonesia, are now satisfied with their rice production levels and are shifting lands toward oilseeds and feed grains. After a late start in seed research, even African countries like Zimbabwe, Zaire and Nigeria are beginning to make Green Revolution gains through higher yielding sorghum, corn and cassava varieties and new farming systems.

The world had 400 million metric tons (mmt) of food and feed grain in stock at the beginning of the 1988 crop year—two years worth of world grain imports and 40 years worth of food aid. Stocks are likely to total more than 300 mmt at the end of this blighted crop year. These stocks were so bloated at the beginning of the year that they won't be down to danger levels when it's over. The US "surplus" cropland—30 million hectares diverted from production—could have produced 110 mmt of grain, if that land were put back into production. That means this year's shortfall of 100 mmt could actually be made up in one season and in one country. As a result, the big drought will produce little hunger impact.

> Today's weather problems aren't producing food emergencies because of the global food system's increasing capacity to produce huge amounts of food, store it safely and move it swiftly to where it is demanded.

Farm product prices will increase somewhat in the world market. Consumers in Western Europe and Japan won't see much increase over their usual high prices. Moreover, since the whole world's farmers will be responding to the shortfall, the global price impact will be only a few percentage points—nothing like the doubling and tripling of food prices often associated with crop failures in isolated Third World countries.

Farm exporters like Argentina, Brazil, Thailand and Australia will sell this year's crops at high prices and reap billions in windfall foreign exchange gains. Argentina alone is projecting an extra US$3 billion in farm export receipts. That may help cut Third World debt. But the gains will be short-lived.

The world's farm surplus problems are likely to re-emerge as early as the fall of 1989. The drought is not a trend.

Farmers around the world, caught in a competitive struggle for market share, will plant more land, use more fertilizer, and the resulting big crops will likely drop prices back to or below their pre-drought levels.

As a result, don't expect an end to the world's nasty farm trade war. Surplus farm commodities are currently being sold off in places like the European Community and Saudi Arabia, along with surpluses in the United States. The forces driving the farm trade war are all still in place. They include:

- Rising crop yields in most countries;
- Slow economic growth and thus slowly growing food demand;
- Pervasive use of farm subsidies and trade barriers by dozens of countries.

The worst thing the 1988 drought might do would be to block the current negotiations to end the farm trade conflict. The Uruguay Round of the General Agreement on Tariffs and Trade has only 3 1/2 years to run. If high farm prices in 1988 and early 1989 fool the negotiating countries into believing that the weather-related shortfalls have resolved their basic farm surplus problem, it may be 10 years before the problem can again be addressed in a multi-lateral forum. The 1990's then would be doomed to waste billions of dollars on overbuilding agricultures in some countries while wasting farm assets in others.

Droughts seem to be an inevitable part of world weather and farmers' problems. Neither the US drought this year, the Indian monsoon failure last year, nor the African drought of 1983

Dennis Avery, former senior agricultural analyst for the US State Department, edits *World Agricultural Trends* for World Perspectives, Inc., Washington DC.

DROUGHT USA

represent any drought trend. Atmospheric scientists are approaching a consensus that the world is in a global warming trend—the so-called Greenhouse Effect—which might affect weather and crop production in the next century if we do not:

- Sharply cut the burning of fossil fuels that add carbon dioxide to the atmosphere.
- Eliminate the release of chlorofluorocarbons (CFCs) from aerosol containers and refrigeration units.

Global consumers can feel confident that farmers all over the world will respond to the tighter supplies and higher prices of 1988. US production is almost certain to rebound strongly, aided by the release of millions of hectares of cropland that were diverted this year. After the 1980 Cornbelt drought, US grain plantings jumped 5.6 million hectares. Grain production in Thailand and India is recovering from last year's drought. Argentina is expected to boost this winter's plantings of its "big five" commercial crops by some three million hectares. Brazil is talking about a 14 percent increase in corn and soybeans, with even larger soybean plantings possible depending on how much the US soybean crop is cut and how high prices can go. Bigger planted acreage and heavier use of fertilizer can also be expected in most countries in 1989, ranging from Canada and Sweden in the northern latitudes to Australia and Burma in the southern hemisphere, and from the high-tech farmers of Western Europe to the emerging export farmers of the Sudan.

With 1988 demonstrating the benefits of the worldwide food supply network, it would be highly ironic if the year also marked the collapse of prospects for farm trade liberalization. If the GATT talks fail, we can expect the world to resume its recent rapid trend toward national farm self-sufficiency.

At least 40 affluent nations have subsidized their farmers' prices lavishly in recent years. Most of these countries now consistently produce surpluses. (The newest members of the farm surplus club include Finland and Saudi Arabia.) The cost of farm subsidies has doubled in recent years to a total of more than $150 billion annually, even as the subsidies increasingly cancel out each other. That is the basic reason why the United States presented GATT last year with a seemingly radical proposal: that all countries phase out their farm price and production subsidies over 10 years. Farm subsidies would then be limited to social payments for farm families.

Such a reform would probably have been much more beneficial than most farm politicians would admit. Virtually all of the world's current farmland would have stayed in farming (it has no other use). Just about as many farmers would have been needed to farm it. The current heavy applications of farm chemicals in the affluent countries would have been cut back, reducing farmers' costs and cutting environmental pollution. Farmers would not only have gotten lower costs but also larger sales because more consumers could have afforded high-protein diets. Consumers would have gotten low-cost food and tax relief from the heavy burden of farm subsidies.

Unfortunately, these happy possibilities may have gone glimmering in the heat haze over the parched US Corn Belt this summer.♦

WorldPaper

Featuring fresh perspectives from around the world on matters of global concern.

President & Editor in Chief Crocker Snow, Jr.

Publisher Barry McMennamin

Managing Editor Arnold Zeitlin

Business Manager Lena Granberg

Sales Director Carla Wright

Director of Design Elizabeth Fullon

Spanish Edition Laura Eastment

Chinese Edition Xinhua (New China News Agency)

WorldPaper
424 World Trade Center
Boston, MA 02210 USA
Tel: (617) 439-5400
Telex: 6817273

Volume X, Number 10

© Copyright World Times

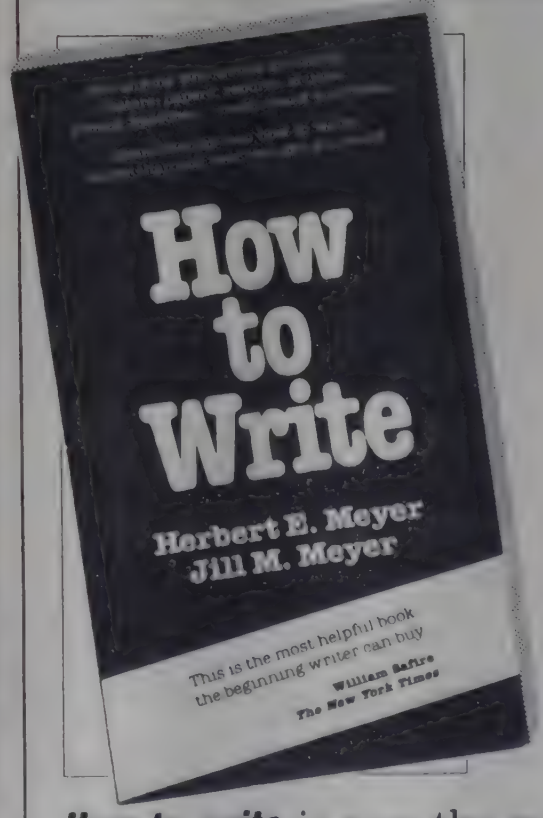
WorldPaper appears monthly in English, Spanish or Chinese in the following publications:

China & the World *Beijing*
Singapore Business *Singapore*
Mainichi Daily News *Tokyo*
Philippine Daily Inquirer *Manila*
Executive *Hong Kong*
Hongkong Standard *Hong Kong*
Korea BusinessWorld *Seoul*
The Nation *Bangkok, Thailand*
Daily Inquirer *Colombo, Sri Lanka*
Business India *Bombay, India*

Actualidad Económica *San José*
La Prensa *Panama City, Panama*
Gerencia *Guatemala City*
Estrategia *Bogotá, Colombia*
El Diario de Caracas *Venezuela*
Daily Journal *Caracas, Venezuela*
Debate *Lima, Peru*
Hoy *Quito, Ecuador*
Cronista Comercial *Buenos Aires*

Jerusalem Star *Amman, Jordan*
Cairo Today *Egypt*

Journal of Commerce *New York*


How to Write
Herbert E. Meyer
Jill M. Meyer
This is the most helpful book the beginning writer can buy
William Safire
The New York Times

How to Write

By Herbert and Jill Meyer

The handbook for anyone who communicates in English

"Superb"
William Safire, The New York Times

"An excellent little book"
South China Morning Post

How to write is now the most popular writing handbook in the United States. It is used in businesses, schools, and government agencies. In a simple, step-by-step process ***How to Write*** shows how to communicate ideas and information clearly and concisely.

To order, return the coupon with your payment by check or money order.
Ask about our bulk order discount rates

__ Please send me ____ copy/copies of **How to Write** @ US$10 per copy including postage and handling. Total cost: US$ _____

Name_____
(please print)

Address_____

_____

Mail to: **Storm King Press, P.O. Box 3566, Washington DC 20007, USA**

DROUGHT USA

International US food aid dries up

Impact strikes seven dozen countries on three continents

THE FARMERS in Argentina and Brazil are ecstatic over North America's moistureless misfortune. They are riding the crest of a multi-billion dollar boon due to wilting North American crops and favorable crop conditions at home. But the seven dozen countries on three continents that receive US food assistance will feel the devastation of clear skies over the US breadbasket.

The United States is the world's largest single donor of food aid. It provided this year about US$1.8 billion of such basic commodities as wheat, corn and non-fat dry milk (although the US Department of Agriculture has just announced it has run out of non-fat dry milk) to such leading beneficiaries as Egypt, India, Pakistan, the Philippines, Ethiopia, Bangladesh, El Salvador, Morocco, the Dominican Republic, Sudan and Bolivia. The US also offers, in addition, about $5 billion in export credit guarantees to help countries borrow to buy US commodities. Some programs are dependent on dwindling surpluses. Since others are denominated in dollar terms, higher grain prices mean less food tonnage shipped as food assistance. USDA officials conservatively project 4 to 10 percent commodity price increases but many feel prices will rise much higher. As a result, the hungriest of the world's countries may get less US food. This is the outlook for US food programs from USDA and State Department officials:

• Food For Peace or PL (for public law) 480: Since 1954, has delivered 656 billion pounds of food valued at more than $33.5 billion, but commodity price increases up to 25 percent will cut both concessional loan programs—where the recipient country is extended dollar funding on credit to purchase US commodities—and regular and emergency feeding programs.

• Overseas Donation Program (or Section 416): Provided approximately 300,000 ton of surplus grain for emergency feeding in fiscal year 1988. Its aim is to both alleviate costly surpluses and bolster the battle against hunger and malnutrition in developing countries. A State Department spokesman says, "It is now uncertain whether any surplus grain will be available in 1989 under Section 416."

• Export Enhancement Program: The program allowing developing countries to buy US commodities at competitive prices and reduce pressure on the PL480 concessional loan budget may not continue in 1989 because the drought has cut commodity surpluses.♦

—By Brad Durham, Assistant Editor

World Class Business Class.

Serving the Great Cities of America.

ATLANTA
BALTIMORE
BOSTON
CHARLESTON
CHARLOTTESVILLE
CHICAGO
CINCINNATI
DALLAS
DETROIT
EVANSTON
JACKSONVILLE
LAKE GEORGE, NY
MIAMI
MINNEAPOLIS
NEW ORLEANS
NEW YORK
NORFOLK
ORLANDO
PROVIDENCE
RALEIGH/DURHAM
RICHMOND
RIVERSIDE, CA (Dec. '88)
ST. LOUIS
SAN DIEGO
VIRGINIA BEACH
WASHINGTON, DC

Opening 1989 in United States: Dayton; Durham, NC; Indianapolis; Newport News, VA; Philadelphia. Opening 1988 in Mexico: Cancun; Ixtapa.

OMNI HOTELS®

Call your travel planner or
1-800-THE-OMNI

Member of Supranational Worldwide Reservations

Dry Nebraska means costlier bread in Cairo

US grain crop loss hits Egypt in pocketbook

BY MICHAEL GEORGY
in Cairo, Egypt

DROUGHT IN the sun-seared plains of Kansas USA is determining the politically dangerous price of a loaf of bread a half a world away in the sun-seared valley of the Nile in Egypt, a land where drought has been a way of life for millenniums.

For the lack of rain, the US wheat crop is down by at least 13 percent, the corn crop by 37 percent, and its soybean crop so withered the United States might have to import the commodity.

The US drought has provided the government of President Hosni Mubarak with few options about the price of bread, which is political dynamite. The decision of his predecessor, the late Anwar Sadat, to lift bread subsidies led to the riots of January 1977.

The 2-piastre loaf (about 5 US cents) still is readily available. But some Egyptian officials have mentioned the possibility of raising it to 5 piastres.

"They will have to increase the price of bread," says a Western agricultural attache. "It has to go up. Either that, or they will need a lot of money."

In a nationally televised speech marking the July 23 revolution of 1952, Mubarak gave his fellow citizens this economic lesson:

"We used to buy wheat for $82 per ton. This past June it cost us $110 per ton. Now in July, we are paying $149 a ton. Next year, when the effects of the drought become apparent and the amount of wheat decreases, the price will reach $240 per ton.

"Now we have to add an unexpected 576 million pounds (about $250 million) to the budget for wheat imports. Yet, we feed our bread to the goats and we throw our bread in the garbage.

"That's not all. Petroleum is also teasing us. We sold petroleum for $14 a barrel in June. Now we sell it for $12.75 a barrel. We cannot limit prices. How

AP/WIDE WORLD

> "We are starting to take the bitter medicine. We will have to bear it."
> *Hosni Mubarak*

can we limit prices when we import?

"When someone has a serious illness, he takes medicine. Sometimes, the medicine is bitter. But he has to bear it for his future, We are starting to take the bitter medicine. We will have to bear it."

Egypt, the world's largest recipient of US food aid, imported more than $762 million in US agricultural goods in 1987. Finding a way to respond to the consequences of the US drought will not be easy. The country already is hampered by a $44 billion external debt, a 25 percent inflation rate and a shortage of hard currency. Its 52 million population grows at the rate of 3 percent annually. It is emerging from eight years of drought in East Africa that has lowered the water level of the Nile.

"The drought is not unique," says Essam Radi, who as minister of irrigation wrestles with an age-old Egyptian problem. "It has happened many times since the ancient years."

The United States, Egypt's largest trading partner, furnishes 23 percent of its total imports. Egypt is the world's largest importer of US wheat flour and in 1987 was the second largest importer of US wheat. Once self-sufficient in food production, Egypt in 1987 alone imported six million tons of wheat and wheat flour.

Egypt purchases commodities from the United States under several loan programs, Under PL480, Egypt received $170 million in agricultural commodity loans from the United States for the import of wheat and wheat flour in the US fiscal year 1988. The Egyptian government is required to repay the loan at low interest over 40 years. The US drought has increased the price of wheat by 30 percent since January. Egypt will get one-third less wheat for its money.

"The increase in prices will affect the quantity which will be available for import," says Ahmed el-din Said, the first secretary of state for the Foreign Trade Sector. "That means we have to compensate the shortage from our own resources. That will place a heavy burden on foreign exchange proceeds."

The Egyptian government is under increasing pressure to generate hard currency. A May 1987 stand-by arrangement with the International Monetary Fund (IMF) helped Egypt reschedule $8 billion in debt on Western creditor government terms "more generous than had been granted to virtually any other debtor country," according to a US embassy assessment.

The fall in world oil prices since 1986 and the low water level of the Nile also has contributed to Egypt's financial problems. The water level has created power shortfalls. Egypt had to divert some petroleum from export to its power authority for use in power plants.

"The country could easily lose $500 million from its petroleum account," says a Western diplomat.

Egypt has started a campaign to conserve water, knowing how important the Nile is to its survival.

"The Nile provides us with everything," says Hajag Mohammed, 50, a farmer in the Nile village of Baharief. "We bathe in it. We drink from it. Our soul is in this water. The water from the Nile is like our blood."♦

Egyptian-born Michael Georgy reports from Cairo for the South-North News Service.

Now Available in Special Low-Priced Editions from the World Bank

World Development Report 1988

Each year the World Bank forms a team from among its top economists and development specialists and gives them a single assignment: review the current state of the world's economic and social development in one concise volume. Their year-long effort has paid off with a report that has become the World Bank's most widely quoted publication.

This year's report shows you where the world economy is headed and why, and how various economic policies would affect people in the developing world.

You also get an exclusive report on the role of public finance in development, based on the World Bank's extensive review of research and practical experience in this field.

Key features include the World Development Indicators—33 statistical tables that provide comprehensive, current, and reliable data on social and economic development for 129 countries. Take advantage of this handy reference that you will use time and again.

☐ **Yes,** send me information on **World Development Report 1988.**

Name

Address

Address

Send coupon to:
Allied Publishers Pvt. Ltd.
751 Mount Road, Madras, 600-002
Branch offices in New Delhi, Bombay, Calcutta, Bangalore, Hyderabad, Ahmedabad, and Lucknow
or
Oxford University Press
1st Floor, YMCA Library Building
Jai Sengh Road, New Delhi

Official view: US crop still able to feed world

Despite drought, USDA official sees better harvest

BY DR. EWEN M. WILSON
in Washington D.C.

THE MOST DEVASTATING drought in half a century has burned up US crops and pastures. Hot, dry weather seared the heart of the Corn Belt, and by the end of July, nearly half of the contiguous United States were suffering severe or extreme drought. The drought raises major agricultural concerns. Chief among these are how the drought will affect US food and fiber supplies for both domestic and foreign customers.

As a major partner in world agricultural trade, the United States plays a big role. The United States exported about US$34 billion in fiscal 1988 and imported $21 billion. The drought is likely to reduce 1988-89 exports.

Early estimates indicate total US grain production may be off 85 million tons from 1987—equivalent to about 4 percent of world grain output. Corn has been especially hard hit; supplies will be down more than 37 percent from last year. Soybean production will be off 23 percent.

Fortunately, US grain stocks from last year, carried over into the 1988-89 crop year, will cushion production shortfalls and bolster supplies. About 110 million tons of corn are available for the 1988-89 marketing year from last year's stocks—nearly 60 percent of total US domestic use and exports. Wheat stocks of about 35 million tons equal 50 percent of expected total use. Wheat and corn supplies in 1988-89 are expected to be about 120 percent of total use. However, soybean supplies will be tighter.

Overall, total US crop supplies should be more than adequate to meet foreign and domestic customers' needs, but the prices will be higher than in 1987. Wheat prices at the farm may be up 45 percent from last year, corn prices up 30 percent, and soybean prices up 40 percent. We do not expect the drought to significantly affect food prices or the general economy.

Other producers also are facing weather problems. Canada has much the same weather patterns in its grain-producing Prairie Provinces as in the US Corn Belt. In the Soviet Union, periodic hot weather and dryness since early June is stressing spring wheat in the major growing area. But expected favorable growing conditions in the Western USSR could result in an even larger grain crop than in 1987.

In China, weather conditions are mixed with some areas having generally good crops. But the dry, hot weather in the Yangtze Valley and the North China Plain is affecting sensitive stages of development for key grain, oilseed, and cotton crops. Last year's drought in India brought grain levels down sharply and reduced irrigation supplies for the 1988 winter wheat crop. Early monsoon rains have provided a good start for the 1988 growing season.

The drought will not impair US longterm competitiveness. The United States will continue to meet subsidized exports as needed to remain competitive. Moreover, nearly 30 million acres of feed grain cropland could be returned to production in 1989. This tremendous cropland reserve could increase our exportable supplies by 80 million tons.

Short-term effects of the drought will be higher prices that may reduce pressures on the national budgets of exporting countries.

Weather is no substitute for long-term policy reform. And the impact of the drought will fade as the world market makes the necessary adjustments to deal with this year's natural disaster.♦

Ewen M. Wilson, a native of Kenya and a naturalized US citizen, is assistant secretary for economics at the US Department of Agriculture.

$3 billion grain boom creates shock in Argentina

More cash for crops has dark side on the pampas

BY JUAN CARLOS DE PABLO
in Buenos Aires, Argentina

THE US DROUGHT was an external shock in Argentina, bringing good news and bad news. Argentine farmers are riding the crest of a US$3 billion boom because of wilting North American crops and favorable crop conditions at home, but their added wealth means problems for their country's already beleaguered economy.

The country's trade surplus was expected to rise from $500 million in 1987 to $3.5 billion in 1988 because Argentine exporters were able to demand higher prices for their grain.

The drought reduced the US crops of corn and soybean, both commodities that Argentina exports. In Argentina, the dollar price of maize increased almost 80 percent between April and June, jumping from $70 to $126 per ton. The price of soybeans rose almost 60 percent during the same period, from $196 to $310 per ton.

The increase in the price of grains had unwanted affects. That is the bad news. The rate of inflation, already 20 percent monthly, rose an additional 2 or 3 percent.

Argentina has been left to wrestle with determining a response to this external shock. On one hand, the country must decide what to do with the increased inflow of dollars. On the other hand, it must figure out how to neutralize the harmful effects of the flow.

The government's decision depends upon its current negotiations with foreign banks over its $55 billion external debt.

To neutralize the unwanted effects of the external shock, the government faced the following choices, listed in ascending order of the effort required to mitigate economically harmful side effects:

- Do nothing;
- Subsidize the domestic consumption of grains, allowing producers to export the remaining level of production at the new prices;
- Introduce export taxes on grains;
- Appreciate the currency exchange rate.

What it did was create a cumbersome multi-tier exchange rate in an effort to extract more revenue from the trade boom.

It will buy dollars from primary producers for 12 australes (the rate was 1.5 australes to the dollar in 1987), and sell them to importers wishing to buy goods from abroad for 14 australes or more on a sliding scale, pocketing the difference, which becomes an equivalent of a tax on exports.

The government faces the danger of throwing the baby out with the bathwater, taxing producers so heavily they won't have the incentive to increase crops and take advantage of higher world prices.♦

Economist Juan Carlos de Pablo is executive editor of *El Cronista Comercial* in Buenos Aires.

WE PUT THE PEOPLE WHO GROW THE FOOD IN TOUCH WITH THE PEOPLE WHO NEED IT.

The key to feeding a hungry world is getting the food to where it's needed as efficiently as possible. At the Archer Daniels Midland Company, that's the job we perform each day. Our global processing and shipping network provides a vital link between the people who grow food and the people who put it to use. And that helps bring our world a little closer together.

ADM
SUPERMARKET TO THE WORLD

WORLDMARKETPLACE

International Education

THE SECTOR TECHNOLOGY AND MANAGEMENT PROGRAMME FOCUSSING ON FOOD PROCESSING AND METAL MANUFACTURING SECTORS

Management Training for Technology Transfer to the Developing World.

RVB, Delft: January 16 - April 20, 1989
Closing date for enrollment: November 1, 1988

Programme outline:

— Introduction	1/2 week
— Food Resp. Metal Technology	4 weeks
— Management	4 weeks
— In-Plant Applications	4 weeks
— Plan of Action	1 week

The program is directed at:

— Entrepreneurs/owners of medium-small size food processing resp. metal manufacturing industries

— Mid-level production managers of food processing resp. metal manufacturing industries.

In a number of countries Dutch NFP Fellowships are available. Please contact Netherlands Embassy.

For further information please write or telex:

Head, EDP Programmes
RVB, P.O. Box 143
2600 AC Delft, The Netherlands
Telex: 38323 RVB NL

RVB DELFT International

UNIVERSITY DEGREE

for work, academic and life experience

-YOU MAY QUALIFY-

BACHELOR'S • MASTER'S DOCTORATE

send detailed resume:

Pacific Western University
600 N. Sepulveda Blvd.
Los Angeles, CA 90049
Dept. 157 - USA

Earn UNIVERSITY DEGREES

Utilizing work, life & academic experience; for evaluation and information forward resume to:

PACIFIC SOUTHERN UNIVERSITY
9581 W. Pico Blvd. Dept. 11
L.A., CA 90035 USA

FULLY APPROVED UNIVERSITY DEGREES

Economical home study for Bachelor's, Master's, Ph.D., *fully approved* by California State Department of Education. Prestigious faculty counsels for independent study and life experience credits (5000 enrolled students, 400 faculty). *Free information* — Richard Crews, M.D. (Harvard), President, Columbia Pacific University, Department 3G50, 1415 Third Street, San Rafael, CA 94901. Toll free: (800) 227-0119; California: (800) 552-5522; or (415) 459-1650.

OFF-CAMPUS DEGREE PROGRAMS

Individualized programs arranged by acknowledged faculty lead to American Bachelor's, Master's and Doctor's degrees in a wide range of subjects.

For a catalog send US$8 to the International Administrative Center:

Somerset University
Ilminster
Somerset TA19 0BQ
England
Tel. (0460) 57255

THE ADVANCED CONSULTANCY SKILL PROGRAMME

Consultancy Skill and Management Training for the Developing World.

RVB Delft: March 6 - May 5, 1989.
Closing date for enrollment: December 1, 1988

Programme outline:

— Analysis of own problem areas
— Tools for consultancy work
— Behaviour skills for consultancy
— Organizational setting of consultancy work
— Guided group-excercise in consultancy activities
— Preparation of a plan for future action.

The programme is directed at:

— Early- or mid-career consultants in national or international consultancy organizations

— Advisor/trainers of national productivity organizations and consultants with develpment banks

— Professionals responsible for productivity improvements in public or private sector organizations (e.g. those in internal consultancy departments).

Prospective participants are advised to check the availability of international fellowships with the respective agencies in their country.

For further information please write or telex to:

Dr. R. Wirtz
Head, EDP Programmes
RVB, P.O. Box 143
2600 AC Delft, The Netherlands
Telex: 38323 RVB NL/ FAX (31) 15 566831

RVB DELFT International

Master business in BERKELEY.

Be one step ahead of the world.

Learn management in one of the most advanced business centers in the world. Earn your degree in Berkeley.

Master of Business Administration Degree Programs
Available majors include Finance, Marketing, International Business, Management and Accounting.

Armstrong also offers undergraduate degrees in:
Accounting, Management, International Business, Computer Management Science, Finance and Marketing.

English as a second language is offered to help international students prepare for TOEFL.

ARMSTRONG UNIVERSITY

Send coupon for application, brochures and free 128 page catalog.

2222 Harold Way Berkeley, CA 94704 (415) 848-2500

Please send free 128-page catalog. My interest is:
☐ MBA ☐ Undergraduate degree programs ☐ ESL

Field _____
Name _____
Address _____
City _____

Accredited by Western Association of Schools and Colleges

WP-18

The English Language Institute

Queens College, The City University of New York

Full-time (18 hours per week) English language instruction for foreign students, businessmen, diplomatic personnel.

Established 1945.

Campus in suburban Queens yet only 45 minutes from the cultural center of New York City. Now accepting for the current semester.

QUEENS COLLEGE

For application:
English Language Institute -WP
Queens College
Flushing, N.Y. 11367 USA
Telephone: (718) 520-7495

Spartan Health Sciences University School of Medicine

* Classes Starting: Sept. 1988, Jan. 1989, May 1989
* Instruction in English
* W.H.O. Listed

For information: U.S. Office
7618 Boeing, Suite C, El Paso, Texas 79925 USA
Tel: (915) 778-5309

BOOKS IN PRINT: TAPES: CD's

One letter or FAX to us can fill all your needs.

BTS WORLDWIDE
BOX W, 16 Walden St.,
Concord, MA 01742-2504 USA
or FAX (617) 369-0501

Business

SURPLUS PLANTS—SALE

Oxygen - Nitrogen - Argon

Modern Liquid — Excellent Condition

25 T (750M) 5 T (150M) 1/2 T (15M)
75 T (2250M) 1 T (30M)

LOW PRICES WITH FINANCING

Nicolai Joffe Corp. Dept. P, P.O. Box 5362, Beverly Hills, Calif. 90210 USA. Tlx: 674638

World's largest library US$8—including disks, thousands of powerful programs for Apple IIe, IIc,GS. IBM/PC,XT,AT. 3.5 disks format available. Specified your computer type. FREE catalogs sent to you by airmail. Write: YEUNGLIN -WP P.O. Box 33610 SHEUNGWAN, HONG KONG.

1988 World Trade Contacts Directory

Put your import/export company into contact with new customers/supplier worldwide by purchasing/advertising in *1988 World Trade Contacts Directory*. Tax haven contacts also available. Free Information.

Asset Haven Association, Ltd., Island Resources National House, Santon, Isle of Man.

VISAS

Former Attorney-Advisor U.S. Gov't, Washington D.C. now helping Corp. & indiv. obtain visas; L-1-2,E-1-2, H-1-2-3, I, F-1 and M, and adj. of status, etc. Also int'l busn. advice.

Law Offices of Alexander Nesaff
213/387-7107 or Fax 818-5897470

Hotels

The Coburg Hotel

Reasonable rates. Prestigious location, TV, telephone, trouser press, hairdryers, coffee/tea makers, English Breakfast. Bar, restaurant and conference rooms.

129 Bayswater Rd, Hyde Park
London W2 4RJ
Tel 01-229-3654
Telex 268235. Fax 01-229 0557

Appointments

Overseas Positions

Hundreds of top paying positions available now. Tax free incomes. Many attractive benefits. Opportunities for all occupations, skilled trades, professionals, management, technical personnel etc. Free details.

Overseas Employment Services
Dept. WP, PO Box 460
Town of Mt. Royal
Quebec, Canada H3P3C7

Readers

Please make appropriate inquiries before entering into a binding commitment financially or otherwise in relation to an advertisement. World Times Inc. shall not be liable to any person for loss or damage incurred through any advertisement published in WorldPaper.

The more important the meeting, the more important the airline.

Flying on Lufthansa means reaching your business appointment on time.

Lufthansa

LH 5747.2 DEL

"What are we celebrating tonight?" he asked. "Your first grey hair. And my new crystal," she smiled. Their laughter, the tinkle of Waterford crystal. They live. They love.

The Silk People

Elegant. Exclusive. Enchanting.
The Silk People.

And the wall finish to
complement their style.

Luxol Silk.

The softest sheen. In shades
of sophistication. With a feel
richer than ever before.

Luxol Silk.

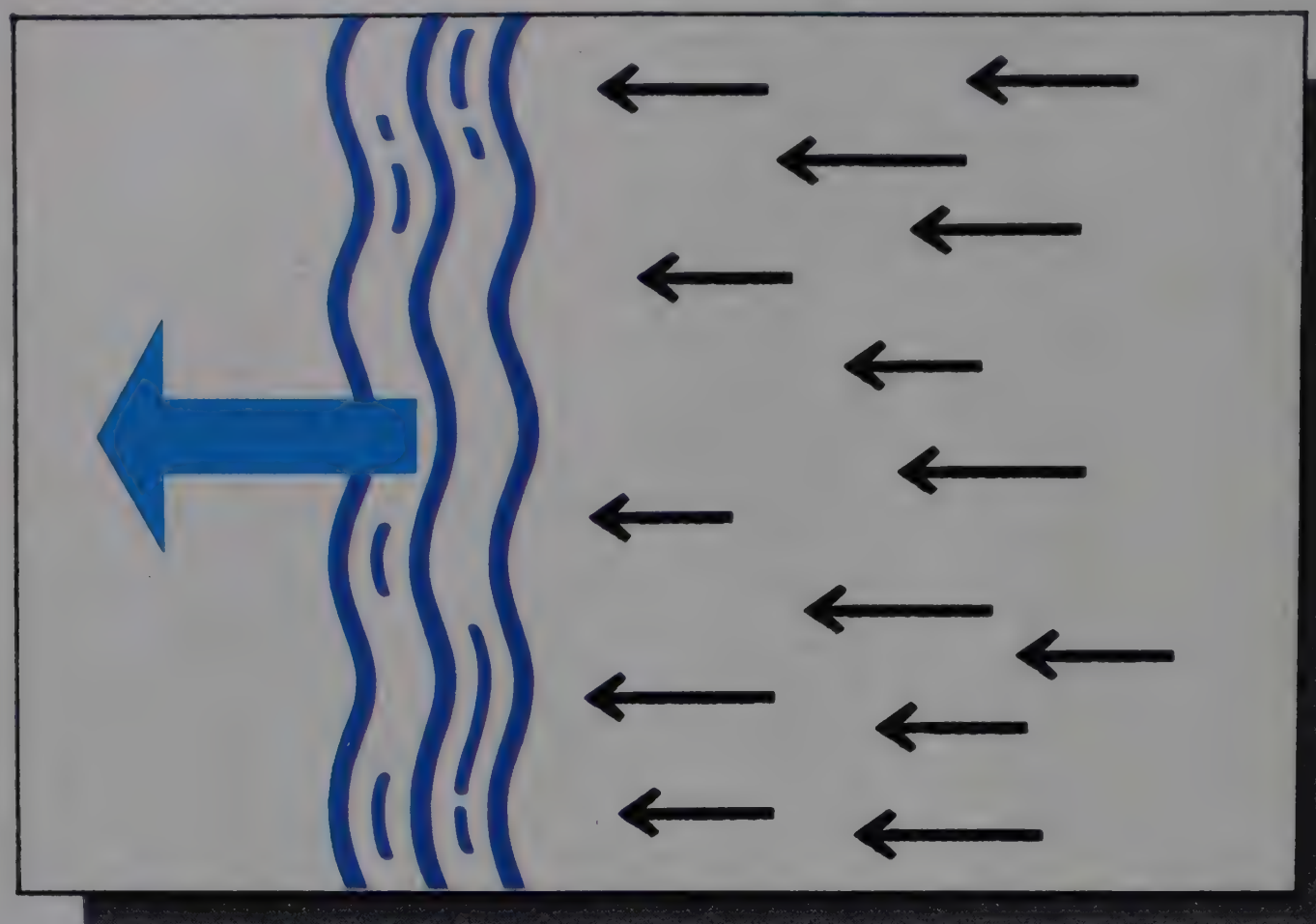
For walls that are Silk to the
touch.

Drape your walls with Luxol Silk
— the richest emulsion in the world.

Luxol Silk

from BERGER PAINTS

At INDCHEM ELECTRONICS, our most remarkable victories have been on foreign shores!



Victories on home ground are mock battles for INDCHEM ELECTRONICS, after winning laurels and honours in international arenas!

INDCHEM's flags fly high in over 20 countries worldwide – in 3 strategic and interactive operation areas: Office Automation, Medical Electronics and Industrial Automation.

Areas that provide forums for internal and external idea exchanges, technology transfers from world leaders, and participation and success in international quality judging contests.

Export orders and world recognition are the trophies of battle that the entire electronics industry covets. And INDCHEM collects!

indchem

Office Automation/
Telecommunications
Medical Electronics
Industrial Automation

INDCHEM ELECTRONICS LTD.,
K.R. Building, 124 L.B. Road,
Madras 600 020.

■ Norsk Data India Ltd ■ ATL India Ltd ■ Auto Measurematic Ltd ■ Pebco India Ltd
■ Medical Disposables Ltd

3 *The Divisions of INDCHEM ELECTRONICS*

Breaking through. Breaking ahead!

Indian Dyestuff Industries

High working capital requirements; recession in the textile industry, the company's main customer

The company has paid a dividend of 15 per cent for the year ended March 1988 compared with 14 per cent last year. Although the sales registered a growth of 11 per cent to Rs.182.73 crores (previous year: Rs.164.72 crores) the company suffered a loss of Rs.4.34 crores at net level. After withdrawing Rs.5.09 crores from the revaluation reserve, the company showed a profit of Rs.75 lakhs. It is only because of the balance of Rs.77 lakhs brought forward from the previous year that the company has managed to pay a dividend of 15 per cent amounting to Rs.1.13 crores. The operating profit rose up by 24 per cent to Rs.16.39 crores as compared to Rs.13.18 crores last year.

There has been a rise in the interest charges from Rs.8.92 crores to Rs.11.13 crores. The company's working capital requirement has increased tremendously. The provision for depreciation increased almost three-fold to Rs.9.60 crores. There is no tax liability. The cash profit has jumped by 23 per cent to Rs.5.26 crores (Rs.4.26 crores).

The textile sector, the company's main customer, continued to face demand recession; input costs too have gone up considerably. In order to reduce its dependence on the textile sector, the company has switched over to the manufacture of more sophisticated and specialised dyes and intermediates having high export potential. The value of exports during the year under review was Rs.25.38 crores (Rs.21.83 crores). The company's products are well established in the international market and the demand is growing.

The second phase of the expansion of the phthalic anhydride plant in Vadodara was completed in November 1987. The company also plans to modernise its cyanuric chloride plant at Vadodara.

The company sold 5,657 tonnes of dyes at an average selling price of Rs.263,390 per tonne; the average cost of manufacture was Rs.185,325 per tonne. At the end of last year the company issued 190,630 convertible debentures. After the conversion its equity will rise to Rs.9.41 crores and reserves to Rs.13.56 crores.

(Rs. Crores)

Year ended 31 March	1988	1987
GROSS SALES	182.73	164.72
OTHER INCOME	8.65	9.56
OPERATING PROFIT	16.39	13.18
INTEREST	11.13	8.92
DEPRECIATION	9.60	2.58
NET PROFIT/(LOSS)	(4.34)	1.68
CASH PROFIT	5.26	4.26
EQUITY	7.50	7.50
RESERVES	12.61	13.16
GROSS BLOCK	124.18	114.27
TOTAL CAPITAL EMPLOYED	106.74	92.67
EPS (%)	—	22.40
DIVIDEND (%)	15.00	14.00
MARKET PRICE (Rs.)		
CURRENT	240.00	
1988: HIGH	282.50	
LOW	177.50	

Ambalal Sarabhai Enterprises

Turns the corner after four years; major reorganisation; several units sold

The company which had been going through a lean period for the past four years made a cash profit of Rs.4.20 crores during the nine-month period ended March 1988 as against a loss of Rs.6.17 crores for the 12-month period ended June 1987.

Turnover and other income have both improved on an annualised basis to Rs.162.60 crores and Rs.5.56 crores. The other income consists of profit on sale of investments. The company disinvested its entire shareholding of 500 equity shares of Rs.1,000 each in its wholly-owned subsidiary, S.G.Chemicals & Dyes, in March 1988 for a consideration of Rs.2 crores.

The operating profit rose to Rs.14.55 crores (Rs.7.73 crores). The company has reduced its interest burden from Rs.13.90 crores to Rs.10.35 crores; this played an important role in its turnaround. The net profit was Rs.1.92 crores compared with a loss of Rs.9.44 crores in the previous year.

The beneficial impact of the revised DPCO pricing mechanism was only partially felt during the last three months of the nine-month period. In the last three months the company made a net profit of Rs.3.29 crores. The gross margin also improved to 19 per cent compared to 12 per cent for the entire year.

ASE has sold at par value, the Rs.99-lakh equity of Swastik Surfactants, a group company which had been a pioneer in the field of detergents and cosmetics.

The company has received approval for the manufacture of penicillin, erythromycin, vitamin C, insulin and other pharmaceutical preparations.

(Rs. Crores)

Year ended	31 March 1988	30 June 1987
GROSS SALES	121.95	128.90
OTHER INCOME	4.17	3.92
OPERATING PROFIT	14.55	7.73
INTEREST	10.35	13.90
GROSS PROFIT/(LOSS)	4.20	(6.17)
DEPRECIATION	2.28	3.27
NET PROFIT/(LOSS)	1.92	(9.44)
EQUITY	22.37	22.20
CASH RESERVES	23.09	24.43
GROSS BLOCK	79.33	79.71
TOTAL CAPITAL EMPLOYED	134.47	134.12
EPS (%)	8.58	—
DIVIDEND (%)	NIL	NIL
MARKET PRICE (Rs.)		
CURRENT	16.00	
1988: HIGH	10.00	
LOW	0.85	

Mafatlal Fine

Exports higher; dividend paid out of reserves; huge contingent liability; need to conserve resources

The working of Mafatlal Fine for the year ended 31 March 1988 was adversely affected by the continued depression in the textile industry. Despite sales being higher by Rs.11 crores at Rs.167 crores, it was just able to maintain profits at the operating level. With higher interest and depreciation, net profit declined by nearly 70 per cent from Rs.2.68 crores. The profits for the year are insufficient to cover reduced dividend at 15 per cent on enhanced capital.

The textile division's sales at Rs.117.58 crores account for 70 per cent of total sales. The balance comes from the chemicals division. The textile industry is facing a number of problems and stiff competition from the handloom and the powerloom sectors. The frequent changes in the excise duty structure created further problems.

Mafatlal Fine recorded a 131 per cent jump in exports at Rs.30.92 crores (previous year: Rs.13.37 crores). The share of

	(Rs. crores)	
Year ended 31 March	**1988**	**1987**
SALES & OTHER INCOME	175.40	160.31
OPERATING PROFIT	16.18	16.08
INTEREST	10.12	8.58
DEPRECIATION	5.03	4.77
PRE-TAX PROFIT	1.03	2.73
TAX	0.17	0.05
NET PROFIT	10.86	2.68
EQUITY CAPITAL	14.24	6.48
RESERVES & SURPLUS	23.82	16.38
LOAN FUNDS	58.48	65.96
NET BLOCK	50.14	39.00
NET CURRENT ASSETS	44.99	50.61
EPS (%)	6.0	41.4
DIVIDEND (%)	15.00	17.00
MARKET PRICE (Rs)		
CURRENT	150.00	
1987: HIGH	435.00	
LOW	135.00	

exports in the sales of the textile division increased from 11 per cent to 26 per cent. With the company planning to boost processed exports, the percentage of export sales is likely to go up further.

The working of the chemicals division was better with sales higher by 33 per cent at Rs.49.33 crores. Aluminium fluoride, fluorocarbon gases and synthetic cryolite are the main products. The licensed capacities of these products have been re-endorsed at higher levels.

The company is disposing of the processing house of its textile division situated at Bombay. The factory buildings are about 70 years old and in need of repairs. With the municipality restricting alterations in the buildings (since they are located in a residential area), operations had become unviable. The sale of the unit would reduce fixed overheads and release funds for the day to day working of the company. The sale is unlikely to affect the company's working as the Navsari unit in Gujarat is well equipped to meet the processing requirements.

During the year, Rs.15.65 crores were invested in installing shuttleless looms, Autoconner machines and other fixed assets. The funds were raised by issuing equity shares on a rights basis at 100 per cent premium and by reducing working capital. The company needs to conserve resources as a part of dividend for the year is being paid from reserves. The company has huge contingent liabilities (Rs.17 crores) and has invested about Rs.1 crore in a joint venture with GIIC for a gas distribution project.

[illegible] profits may improve because of capital gains from the sale of the processing house. However, the prospects are not encouraging.

Warren Tea

Dividend stepped up despite lower profits; exports constitute 40 per cent of total sales; prospects for current year not encouraging

Warren Tea, in which Warren Tea Holdings Ltd, UK holds 73.5 per cent of the equity, has maintained profit at the operating level despite adverse market conditions. Like many other FERA tea companies, Warren is very liberal in declaring dividends. For the year ended 31 March 1988, it has stepped up dividend by 7.5 points to 30 per cent despite a fall of 21 per cent in the net profits.

Total sales were marginally higher at Rs.41.98 crores (previous year: Rs.40.06 crores). It sold 14.4 million kgs of tea (13.8 million kgs) registering a growth of 4 per cent over 1986-87. The yield per hectare of 2,324 kg (2,268 kg) is lower than the 2,960 kg yield of Tea Estates for the year ended 30 June 1987. The total matured area under cultivation was 6,258 hectares which produced 14.5 million kgs of tea.

With strong marketing support abroad, Warren exports nearly 40 per cent of its sales in rupee terms. Exports during 1987-88 registered a growth of 10 per cent to Rs.16.17 crores. While Tata Tea exports 25 per cent of its total tea sales, Mcleod Russel exports about 10 per cent of its total sales. Tea Estates sells its entire production in the local market.

Warren Tea converts sales at a fixed rate of exchange. However, with the Indian rupee declining against the major currencies the net realisation (which is received a few months later) is generally lower than the sales value converted at the fixed rate. The difference is debited to P&L A/c as "Loss on Exchange (net)" which was Rs.1.12 crores (Rs.1 crore).

The EPS has declined to Rs.8.87 (Rs.11.2). The gross margin has declined to 17.3 per cent (18.9 per cent) and net margin to 8.2 per cent (10.9 per cent). Tata Tea's gross margin is higher at 20.6 per cent and net margin is lower at 7.7 per cent. On sales of Rs.143 crores Tata Tea needs working capital of Rs.40 crores. However, Warren Tea operates with negative working capital. This is because, against Tata Tea's four months' sales be-

	(Rs. crores)	
Year ended 31 March	**1988**	**1987**
SALES	41.98	40.06
OPERATING PROFIT	10.51	10.54
INTEREST	1.96	1.80
DEPRECIATION	3.09	2.62
PRE-TAX PROFIT	5.46	6.12
TAX	2.00	1.75
NET PROFIT	3.46	4.37
EQUITY CAPITAL	3.90	3.90
RESERVES & SURPLUS	45.41	43.92
LOAN FUNDS	6.82	8.25
NET BLOCK	5.93	5.76
NET CURRENT ASSETS	(3.19)	(2.51)
EPS (%)	88.70	112.10
DIVIDEND (%)	30.00	22.50
MARKET PRICE (Rs.)		
CURRENT	57.00	
1988: HIGH	70.00	
LOW	47.00	

ing blocked in stock and debtors, Warren Tea's investment in these current assets is only a little over a month.

During 1986-87, Warren added a further Rs.4.52 crores to the gross block. With these additions, the development programme undertaken five years ago is now completed. The year end overdraft from banks was reduced by Rs.1.43 crores. The major source of finance was internal accruals — Rs.5.38 crores. The increase in negative working capital by Rs.0.68 crores was another source of finance.

The beginning of the current year is disappointing for Warren Tea. Although production is slightly higher, tea prices are lower than in the last year. The average realisation in 1987-88 was marginally higher by 95 paise to Rs.29.97 per kg. Warren may end the current year with lower profits due to uncertain and difficult trading conditions. But the major shareholder being the foreign company, the liberal distribution policy is unlikely to change.

Tata Press

Profits down; dividend reduced; squeeze on margins

Tata Press Ltd, which went public a couple of years ago, has reported a rather disappointing performance for the year ended 31 March 1988. Sales improved marginally to Rs.12.11 crores (previous year: Rs.11.80 crores), but margins have been under severe pressure.

The operating profit before interest

A Credit Card from the First Private Sector Bank with International Tie-up

It's Surprising how a 8.5 cm × 5.5 cm Card can buy you anything.

EVEN STATUS.

STATUS SYMBOL

BUYING POWER

SAFETY

CASH WITHDRAWALS FOR EMERGENCIES AT ANY BRANCH

ACCESS TO OVER 7,000 ESTABLISHMENTS INCLUDING LUXURY RESTAURANTS, HOTELS, AIRLINES ETC. IN INDIA & NEPAL.

Central Card from Vysya Bank

A Credit to your life style

THE VYSYA BANK LTD

Regd. Off: Avenue Road, Bangalore – 560 002
Admv. Off: 72, St. Marks Road, Bangalore – 560 001

Chairman : Ramesh Gelli

COMMUNICATION WORKSHOP VB 023

Presenting heat shrink cable accessories from CCI: Total cable service – till the very end.

Cable Corporation now brings you heat shrink cable accessories, to make their total cable service even more complete. Manufactured by Xicon International to meet international standards, these accessories deploy state-of-the-art jointing technology – making them simpler and quicker to install, as well as extremely effective.

For more information on Cable Corporation's heat shrink cable accessories and total cable service, mail the coupon today.

Cable Corporation of India Ltd.
Regd. Office: Poonam Chambers,
6th floor, Dr. Annie Besant Road, Worli,
Bombay 400 018
Tel. Bom: 4923905/8; Del: 3317548/49
Cal: 448623; Mad: 453367

CABLE CORPORATION OF INDIA

Yes, I'd like to know more about CCI's heat shrink cable accessories and total cable service.

Name _____

Address _____

_____

Company _____

Designation _____

	(Rs. crores)	
Year ended 31 March	**1988**	**1987**
SALES	12.11	11.80
OTHER INCOME	0.77	0.74
OPERATING PROFIT	2.57	3.07
INTEREST	1.29	1.04
DEPRECIATON	0.55	1.02
PRE-TAX PROFIT	0.73	1.01
TAX	0.03	—
NET PROFIT	0.70	1.01
EQUITY CAPITAL	1.58	1.25
RESERVES & SURPLUS	5.86	4.47
LOAN FUNDS	10.29	11.94
NET BLOCK	12.25	12.22
EPS (%)	44.30	80.80
DIVIDEND (%)	18.00	25.00
MARKET PRICE (Rs.)		
CURRENT	41.00	
1988: HIGH	53.75	
LOW	33.00	

and depreciation declined to Rs.2.57 crores (Rs.3.07 crores) and the pre-tax profit fell to Rs.0.73 crores (Rs.1.01 crores). However, this figure has been obtained after taking into account a depreciation charge of just Rs.0.55 crores (Rs.1.02 crores). The lower depreciation charge is because Rs.0.56 crores, the excess depreciation of earlier years, was written back. Thus, the actual depreciation charge for the year under review is Rs.1.11 crores. Accordingly, the pre-tax profit works out to just Rs.0.17 crores and the net profit Rs.0.14 crores, yielding an EPS of Rs.0.89.

The company has been affected by lack of demand. Its main business is printing — a sizeable number of its orders are for the printing of balance sheets and publicity material for public issues of capital. Due to amendments in the Companies Act and the depression in the capital markets, the number of such orders has been low. The company was forced to cut its prices, together with increased costs of production this led to a sharp reduction in gross margins. The cost of raw materials as a percentage of sales went up from 35.08 per cent to 37.65 per cent. There was also an increase in the expenditure on power, which, went up from 2.34 per cent to 2.64 per cent of sales.

However, the company is still on a sound footing so far as its finances are concerned. The debt to equity ratio remains within reasonable limits at 1.21, and about 25 per cent of long term funds have been earmarked for financing working capital requirements. Reserves and surplus amount to Rs.5.86 crores against an equity of Rs.1.57 crores giving a book-value of Rs.47.39 for the Rs.10 paid-up share. Of course, about one fourth of the reserves are from premiums collected on the issue of shares and conversion of bonds.

In the year under review, part of the dividend was paid out of the reserves and the company may be forced to further cut dividend during the current year.

The stockmarkets have reacted adversely to the above developments; the share price has dropped from over Rs.70 to Rs.41. It is likely that the price will drop further in the months ahead in view of the rather bleak prospects.

TRENDS

Hindustan Lever

The company's performance has improved marginally. Sales, at Rs.374.90 crores (for the first six months ended June 1988), are just 2 per cent higher than in the corresponding period last year. But the operating profit is 8 per cent higher at Rs.51.75 crores. The company has borne a significantly higher interest burden of Rs.11.35 crores (Rs. 7.86 crores). The depreciation charges are slightly lower at Rs.6.50 crores (Rs.6.92 crores). The tax provision is around the same level at Rs.12.89 crores (Rs.12.80 crores). This has resulted in a marginally higher net profit of Rs.21.01 crores (Rs.20.47 crores).

Raw material costs have risen appreciably to Rs.265.07 crores. This constitutes a heavy 70.7 per cent of the net sales value (67.20 per cent). The company's selling, administrative and distribution expenses have been substantially curtailed. In fact, even on higher sales, expenditure on this count is 26 per cent lower and stands at Rs.39.22 crores.

			(Rs. Crores)
Year ended	**Jan 88-June 88**	**Jan 87-June 87**	**Jan 87-Dec 87**
NET SALES	374.90	366.42	795.37
OTHER INCOME	1.37	0.84	1.69
TOTAL INCOME	376.27	367.26	797.06
RAW MATERIAL COST	265.07	246.25	533.12
SALARY & WAGES	20.23	19.81	41.78
OTHER EXPENSES	39.22	53.15	110.62
OPERATING PROFIT	51.75	48.05	111.54
INTEREST	11.35	7.86	19.23
GROSS PROFIT	40.40	40.19	92.31
DEPRECIATION	6.50	6.92	14.01
TAX	12.89	12.80	31.80
NET PROFIT	21.01	20.47	46.50
OP/SALES (%)	13.80	13.11	14.02
RM/SALES (%)	70.70	67.20	67.03

The company has been granted permission to set up a LAB plant. The plant, expected to cost around Rs.180 crores, will help in reducing costs, as LAB is a major raw material for detergents.

Hindustan Lever's R&D unit has made a major breakthrough. It has successfully produced virus-free potato micro tubers. India is among the few countries in the world to have achieved this feat of biotechnology. This will drastically cut the costs of storing and transportation for farmers. At present, these seed potatoes are available only in Himachal Pradesh, but they will soon be available all over the country. Hindustan Lever is one of only two FERA companies allowed to produce high-yielding varieties of hybrid seeds.

During the period, the company has added to its production capacity of soaps and synthetic detergents, by taking over Stephen Chemicals with a 51 per cent stake.

Lever's Sewree plant has been locked out since mid-June. This will result in a substantial production loss. But the company says that overall performance will not be affected as production in other units has been stepped up.

The company expects export sales of over Rs.100 crores.

Meanwhile, Hindustan Lever's first overseas venture with a non-Unilever affiliate has commenced production of vanaspati in Oman under the Dalda brand name. The company is looking for similar arrangements in other Gulf countries.

Brooke Bond

Brooke Bond has done exceedingly well in the second half year ended June 1988. (The company has now extended its year end to December.) Sales are higher by 10 per cent at Rs.218.58 crores. Profitability has shown a higher growth rate: operating profit, at Rs.25.71 crores, is 37 per cent higher. The interest burden is significantly lower (29 per cent) at Rs.2.07 crores (Rs.2.92 crores). The depreciation provision has been slashed to Rs.71 lakhs from Rs.2.30 crores in the corresponding period last year. But the higher profits have led to an increased tax provision of Rs.9.50 crores (Rs.7.40 crores).

THE
ONLY
ALL
SEASON
STATE

INCOMPARABLE HERITAGE

Bhimakali Temple, Sarahan

HIMACHAL PRADESH

Where a curious blen
cultures, cults, religio
co-exist beautifully a
reflect disarming glim
its faith in architectur

Just as there are tempi
famed for their beauty
there are places of wo
for pilgrimages too. T
Baijnath temple, the
Masroor temples, the
Narayan stone temple
10th Century Chaura
temples. The Pagoda
temples, in particular
Bhimakali temple in S
is well known

Woven intricately int
heritage of Himachal
craft, music and simp
smiles of its people

For further enquiries o

HIMACHAL
TOURISM

COMMISSIONER TOUR
HIMACHAL PRADESH

Daizy Bank Estate
Shimla 171001

(Rs. Crores)

ar ended	Jan 88-June 88	Jan 87-June 87	July 86-June 87
ALES	218.58	197.50	390.97
THER INCOME	4.54	5.02	8.50
OTAL INCOME	223.12	202.52	399.47
AW MATERIAL OST	125.72	119.09	221.97
ALARY & WAGES	12.61	13.79	24.64
THER XPENSES	59.08	50.87	113.88
PERATING ROFIT	25.71	18.77	38.98
NTEREST	2.07	2.92	4.98
ROSS PROFIT	23.64	15.85	34.00
EPRECIATION	0.71	2.30	4.69
AX	9.50	7.40	14.90
ET PROFIT	13.43	6.15	14.41
P SALES (%)	11.76	9.50	9.97
M. SALES (%)	57.51	60.29	56.77

The net profit has shown a tremendous improvement to touch Rs.13.43 crores (Rs.6.15 crores). The closing down of the automotive division and the loss-making seat and leather divisions has improved the company's profitability. The company is now operating at a margin of over 11.5 per cent, compared to 9.50 per cent earlier. Besides, its raw material cost per unit of sale too is lower at Rs.57.51 per cent (60.29 per cent).

On account of this encouraging trend, the board has decided to pay a 20 per cent interim dividend. This is the second interim dividend paid in the current financial year.

RESULTS ANNOUNCED

Blue Star

The company improved its turnover during the year ended 30 June 1988 to Rs.152.16 crores, registering a 22 per cent increase over the previous year. Dividend for the year has been hiked by two points to 18 per cent, of which 8 per cent has already been disbursed as interim dividend.

The gross profit for the year was Rs.5.08 crores (previous year: Rs.4.63 crores), of which depreciation takes away Rs. 1.07 crores (Rs.98 lakhs) to leave a pre-tax profit of Rs.4.01 crores (Rs.3.65 crores). After tax of Rs.1.15 crores (Rs. 1.10 crores), the net profit available for appropriation was Rs.2.86 crores (Rs.2.55 crores).

The dividend payout is Rs.64.66 lakhs (Rs.57.55 lakhs); Rs.6.33 lakhs has been set aside as under-provision for tax in previous years. The remaining Rs.2.15 crores has been transferred to the reserves.

Gujarat Ambuja Cements

Despite difficult conditions in the cement market, the company has achieved a turnover of Rs.90.14 crores during its first year of full operations ended 30 June 1988. With a production of 820,000 tonnes, the plant achieved a 117 per cent capacity utilisation. A maiden dividend of 11 per cent has been declared.

The company earned a gross profit of Rs.11.31 crores (Rs.7.17 crores in the previous nine-month period), of which depreciation charges were Rs.7.08 crores (Rs.5.07 crores), yielding a net profit of Rs.4.23 crores (Rs.1.79 crores). The dividend payout will be Rs.2.20 crores; Rs.2 crores go to general reserves and the remaining sum will be carried forward. The company hopes to do better in the current year, thanks to a good monsoon and the recent increase in the retention price for levy cement.

Crompton Greaves

The company improved its performance during the year ended 30 June 1988 with sales going up to Rs.343.2 crores (previous year: Rs.282.75 crores). Gross profit has risen to Rs.13.26 crores (Rs.11.32 crores), and the company has hiked dividend by three points to 18 per cent.

After depreciation of Rs.5.97 crores (Rs.5.07 crores), and tax of Rs.1.12 crores (Rs.90 lakhs), the net profit was Rs.6.17 crores (Rs.5.35 crores). Dividend payout is Rs.1.73 crores (Rs.1.44 crores), general reserves take away Rs.3 crores (Rs.2.69 crores), and the balance of Rs.1.44 crores has been carried forward.

Madura Coats

The company reported an improved performance in the year ended 30 June 1988. Sales have jumped 29 per cent over that in the previous year to Rs.258.49 crores, while operating profit after depreciation has improved by 20 per cent to Rs.26.64 crores. The company has hiked dividend by five points to 30 per cent. After deducting interest (Rs.14.46 crores), and adding non-trading income (Rs.3.39 crores), the profit before tax is Rs.17.85 crores (Rs. 12.02 crores in 1986-87). After taxation of Rs.3.68 crores (Rs.3 crores), the net profit is Rs.14.17 crores (Rs.9.02 crores).

IN BRIEF

Polyolefins Industries Ltd has put up a better show for the half year ended 30 June 1988. The net sales of the company have gone up to Rs.81.57 crores (previous year: Rs.77.16 crores). Gross profit has increased to Rs.15.75 crores (Rs.10.31 crores) and profit after tax to Rs.8.71 crores (Rs.4.72 crores).

Swadeshi Industries and Leasing Ltd has reported encouraging results for the year ended 31 March 1988. In view of the improved performance, the board of directors of the company have declared a dividend of 18 per cent. The company's project for manufacture of Stretch blow moulded PVC bottles at Palghar is in full swing. The company's order book position is healthy and it hopes to expand its production substantially in future.

Kaveri Engineering Industries Ltd has reported satisfactory results for the year ended 30 June 1988 with a turnover of Rs.16.03 crores (previous year: Rs.12.87 crores). Gross profit this year was Rs.2.14 crores (Rs.1.73 crores). Net profit was Rs.68.05 lakhs (Rs.64.54 lakhs). A dividend of 16 per cent has been recommended by the board of directors.

SIP Resins Ltd has declared a dividend of 18 per cent. Profit before depreciation, interest and tax was Rs. 99.3 lakhs, while profit after tax was Rs.33.01 lakhs. The company's main product, epoxy resin, is finding increasing applications in various fields.

Organic Chemicals Ltd has put up an excellent performance with a 70 per cent increase in turnover to Rs.17.87 crores (Rs.10.66 crores). Net profits have increased to Rs.90 lakhs, compared to last year's Rs.25.8 lakhs. The company has diversified into the manufacture of edible oils and has already started processing sunflower oil.

Nuchem Plastics Ltd has recommended a dividend of 15 per cent this year. The profit before depreciation was Rs.1.67 crores (previous year: 1.35 crores). Net profit was Rs.50.93 lakhs (Rs.45.72 lakhs). The company has developed a new product for converting brackish water into potable water and is also working on formaldehyde-based resins.

PUNJAB CON-CAST STEELS LIMITED

FOCAL POINT, LUDHIANA-141 010.

UNAUDITED FINANCIAL RESULTS (ESTIMATED) OF SIX MONTHS ENDING 30TH JUNE, 1988 OF M/S. PUNJAB CON-COST STEELS LIMITED, FOCAL POINT, LUDHIANA-141 010.

(Rs. in lakhs)

	Six Months ended 30.06.1988	Corresponding six months in the previous year 30.06.1987	Previous Accounting Year 30.06.1987
Net Sales	3468.00	2604.19	4553.82
Other Income	3.58	1.90	2.76
Raw Material Costs	1461.00	1034.43	1892.46
Wages	92.39	83.53	146.63
Interest	64.01	59.84	103.84
Gross Profit	368.84	142.29	239.88
Provision for Depreciation	74.72	80.71	143.66
Provision for taxation	115.00	3.75	3.75
Net Profit (After depreciation & Taxation	179.12	57.83	92.47

MALWA COTTON SPINNING MILLS LIMITED

REGD. OFFICE: INDUSTRIAL AREA 'A', LUDHIANA.

UNAUDITED FINANCIAL RESULTS (ESTIMATED) OF SIX MONTHS ENDING 30TH JUNE, 1988

(Rs. in lakhs)

	Six Months ended 30.6.88	Corresponding six months in the previous year 30.6.87	Previous accounting year ended 30.6.87
Net Sales	2077.38	1633.97	3510.71
Other Income	20.46	7.36	27.00
Raw Material Costs	1249.48	1049.12	2378.25
Wages	113.38	105.05	222.86
Interest	69.72	76.00	157.68
Gross Profit (+)	368.78	161.45	331.68
Provision for Depreciation	62.60	94.68	159.68
Provision for taxation	48.00	18.00	28.00
Net Profit (+) (After depreciation & Taxation	258.18	48.77	144.00

for MALWA COTTON SPINNING MILLS LIMITED,

Sd. /-

(JANGI LAL OSWAL)
MANAGING DIRECTOR

Scrambling for value

(For the period 26 September to 8 October 1988)

The upward movement of stockmarkets gathered further momentum during the fortnight under review. *The Economic Times* index of ordinary share prices rose to a new record level of 334.9, an increase of 11 per cent over the previous fortnight. Despite being burdened by an unmoving Reliance, the BSE Index rose 7.6 per cent to a new record level of 693.9. The ET index has now risen over 25 per cent through September, a rate that would be remarkable for any country over any period of its business cycle and even astonishing for a country that reeled under a drought last year.

This happened despite computer-related and alleged payment problems that delayed the opening of the Bombay Stock Exchange (BSE) by four days at the start of the settlement (although the other stock exchanges were open and moved quietly in this time). The BSE opened after the abnormal closure with a five per cent jump in the ET index for the day. But that was only the beginning. Broad-based rises continued through the fortnight, covering all industries.

Part of this was due to the fact that the rise fed on itself. Speculators who had been watching on the sidelines, waiting for downward reactions, decided that it was time to join the bullish herd. With everyone turning buyers, even normally well-priced and actively traded shares with slow price changes such as Hindustan Motors and Indian Rayon moved sharply. Shares with small floating stocks such as Fulford and Su-raj Diamonds increased by 30 per cent or more. As a leading broker put it, "Speculators are scrambling for value. Any company with positive earnings per share is being purchased by my clients. Such events are inevitably going to lead to the shares of several companies being overpriced with falls to come later when their corporate results don't keep pace."

Such thoughts, however, did not deter the buyers. Investors seemed to be saying that it did not matter if some of the shares they purchased were overpriced so long as their portfolios on balance were well-priced. Given the strong rebound of corporate profits that has been evident since January of this year, their optimism was perhaps not unjustified, though possibly put into action a little late.

If buyers tended to be somewhat indiscriminate in their choice of industries for purchase, they nevertheless had their favourite shares. Within the tyre industry, the news of a hike in tyre prices caused one of the more popular tyre company scrips, MRF, to rise from Rs.218 to Rs.290 before closing at Rs.230, while another popular one, Ceat Tyres, rose from Rs.81 to Rs.130. Modi Rubber closed more sedately at Rs.77, up by Rs.8, while J K Industries closed at Rs.47, up by Rs.7.50.

The polyester fibre group was in demand, following news of product price rises, with IEL adding Rs.8 to close at Rs.46. Indian Organic added Rs.6 to close at Rs.44. Agrochemicals were also in good demand following the good monsoon, with Bayer rising by Rs.90 to Rs.620 and Hindustan Ciba-Geigy also rising by Rs.90 to Rs.675. Nocil — with its high-profile product, MEG — rose from Rs.665 to Rs.825. Its rise was further fuelled by news of a rise in MEG prices and rumours of official clearance of its major expansion project.

Petroleum jelly filled cables and seamless tube making companies were also in demand, the latter particularly after the good results announced by Zenith Industries and Jindal Strips. Finolex Cables closed at Rs.365, up by Rs.66.25, and Vindhya Telelinks closed at Rs.136.25.

Mastershares entered the limelight for the first time since it started trading in early 1987. Its shares rose to Rs.13.50, up by Rs.1.50 on heavy trading volume. Aiding the rise were rumours of its shift to the specified list. Larsen and Toubro was heavily traded at the rate of 500,000 shares a day on expectations of a friendly takeover by Reliance Industries. It closed at Rs.145, up by Rs.22. Reliance shares were stagnant, meanwhile, closing a rupee lower at Rs.198. The converted Reliance 'G' series shares rose sharply from Rs.144 to Rs.156, bringing the gap between the old and the new shares closer to its historical level of 20 per cent. The advent of the pari passu rule is expected soon which should end the artificial and unnecessary difference between the two shares.

Corporate news continued to be encouraging. Escorts announced a 138 per cent rise in profit after tax for the first eight months of its functioning and an interim dividend of 12 per cent, up from 10 per cent in the previous year. GNFC announced a 27 per cent rise in after-tax profits to Rs.24 crores but chose to maintain dividend at 18 per cent, perhaps in hopes of giving a bonus next year. Vam Organic announced a nine rupee earnings per share and increased dividend from 25 to 30 per cent. Its share price rose by Rs.14 to Rs.117. Hindustan Cocoa announced a 17 per cent lower profit after tax of Rs.3.8 crores but raised dividend to 20 per cent from 30 per cent cum-1 for 1-bonus last year. A better current year has been forecast, leading to its stock price rising to Rs.115.50, up by Rs.6.75. Century Enka announced an interim dividend of 20 per cent. This is the first time that the company has declared an interim dividend and the event is probably linked to a longer accounting year and its excellent current performance. The market was lukewarm to a dividend that was less than a per cent of its market price of Rs.2,250. The share fell off subsequently to close at Rs.2,155, still up by Rs.285 for the fortnight.

The financial institutions were selectively buying cash shares over the fortnight, while yield conscious institutions like General Insurance Corporation sold shares such as SKF Bearings and Century Enka, along with the fortnight's early gainers, Bajaj Auto, Telco and Tisco.

With share prices at record highs, investors and speculators alike are now wondering which shares are still worth the investment. "Pick the fundamentals," is probably the most sensible answer, along with a caveat: many companies will be running to full capacity this year and are likely to be paying higher input costs because of supply bottlenecks or rising import prices (following the steady devaluation of the rupee). At the same time, industries that produce import substitutes are at the mercy of volatile international prices, such as falling oil prices which will reduce the cost of some petrochemical products. Rising wage demands also tend to follow good performance because this is the time that managers have the least resistance to raising wages. But wages cannot be reduced once raised. Accordingly, picking the fundamentals will increasingly require a look at a future that will not just be a projection of the past

■ RAFIQ DOSSANI

3 October, 1988
Coming home

I couldn't take it any more. I mean it was great for a while earning all those millions of dollars trading pieces of paper, organising loans to buy companies, selling bits and pieces of assets every day to pay off the loans and ending up with fortunes that would make politicians green with envy. Yes, I did get in too late what with wasting my time in Bombay in the latter half of 1986. But, despite Black Monday and SEC investigations into the Junkle King, things were all right at least for now. The good old savings bank account was awash with liquidity.

The problem was psychological. Every day after watching the Dow slip another few points, one leaves the office looking forward to going home and forgetting about this financial mess. But then, you get into the elevator and this metallic voice, unconcerned about 'Black Monday' or Drexel's problems passes judgement: "Going down; we are going down; this lift is going down." It's tough enough dealing with colleagues who complain about the market going down, their salaries going down, but then to deal with an unemotional doctor of gloom: "Going down" - that was the limit.

And, on the flip side, the Bombay market seemed ready to hit a new orbit. The clouds, apparently, were clearing and when the monsoons came (the right kind of clouds?), it looks like the BSE has done a better job than those satellites ISRO keeps on trying to launch. But it is good to be back, really. The sweat of god-fearing, paan-chewing bodies, rain water on the trading floor, and hocus-pocus accounting getting more creative and gutsy — where else would you get all that?

9 October, 1988
Mela

SK was visibly worried. And he was in a foul mood. When that clown came around to ask if we would like to hear some jokes, SK looked at him straight in the eye and said, rather curtly, "Why should I pay money to hear any, when I can look at one for free?" Yes, I do agree that this paying for being told jokes, having palms read, or caricatures drawn, is not cricket and should not attract a separate cash outflow, but there are codes of civility that one must adhere to.

"What is the matter, old chap" I asked gently breaking the spicy *seekh kabab*.

"I cannot understand what our government is up to. They spend 18 months and hundreds of crores of public money to prop up share prices, and then just when everything is going well for the markets they try to pull them down."

"Oh, come on, I think it is right of the institutions to sell shares and book profits in this market. They do have to answer to their shareholders and unit holders, you know..."

"Hah! I could dispute that point but that's not the issue."

"Are you worried about SEBI and its proposed activities, then? Don't you, and place your hand on your heart while you reply, sincerely believe that the public interest must be safeguarded? That a regulatory body must not only keep track of capital markets but also oversee their development? Tell me, truly."

SK laughed. "Are you going to ask me to pay you money for telling me jokes, too? When was the last time you read Lewis Carrol? If seven maids with seven mops could not sweep the sand of the beach even after sweeping for half a year, what do you rate SEBI's chances as?"

"Shall I call CRISL to find out?", I retorted matter of factly.

SK's laughter boomed all over the restaurant. "Yes, yes, you do want money for your jokes," he gasped, "New York has done you a lot of good."

"Control yourself, SK, or they may not allow me in here again."

"I'm sorry, dear chap, but you are in great form today. But the point is you're way off the mark."

"Allright, what is worrying you," I asked impatient at this game.

"Well, they want to start a casino."

"So?" I queried, not understanding the significance of what SK had just said.

"What do you mean by 'so'? What do you think our stockmarket is? And if they start a proper casino then no one will buy shares anymore. They'll all move to Nhava Sheva or Haji Ali every evening, return home early in the morning after pacifying their gambling instincts and sleep right through our trading sessions. Don't you think we should be worried?"

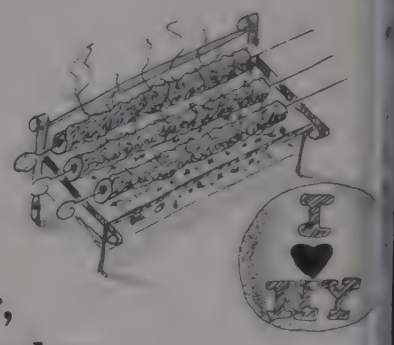
"Oh, SK, you exaggerate. The people who can gamble in those casinos have to have foreign passports. Indians will not be allowed to gamble. Yes, you may lose a few NRI clients but they account for only a small volume of speculative trading."

"In which world do you live, my friend? This is not New York, this is Bombay. Do you think that NRI deposits are coming only from NRIs? Or that Indians hav their money only in India? This count works on only five-letter words."

"Bribe! Surely you're not suggestin that someone could bribe his way int being allowed to play."

"No, no, my good man, the word I a referring to is 'proxy'. Indians will wat while their proxies play. And people lik us connected with the stock markets ca hibernate once again."

SK is generally right. Not always, bu generally. But I do think he is carryin things a bit too far. No, I am not referrin to his casino-phobia. The manager of th restaurant sent me a polite letter askin me if I would be interested in replacin their existing joke teller. A highly re spectable source, the manager noted, ha strongly recommended me. Now reall SK, that isn't cricket.



12 October,
Tadepalligudem

Ravindra Reddy is a small town sub broker. I met him in this sleepy Andhr town (merchant bankers do visit the out back, albeit once in a while) and we im mediately ventured into a long discussio on the stockmarkets. Reddy is distinctl unhappy that the massive expansion i the capital markets has barely had a impact in small towns.

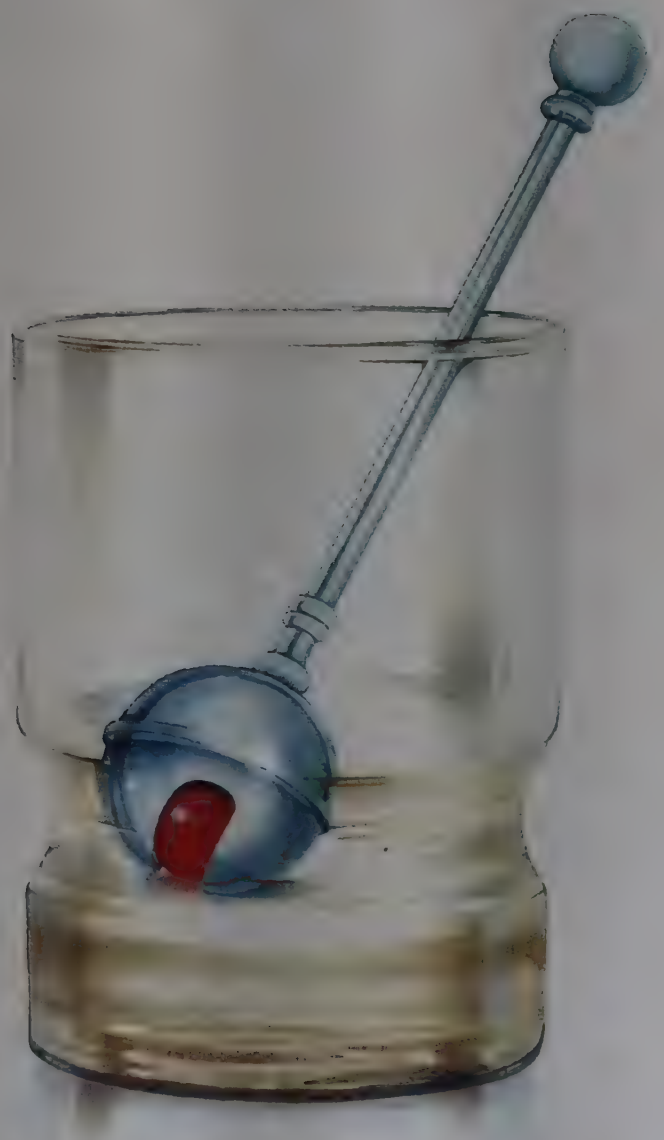
"You chaps are only interested in visi ing towns which accept credit cards" h says "people in small towns need to b educated about the markets. Instead yo send me 1,000 application forms for ever share isue that you manage"

"What do we do" I say defensivel sweating and uncomfortable (compan policy says three piece suits everywhere "There is a ceiling on issue expenses an our clients would only like to spen money in the metros where public re sponse is assured"

"And all you do with this money" sa Reddy "is to spend it on press confe ences. Projected sales in 1995 and ant cipated gross profit in 1999 mak exciting copy for your big city readers.

Seekh kababs and small town sub broker. They both sizzle.

REFILLS WILL OCCUR WITH RATTLING FREQUENCY.



CRUICKSHANK

Say 'Cheers' to a new arrival and discover that you'll want to keep cheering. Because you'll know that this one's got a great future ahead. At Parties. Among Peers. Among Friends. Everywhere. In fact, you'll find that its smooth, mature and distinctly elegant personality is going to be the toast of every party soon.

And reason enough to keep celebrating forever!

C&C.
CRUICKSHANK & COMPANY LTD.
A NEW SPIRIT IS BORN

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.10.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.90	-13.20	-3.60	4.50	6.20	2.00	-4.6						
ACC,100	07/87	40.90	106.60	360.90	260.00	278.00	120.50	0.6	-0.6	313.2	10.0	3.9	86	1:5
AHM CALICO,125	06/87	13.00	16.40	276.50	46.00	41.00	25.00	134.7		0.3	0.2	0.5	77	1:7
AHM ELECTRIC,100	03/88	18.30	65.30	456.60	130.00	150.00	120.00	35.5		3.7	16.0	12.3	87	1:5
ALFA LAVAL,10	12/87	5.20	15.10	38.90	75.00	75.00	46.00	5.8	1.4	12.9	18.0	2.4	86	1:2
ALLWYN NISSAN,10	06/87	16.50	0.10	10.10	10.80	12.50	3.80	-2.2	-1.3					
AMAL RASAYAN,10	03/88	1.50	2.80	29.00	122.50	127.50	42.00	12.2	10.8	10.1	10.0	0.8		
AMB SARABHAI,10	03/88	22.20	-1.70	8.40	12.80	16.00	10.00	0.8		15.0			82	1:5
AMFORGE,10	03/88	5.30	8.90	27.00	46.00	46.00	23.00	3.8	4.3	12.3	22.0	4.8		
ANDHRA CEMENT,10	03/87	9.50	11.50	22.10	15.00	16.00	7.80	0.7	-4.0	20.8	10.0	6.7	87	1:2
ANDHRA VALLEY,100	03/88	10.50	38.30	464.70	210.00	225.00	142.50	110.9	121.8	1.9	16.0	7.6	75	1:9
ANDREW YULE,10	03/87	9.40	22.80	34.20	19.20	24.00	15.50	2.2		0.1	10.0	5.2	87	2:5
ANNAPURNA FOILS,10	03/88	9.10	0.00	10.00	11.50	12.20	6.00							
APOLLO HOSP,10	06/87	5.40	0.10	10.30	17.00	17.00	8.50	1.5	3.2	11.6	10.0	5.9		
APOLLO TYRES,10	10/87	7.80	1.30	11.70	53.50	56.00	22.80	17.2	7.3	3.1				
APPLE LEASING,10	09/87	3.80	0.80	12.30	16.00	20.00	11.50	2.0	3.9	7.9	23.0	14.4		
ASEA,10	12/87	3.00	7.30	34.40	62.50	68.00	38.00	3.8		16.4	18.0	2.9		
ASHOK LEYLAND,10	12/87	21.40	72.00	43.70	62.80	64.00	29.00	3.6	1.7	17.4	18.0	2.9	78	1:2
ASIAN CABLES,10	12/86	3.00	5.00	26.50	51.20	52.50	30.00	4.3	7.7	11.9	17.0	3.3	81	1:3
ASIAN HOTELS,10	09/87	13.60	1.30	10.90	44.00	44.00	28.00	1.8	2.8	24.6	10.0	2.3		
ASIAN PAINTS,10	12/87	12.40	32.80	36.40	193.80	200.00	128.80	10.1	3.7	19.2	30.0	1.6	87	1:2
ASSAM CO,10	06/87	7.00	18.20	36.00	107.50	112.50	90.00	6.4	-5.5	16.7	40.0	3.7	85	1:1
ASSAM FRONTIER,10	06/88	3.00	8.90	39.70	117.50	120.00	91.00	12.0		9.8	50.0	4.3		
ASTRA IDL,10	06/88	2.50	2.20	18.70	41.00	43.00	27.00	2.2		18.3	10.0	2.4		
ATLAS COPCO,10	12/87	7.30	8.00	21.00	60.00	65.00	33.50	1.6	0.2	36.4	16.0	2.7	87	1:2
ATLAS CYCLE,10	06/87	1.10	4.70	51.10	80.00	80.00	36.00	5.0	4.6	16.0	20.0	2.5	87	1:2
AVERY INDIA,10	12/87	4.20	9.30	32.20	134.00	134.00	93.00	8.6		15.6	35.0	2.6	84	2:5
BAJAJ AUTO,10	06/88	18.80	195.80	114.10	343.80	346.20	182.50	15.6		22.1	40.0	1.2	87	1:1
BAJAJ PLASTIC,10	12/87	1.50	4.90	42.90	28.00	36.00	17.00	1.2	-3.6	23.3			86	1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.80	87.50	95.00	65.50	3.1	2.5	27.8	12.5	1.4	86	1:1
BAKELITE HYLAM,10	06/88	4.50	18.50	51.10	31.00	31.00	15.00	3.2		9.7	18.0	5.8	80	2:3
BALLARPUR,10	06/87	14.00	266.20	200.40	61.00	61.00	34.00	3.5	2.0	17.3	22.0	3.6	75	1:5
BARODA RAYON,100	06/88	12.10	20.10	265.90	330.00	345.00	140.00	35.5	-0.7	9.3	15.0	4.5	82	1:2
BASF,10	12/87	2.80	11.10	49.20	105.00	110.00	63.30	7.0	4.6	15.0	20.0	1.9	86	1:2
BATA INDIA,10	12/87	10.50	17.20	26.40	80.50	80.50	52.20	3.7		21.8	15.0	1.9	87	1:1
BATLIBOI,10	09/87	2.80	3.90	24.00	15.50	17.50	10.50	-0.5			10.0	6.5		
BAYER INDIA,100	12/87	16.20	11.20	169.00	620.00	630.00	285.00	27.2	25.5	22.8	16.0	2.6		
BEST & CROM,10	03/88	4.70	18.90	49.90	55.00	79.00	30.00	1.6		33.3	9.6	1.8	82	3:5
BHADRA PAPER,10	09/87	10.60	17.50	26.60	38.00	40.00	22.50	4.2		9.1	20.0	5.3		
BHARAT FORGE,10	09/87	5.30	24.50	56.50	168.80	172.50	103.00	10.2	17.2	16.5	25.0	1.5	81	1:1
BHARAT GEARS,10	07/87	4.00	7.00	27.30	13.00	18.00	10.00	2.1	-2.5	6.2	12.5	9.6		
BIHAR ALLOY,10	12/87	8.20	-11.20	-3.70	24.00	25.00	12.80	1.4		16.6				
BIMETAL,10	06/87	1.90	7.70	50.50	80.00	82.50	50.00	7.8	5.2	10.3	21.0	2.6	81	1:2
BINDAL AGRO,10	12/87	3.80	2.90	17.50	102.50	120.00	52.00	11.3		9.0	50.0	4.9		
BIRLA JUTE,10	03/88	20.40	83.20	50.80	49.00	49.00	32.00	0.1		445.4	14.0	2.9	86	1:1
BIRLA YAMAHA,10	06/87	8.00	0.20	10.20	13.50	16.00	8.20	0.2	-1.8	64.3				
BLOW PLAST,10	07/87	2.00	3.60	28.10	47.50	62.50	29.00	15.4	-1.9	3.1	30.0	6.3	87	1:1
BLUE STAR,10	06/88	3.50	9.50	36.90	47.50	51.20	37.00	8.1		5.9	18.0	3.8	86	3:5
BOM BURMAH,100	09/87	5.50	14.60	363.80	400.00	510.00	330.00	38.6	21.7	10.9	20.0	5.0	78	1:4
BOM DYEING,10	03/88	11.20	56.00	59.80	126.50	159.50	94.00	17.2		7.3	30.0	2.4	79	1:1
BOM SUBURBAN,100	03/88	5.80	71.00	1313.70	185.00	240.00	150.00	104.8		1.8	20.0	10.8	81	1:3
BOOTS,10	03/88	8.10	6.80	18.40	115.00	125.00	64.00	5.0		23.2	18.0	1.6	87	1:1
BOROSIL GLASS,10	12/87	2.20	6.80	40.40	71.00	96.00	50.00	5.3		13.4	20.0	2.8	82	1:2
BRITANNIA,10	11/87	12.40	21.00	26.90	125.00	125.00	75.00	7.7	2.6	16.2	24.0	1.9	87	2:5
BROOKE BOND,10	06/87	24.70	22.90	19.30	119.50	125.00	74.50	5.8	5.4	20.5	30.0	2.5	86	3:5
BURROUGHS,10	09/87	3.00	11.80	49.20	228.80	232.50	115.00	3.9	4.2	58.2	15.0	0.7		
C.E.S.C.,10	03/87	16.90	62.20	46.70	14.50	18.50	12.50	5.6		2.6	16.0	11.0		
C.P.TOOLS,100	12/87	4.80	9.40	306.40	575.00	790.00	405.00	57.0	7.9	10.1	18.0	3.1	77	1:3
CABLE CORP,10	12/87	9.00	11.00	22.20	48.00	48.00	26.00	5.2	3.2	9.2	18.0	3.8		
CARRIER AIRCON,10	03/88	8.20	0.00	10.00	32.00	32.00	10.50							
CEAT TYRES,10	09/87	9.30	65.90	80.80	130.00	135.00	52.50	13.2	7.7	9.8	25.0	1.9	86	1:2
CEMINDIA,10	09/87	1.30	7.30	66.80	120.00	122.50	82.50	10.2	7.5	11.8	27.0	2.2	84	3:5
CENTURY ENKA,100	12/87	18.69	85.10	888.50	2155.00	2275.00	1080.00	84.0	100.7	25.6	38.0	1.8	88	2:5
CENTURY SPIN,100	12/87	28.60	203.10	862.90	1240.00	1290.00	617.50	59.9	23.8	20.7	24.0	1.9	86	2:3
CHAMPAGNE,10	12/87	2.50	-1.50	4.20	16.50	30.00	12.00	-3.2						
CHLORIDE,10	06/87	20.60	13.60	16.60	74.00	79.00	60.00	4.5	5.2	16.6	31.0	4.2	86	3:5
CIFCO FINANCE,10	07/87	4.80	0.40	18.80	10.00	10.00	3.50	1.8		5.6	14.0	14.0		
CITURGIA,10	03/88	3.40	5.60	24.90	100.00	100.00	62.00	8.6		11.6	35.0	3.5		
COLGATE,10	12/87	15.70	115.20	19.70	287.50	297.50	180.00	9.6	6.6	29.9	90.0	1.7	87	1:1
COLOUR CHEM,100	03/88	7.90	12.10	252.30	425.00	425.00	320.00	37.7		11.3	20.0	4.7	80	2:5
COMET STEEL,10	03/87	6.10	0.00	10.00	18.20	18.20	9.00							
COROM FERT,10	03/87	24.30	36.60	25.10	33.00	35.00	21.00	-0.5	-3.6		8.0	2.4	86	1:2
COSMO FILMS,10	03/88	2.30	7.20	41.20	70.00	77.50	41.20	5.5		12.6	18.0	2.6		
CROMPT GREA,100	06/88	9.60	82.90	755.40	570.00	570.00	285.00	64.3	55.4	8.9	18.0	3.2	79	1:3
CYANAMID,10	11/87	5.20	10.30	29.50	67.50	70.00	34.50	2.5	1.5	27.4	10.0	1.5		
[illegible]	06/87	22.00	52.90	33.00	47.00	47.00	28.80	-1.8	-7.2				71	4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.10.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
DCM TOYOTA,10	06/87	15.00	-7.20	5.20	11.00	13.50	6.50							
DEEPAK FERT,10	03/88	14.80	7.00	14.80	47.00	51.50	23.00	3.0		15.5	18.5	4.0		
DEEPAK NITR,10	10/87	2.40	4.00	26.50	47.00	49.00	27.50	4.0	1.9	11.8	15.0	3.2	85	1
DEMPO STEAM,100	06/85	2.00	-9.80	-391.50	5.00	6.50	5.00							
DHARAMSI,10	12/87	6.20	10.40	26.70	37.50	37.50	14.00	1.0	1.5	36.1	10.0	2.7	79	2
DR.REDDYS,10	12/87	1.40	0.80	15.90	77.50	87.50	46.20	4.5		17.1	20.0	2.6		
DUNCAN AGRO,100	12/86	2.00	14.10	795.10	150.00	176.00	150.00	92.1		1.6	15.0	10.0	77	
DUNLOP,10	03/88	19.00	84.50	44.00	82.00	84.00	65.00	10.6		7.7	30.5	3.7	76	1
E. MERCK,10	12/87	5.90	5.00	16.50	65.00	67.50	44.00	2.2		29.3	16.0	2.5	86	3
E.I.HOTELS,10	03/88	23.80	37.30	25.60	52.50	60.00	36.00	2.9		18.0	20.0	3.8	84	2
EICHER MOTORS,10	04/87	4.00	1.00	12.80	12.00	12.00	5.50	6.4	-4.8	1.9	12.0	10.0		
EID PARRY,10	06/88	6.30	6.70	20.70	35.00	39.50	29.50	4.5		7.7	20.0	5.7		
ELECON ENG,10	12/87	5.70	24.80	53.80	60.00	73.00	42.00	4.6	2.2	13.0	15.0	2.5	87	1
ENFIELD,10	06/88	5.00	9.40	28.80	10.00	11.50	8.20	-10.4					85	1
ENGLISH ELECT,10	03/88	9.00	16.40	28.20	51.00	66.00	47.80	4.9		10.4	15.0	2.9	87	1
ESCORTS,10	12/87	27.60	91.40	43.10	65.00	72.50	36.00	0.3	2.4	250.0	22.0	3.4	86	2
ESKAYEF,10	11/87	7.50	14.30	43.50	141.20	155.00	87.00	7.7	4.0	18.3	25.0	1.8	86	
ESSAR SHIPPING,10	12/87	34.90	38.00	20.90	23.00	26.50	15.50	2.2		10.3	20.0	8.7		
EXCEL,10	09/87	4.60	7.10	25.40	101.00	102.00	34.00	1.3	7.2	77.7	10.0	1.0	84	
FAG PRECISION,100	12/87	3.40	7.10	311.00	140.00	140.00	105.00	9.8	12.8	14.3	10.0	7.1		
FERRO ALLOYS,100	06/87	5.50	18.80	440.20	420.00	460.00	122.50	13.4	63.4	31.3	5.0	1.2	80	
FGP,10	03/88	4.90	5.80	21.90	32.50	37.50	23.80	4.1	3.7	8.0	16.0	4.9	87	
FICOM ORGANIC,10	09/87	1.30	3.10	33.80	230.00	230.00	125.00	17.0	9.7	13.5	30.0	1.3	87	
FINOLEX,10	11/87	3.20	13.70	94.20	365.00	370.00	154.00	25.1	34.6	14.6	40.0	1.1	88	
FIRST LEASING,10	11/87	3.80	8.80	33.30	14.00	20.00	14.00	6.4		2.2	25.0	17.9	83	
FLAKT INDIA,10	12/87	3.40	2.90	18.40	60.00	73.80	44.00	4.3		13.8	20.0	3.3	86	
FOOD SPECIAL,10	12/87	19.20	20.20	20.50	167.50	173.80	93.80	5.6		30.1	25.0	1.5	86	
FORBES FORBES,10	06/88	4.20	5.00	21.70	35.00	36.00	22.00	2.4	-0.2	14.7	15.0	4.3	82	
FULFORD,10	12/87	0.80	2.30	77.00	390.00	390.00	50.00	8.6		44.6	22.0	0.6	88	
G.E.SHIPPING,10	06/87	67.40	31.10	15.60	38.00	39.80	20.50	0.6	1.4	46.3	12.5	3.3	81	
G.K.W.,10	12/86	24.10	20.60	18.70	10.50	11.00	5.50	-1.7	-1.5				85	1
G.T.C.INDUST,10	06/87	5.00	9.30	28.60	14.50	16.00	12.50	3.9	3.8	3.7	25.0	17.2	72	1
GABRIEL,10	11/87	2.60	3.30	22.60	27.00	37.00	17.00	1.7	1.7	15.7	18.0	6.7	78	3
GAMMON INDIA,10	07/87	2.20	13.40	72.20	116.00	134.00	29.00	1.6	5.1	71.2	15.0	1.3	82	2
GARDEN SILK,10	03/88	10.00	63.10	73.00	70.00	160.00	66.20	14.0		5.0	30.0	4.3		
GARWARE NYLON,10	06/87	9.70	13.30	23.70	50.00	56.00	20.00	1.1	2.6	43.5	15.0	3.0	83	1
GARWARE POLY,10	06/87	5.80	19.50	43.60	92.00	98.00	72.00	4.4	6.3	21.0	22.0	2.4		
GARWARE SHIP,10	03/88	3.80	0.00	10.10	23.80	23.80	10.50	-3.6						
GEN ELECTRIC,10	03/88	7.20	18.90	36.30	55.00	55.00	26.00	3.9		14.0	12.0	2.2		
GENELEC,10	03/88	2.20	5.80	36.80	70.00	88.00	43.80	6.5		10.8	14.7	2.1	84	
GEORGE WILL,10	06/87	6.30	19.70	41.20	110.00	115.00	90.00	7.6	10.0	14.5	35.0	3.2	86	4
GERMAN REMEDIES,10	12/87	3.30	4.90	25.10	66.00	70.00	30.00	2.9		23.2	10.0	1.5	82	3
GLINDIA,10	06/88	20.00	30.30	25.10	72.00	76.00	51.50	5.1		14.2	20.0	2.8	80	1
GODFREY PHILIPS,10	12/86	2.60	3.20	22.50	20.00	20.00	10.00	3.4	2.4	6.0	25.0	12.5	75	1
GOETZE,10	06/88	6.90	12.40	27.90	45.00	45.00	25.00	5.5		8.2	22.0	4.9	76	4
GOKAK PATEL,10	06/88	6.50	16.50	35.30	80.00	85.00	60.00	10.7	4.2	7.5	20.0	2.5	87	1
GOOD NEROLAC,10	06/87	3.20	5.10	25.70	67.50	67.50	45.00	4.2		16.2	20.0	3.0	78	5
GOODYEAR,10	12/87	7.50	24.70	43.00	73.00	74.00	48.00	11.6		6.3	30.0	4.1	77	2
GRAMOPHONE,10	09/86	1.80	-16.60	-81.70	4.50	5.90	4.00							
GRASIM,10	03/88	21.60	176.20	92.50	112.50	118.00	81.50	7.1		15.8	27.5	2.4	86	1
GREAVE COTTON,100	06/87	6.60	18.40	380.40	510.00	510.00	295.00	88.6	80.8	5.9	20.0	3.8	84	1
GUJ ALKALIES,10	03/88	10.70	22.60	31.10	58.00	60.00	29.00	2.4		24.3	25.0	4.5	87	1
GUJ AMB CEM,10	06/88	20.00	4.00	12.00	21.50	22.50	11.00	2.1		10.2	11.0	5.1		
GUJ NARMADA,10	06/86	89.00	103.50	21.60	54.50	57.00	27.00	2.7		20.4	16.0	3.3		
GUJ STATE FERT,10	12/87	26.90	170.00	73.10	167.00	174.00	75.00	10.1	5.2	16.5	30.0	1.8	87	3
HARRISON,10	03/88	9.10	15.60	27.20	72.50	72.50	36.00	5.6	3.0	13.0	25.0	3.5	87	2
HERDILLIA CHEM,10	06/88	7.30	39.70	64.00	69.00	69.00	41.00	7.8	7.3	8.9	25.0	3.6	78	
HERO HONDA,10	06/88	15.60	1.90	11.20	27.50	31.00	15.00	1.2		22.2				
HIND ALLOY,10	12/87	5.90	2.20	13.70	78.00	80.00	28.80	2.4	2.9	32.4	20.0	2.6		
HIND ALUM,10	12/87	15.90	166.60	114.90	119.00	120.50	72.50	8.8	5.3	13.5	22.5	1.9	86	
HIND BROWN,100	04/88	5.50	21.40	492.10	650.00	650.00	265.00	84.2		10.1	23.0	3.5	78	1
HIND CIBA,100	12/87	17.70	31.80	279.50	665.00	680.00	332.50	38.1	15.5	17.4	30.0	3.0	80	1
HIND COCOA,10	06/88	8.40	9.50	21.40	115.50	117.50	67.50	4.5		25.6	20.0	1.7	87	1
HIND DEVELOP,10	12/87	8.90	83.00	103.00	104.00	107.00	85.00	5.8	6.5	18.1	20.0	1.9	86	1
HIND DORR-OLIVER,10	11/87	2.40	10.80	55.30	195.00	205.00	95.00	10.4		11.8	37.5	1.9	86	1
HIND FERODO,10	12/87	5.50	1.20	12.20	23.00	23.00	16.00	1.3		17.3	5.0	2.2	86	4
HIND LEVER,10	12/87	93.30	90.20	19.70	83.50	86.00	39.50	5.0	2.2	16.8	25.0	3.0	87	1
HIND MOTOR,10	03/88	26.40	52.70	30.00	29.50	30.20	15.50	-1.0			7.5	2.5	86	1
HMM,10	04/87	14.20	8.10	15.70	182.50	186.20	121.00	7.0	6.5	21.4	55.0	3.4	87	1
HOECHST,100	12/87	9.60	25.40	364.60	660.00	670.00	437.00	14.3	9.1	46.1	10.0	1.5	82	1
HOGANAS,10	10/87	1.10	0.00	10.00	57.50	62.00	34.00		-1.6					
HOTEL LEELA,10	06/88	9.00	-3.40	8.70	18.00	18.00	11.80	-2.4						
HOUSING DEV FIN,100	06/88	20.00	33.00	265.00	175.00	175.00	65.00	65.5		2.7	17.0	9.7		
HYD ALLWYN,10	07/87	8.10	10.70	23.20	15.00	16.00	7.80	3.7	4.2	4.1	15.0	10.0		
ICIM,10	12/87	4.20	5.80	24.00	27.00	40.50	23.00	2.9		11.5				

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.10.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
EL,10	09/87	40.90	72.50	27.70	46.00	46.00	30.00	1.2	0.9	38.0	12.5	2.7	78	1:3
NDIA CEMENT,10	03/88	4.90	46.90	105.80	24.00	24.00	14.50	3.0		7.9	12.0	5.0	70	2:5
NDIA GYPSUM,10	04/87	4.50	0.00	10.00	16.00	16.00	9.50							
NDIA POLYFIBRES,10	12/87	29.80	-2.70	9.10	7.00	8.50	4.20							
NDIA STEAMSHIP,10	03/88	5.00	-65.20	-121.60	8.10	8.10	4.20	-16.9					75	1:1
NDIAN ALUM,10	12/87	41.20	49.10	21.90	34.00	34.00	24.00	0.9	1.2	37.8	14.0	4.1	77	2:5
NDIAN DYESTUFF,100	03/88	7.50	36.00	579.70	320.00	320.00	177.50	818.0	10.6	0.4	15.0	4.7	80	1:4
NDIAN HOTEL,10	03/88	9.90	42.10	52.50	120.00	120.00	95.00	6.8		17.6	30.0	2.5	82	2:5
NDIAN ORGANIC,10	03/88	18.40	17.00	19.40	44.00	47.50	15.00	-6.2					85	1:2
INDIAN OXYGEN,10	09/87	14.60	29.90	30.50	43.00	43.00	29.00	2.2		19.9	16.0	3.7	85	1:3
INDIAN RAYON,10	06/88	16.10	160.90	109.70	79.00	80.50	46.00	3.1		25.6	26.0	3.5	80	1:4
INDIAN SEAMLESS,10	12/87	2.20	4.00	28.10	130.00	135.00	47.00	9.5	5.9	13.7	18.0	1.4		
INDOGULF FERT,10	03/88	165.00	0.00	10.00	18.00	18.50	10.50							
INDROL,10	06/88	5.10	11.50	32.60	265.00	268.80	135.00	8.7		30.3	20.0	0.8	86	1:1
INDU NISSAN,10	12/87	6.00	1.20	12.00	25.00	25.00	18.00	5.6		4.5	10.0	4.0		
INGERSOLL,10	12/87	7.90	21.30	37.00	342.50	342.50	212.50	11.0	4.6	31.2	30.0	0.9	86	1:1
ION EXCHANGE,10	04/88	3.50	7.20	30.80	72.50	72.50	38.80	4.3		16.9	20.0	2.8	88	4:5
IPITATA,10	06/87	12.00	0.80	10.70	13.00	15.00	8.80	2.4		5.3				
ITC,10	06/88	33.20	144.80	53.70	63.00	63.00	30.00	7.5		8.4	35.0	5.6	81	1:5
J.B.CHEMICAL,10	06/88	3.00	2.60	19.30	33.00	33.00	21.00	4.4	2.5	7.5	20.0	6.1		
J.K.INDUST,10	06/88	13.80	16.80	22.20	47.00	47.00	25.00	12.0		3.9	20.0	4.3	87	1:1
J.K.SYNTHETIC,10	03/88	27.20	207.00	86.00	84.00	86.50	45.50	3.1		27.4	20.0	2.4	83	1:3
JAYANT VITAMIN,10	06/87	3.90	3.90	20.00	50.00	50.00	24.50	1.9	1.4	25.8	21.0	4.2	87	2:5
KALYANI BRAKES,10	06/88	3.90	-4.80	-2.40	18.00	25.50	14.50	1.3		13.7				
KALYANI STEEL,10	06/87	1.10	8.80	87.50	500.00	500.00	250.00	31.2	14.3	16.0	50.0	1.0		
KELVINATOR,10	06/87	3.50	19.60	65.20	125.00	130.00	36.00	6.9	10.5	18.2	15.0	1.2	84	1:1
KESORAM,10	03/88	8.80	52.20	69.00	64.00	64.00	32.50	3.4		18.8	23.5	3.7	79	1:2
KHODAY DIST,10	06/87	6.00	8.90	24.80	41.00	56.00	33.00	3.1	3.0	13.3	20.0	4.9		
KINETIC ENGG,10	06/87	1.20	14.90	133.90	335.00	350.00	181.20	20.1	22.1	16.7	30.0	0.9	83	1:1
KINETIC HONDA,10	01/88	10.00	2.60	12.60	35.00	38.00	16.80	-5.9	0.6					
KIRL CUMMINS,10	09/87	27.10	37.20	23.70	81.20	88.80	48.00	3.7	1.3	21.9	20.0	2.5	86	1:1
KIRL PNEUMATIC,10	09/87	3.90	3.40	18.70	56.00	56.00	15.00	1.8	1.3	30.4	12.5	2.2		
KIRLOSKAR OIL,10	06/88	6.70	11.60	27.20	43.00	43.00	12.00	4.4		9.8	6.0	1.4	76	3:7
KLOCKNER WIND,10	12/87	4.50	3.30	17.30	110.00	120.00	81.20	4.4	2.9	25.1	21.0	1.9	86	1:2
KSB PUMPS,10	12/87	4.30	12.00	37.50	310.00	398.20	220.00	12.3	6.3	25.1	20.0	0.7	86	1:1
LAKME,10	06/88	1.80	5.80	41.80	125.00	125.00	61.20	6.1		20.4	27.5	2.2	86	2:5
LARSEN TOUBRO,10	09/87	58.40	236.00	56.20	145.00	148.50	75.50	4.9	2.2	29.6	20.0	1.4	86	3:5
LIPTON,10	06/88	15.80	8.20	15.20	75.00	77.50	52.00	4.6		16.4	22.0	2.9		
LLOYD STEEL,10	03/87	3.40	4.10	22.20	35.00	35.00	17.00	4.7	4.5	7.4	21.0	6.0		
LML,10	10/87	21.10	8.50	14.10	14.50	19.50	9.00	-2.9					80	4:5
MACNEIL MAGOR,10	06/86	2.70	41.40	161.00	46.00	47.80	43.80	2.3		19.7	7.0	1.5		
MADRAS CEMENT,100	12/87	3.00	18.50	717.50	840.00	880.00	315.00	-153.3	-79.5					
MADURA COATES,10	06/88	22.00	92.30	52.00	90.00	91.00	60.00	6.2		14.6	30.0	3.3	86	1:2
MAFATLAL FINE,100	03/88	14.50	24.40	268.40	215.00	215.00	140.00	8.0		35.8	16.0	7.4	80	1:3
MAFATLAL IND,100	03/88	16.20	53.00	427.00	322.50	322.50	200.00	14.4	12.2	22.4	20.0	6.2	78	1:5
MAHIN & MAHIN,10	10/87	19.30	102.10	63.00	102.00	108.00	48.50	5.5	2.3	18.6	22.0	2.2	84	2:3
MAHINDRA UGINE,10	06/87	7.30	17.80	34.30	89.00	92.00	48.00	6.6		13.4	20.0	2.2		
MANGALAM CEMENT,10	12/87	7.10	11.30	25.90	25.50	27.50	13.00	2.6	1.7	9.1	15.0	5.9		
MANGALORE CHEM,10	12/86	12.40	13.90	21.10	41.00	41.00	15.20	4.5		9.1	12.0	2.9		
MATHER PLATT,10	06/88	10.20	6.60	16.40	97.50	97.50	43.80	3.6		27.1	25.0	2.6	87	3:5
MAX INDIA,10	09/87	2.80	0.90	13.40	55.00	56.00	30.00	4.3	1.8	12.8	16.0	3.3		
MAY & BAKER,10	12/87	4.50	7.20	26.00	52.50	53.00	34.00	3.1	1.2	17.0	10.0	1.9		
MAZDA INDUST,10	06/87	4.30	2.30	15.40	14.00	18.50	13.00	4.5	2.2	3.1	25.0	17.9		
MCDOWELL,10	06/88	7.70	33.00	52.70	95.00	100.00	72.50	11.2		8.5	20.0	2.1	86	1:1
MCLEOD RUSSEL,10	06/87	6.20	17.10	37.40	105.00	130.00	86.20	8.1	5.2	13.0	45.0	4.3	87	1:1
METAL BOX,10	03/87	14.70	-12.50	1.50	5.80	5.80	4.20	-4.0	-5.0				87	1:2
MILES INDIA,10	12/87	0.60	0.90	24.20	165.00	165.00	52.00	9.8	4.8	16.8	30.0	1.8	87	3:5
MILKFOOD,10	12/87	1.10	4.50	49.40	232.50	240.00	75.00	8.9	24.8	26.0	25.0	1.1	87	1:1
MODI INDUSTRIES,10	09/86	2.20	12.70	68.30	44.00	85.00	37.00	-11.9			12.0	2.7	69	1:5
MODI RUBBER,10	04/87	10.40	29.40	38.30	77.50	82.50	43.00	4.1	4.0	18.8	25.0	3.2	84	2:5
MODI XEROX,10	04/88	12.50	0.20	10.10	47.00	50.00	21.50	4.1		11.6				
MOTOR INDUST,100	12/87	38.00	46.30	221.70	655.00	670.00	447.50	29.4	14.5	22.3	12.0	1.8	86	1:1
MRF,10	09/87	3.90	23.30	70.40	230.00	290.00	127.00	26.1		8.8	40.0	1.7	75	1:2
MUKAND IRON,10	06/88	9.80	72.20	83.50	107.00	114.00	73.50	12.1		8.8	23.0	2.1	88	1:2
MYSORE CEMENT,10	06/87	11.50	19.20	26.80	26.00	27.00	18.00	1.1	0.5	23.2	17.5	6.7	86	2:5
NAGAR FINANCE,10	09/87	2.40	2.70	21.10	13.50	13.50	10.80	5.5	0.4	2.5	23.0	17.0		
NATION PEROXIDE,100	03/88	2.30	9.00	142.00	1375.00	1575.00	820.00	77.8		17.7	30.0	2.2		
NATIONAL RADIO,100	12/87	6.60	2.80	141.80	170.00	170.00	97.50	10.6		16.1				
NIRLON,10	09/87	15.80	27.10	27.20	13.50	14.80	5.00	-27.1	-0.1				82	1:2
NOCIL 100	12/87	36.00	55.60	254.50	825.00	843.50	390.00	46.2	32.6	17.1	20.0	2.4	86	1:2
ORISSA CEMENT,10	12/87	5.40	31.50	68.30	35.00	35.00	29.20	7.3		4.8	20.0	5.7	87	1:1
ORKAY,10	03/88	41.30	59.10	24.30	38.00	51.00	17.00	1.7		22.1	21.0	5.5		
OSWAL AGRO,10	06/87	28.50	81.70	38.60	117.50	129.50	57.00	2.8		41.7	50.0	4.3	87	3:5
OSWAL FURANE,10	12/87	18.00	0.00	10.00	56.00	60.00	22.20							
OTIS ELEVATORS,10	11/87	5.00	9.60	29.10	190.00	215.00	161.20	7.6	2.6	25.1	25.0	1.3	86	1:1

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 7.10.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
PARKE DAVIS,10	11/87	7.50	3.70	14.90	50.00	53.80	31.00	2.3		21.6	25.0	5.0	78	3:5
PEICO,10	12/87	39.30	53.80	26.10	38.00	38.00	21.50	1.2	-1.2	31.4	10.0	2.6	82	1:5
PFIZER,10	11/87	11.70	15.70	23.40	78.00	79.50	50.00	0.3	0.4	288.9	10.0	1.3	77	4:5
POLYCHEM,10	03/88	4.10	9.90	38.90	86.00	88.00	55.00	13.2	13.1	6.5			88	1:2
POLYOLEFINS,100	12/87	19.30	24.60	227.70	910.00	920.00	515.00	53.0	45.1	17.2	25.0	3.1	86	1:2
PONDS,10	06/87	6.70	11.40	27.00	240.00	240.00	127.50	5.4	3.8	44.4	40.0	1.7	87	1:1
PREMIER AUTO,10	06/88	16.20	106.30	75.60	45.00	48.50	23.00	6.9		6.5	25.0	5.6	86	1:1
PROCTER & GAM,10	06/87	3.70	6.50	27.50	335.00	370.00	257.50	10.2	7.3	32.8	45.0	1.3	86	1:2
PSI DATA,10	09/87	1.40	0.70	14.70	27.00	27.50	10.20	1.8		15.0	17.0	6.3		
RALLIS,10	04/88	9.50	28.60	40.10	102.50	102.50	60.00	4.6	3.2	22.1	30.0	2.9	77	3:1
RANBAXY,10	12/87	5.20	12.70	34.40	82.50	92.50	68.00	5.2	2.6	15.8	20.0	2.4	86	2:5
RAYMONDS,10	03/88	22.50	50.10	32.30	61.00	61.00	41.50	3.8		16.1	25.0	4.1	87	1:1
RECKITT COLMAN,10	12/87	4.20	13.60	42.40	152.50	155.00	140.00	12.7	7.6	12.0	30.0	2.0	86	1:1
REGENCY CERAMIC,10	04/87	4.00	-1.30	6.80	18.00	22.50	12.20	-3.9	-2.7					
RELIANCE,10	12/86	156.30	873.50	65.20	198.00	231.00	69.00	0.9	1.3	220.0	25.0	1.3	83	3:5
REMINGTON,10	03/88	2.70	4.30	26.20	32.00	32.00	24.80	4.1	2.6	7.8	20.0	6.2	86	1:2
REVATHI C.P,10	06/88	1.60	3.10	29.50	127.50	135.00	51.50	7.2		17.7	20.0	1.6	87	1:1
ROCHE PRODUCTS,10	12/87	4.80	5.40	21.20	57.00	60.00	34.00	2.3	1.4	24.5	14.0	2.5	80	1:3
ROSS MURARKA,10	06/87	3.70	3.30	18.80	15.00	16.00	10.50	4.7	3.4	3.2	26.0	17.3		
S.I.VISCOSE,100	03/88	11.00	13.10	218.60	500.00	510.00	215.00	74.0		6.8	25.0	5.0	87	1:2
SAMTEL,10	12/87	2.70	7.90	38.90	77.50	80.00	33.20	6.3	9.2	12.4	25.0	3.2	88	1:3
SANDOZ,10	12/87	5.30	19.70	47.10	86.20	87.50	59.00	3.0		29.1	16.0	1.9	84	2:7
SANDVIK ASIA,100	12/87	5.80	7.50	230.40	670.00	740.00	575.00	23.6	10.7	28.4	20.0	3.0	84	1:1
SCINDIA,20	06/87	18.90	-89.20	-74.20	6.50	6.50	1.80	-28.8					77	2:5
SEARLE,10	12/87	3.50	14.60	51.90	190.00	195.00	93.00	8.0	1.2	23.7	20.0	1.1	86	1:1
SESA GOA,10	03/87	5.20	9.40	28.30	30.50	30.50	16.00	7.0	-4.5	4.3	18.0	5.9	86	2:5
SHAW WALLACE,10	06/87	6.00	47.70	90.00	72.00	73.00	52.00	14.1	7.3	5.1	35.0	4.9	87	1:1
SHRI RAM FIBRES,10	09/87	10.30	22.70	32.00	51.00	60.00	34.50	2.7		18.9	20.0	3.9	82	1:2
SIEMENS,10	09/87	20.80	33.10	25.90	88.00	92.50	56.50	3.8	2.2	22.9	16.0	1.8	86	1:4
SILTAP CHEMICAL,10	03/88	1.60	-0.80	10.00	67.50	80.00	47.50	-4.2						
SIPTA COATED,10	10/87	9.40	1.80	11.90	22.00	23.00	15.00	3.1	2.6	7.1	15.0	6.8		
SKF BEARINGS,100	12/87	12.30	30.40	346.50	1940.00	2020.00	1058.00	87.8	68.1	22.1	22.0	1.1	86	2:5
SOUTHERN PETRO,10	12/87	34.00	267.90	88.80	52.50	60.00	22.80	1.5	-7.2	35.2	15.0	2.9	86	1:1
SPARTEK,10	06/87	2.90	3.10	20.90	88.00	88.00	58.00	9.5	5.0	9.2	20.0	2.3		
SPECIAL STEEL,100	12/87	7.60	10.80	242.20	825.00	825.00	575.00	104.7	67.3	7.9	15.0	1.8	73	1:1
STANDARD MILLS,100	03/88	11.10	75.30	780.60	370.00	390.00	190.00	37.0		10.0	16.0	4.3	82	2:5
STANDARD MOTOR,10	12/86	2.30	4.00	27.20	11.80	11.80	7.50	-18.1					85	1:1
STRAW PRODUCTS,10	12/87	10.10	73.60	82.80	46.00	48.00	29.50	4.0	1.3	11.5	20.0	4.3	72	1:2
SU-RAJ DIAMOND,10	04/88	4.80	4.40	19.20	65.00	65.00	15.00	9.1		7.1	15.0	2.3		
SUND CLAYTON,10	05/87	5.70	24.00	52.20	42.50	52.50	29.20	9.9		4.3	40.0	9.4	87	2:3
SUND FASTENERS,10	03/88	3.20	11.70	46.70	75.00	75.00	53.80	7.4		10.1	25.0	3.3	88	3:5
SUND FINANCE,10	03/88	6.00	11.50	29.10	39.00	39.00	25.50	7.8		5.0	20.0	5.1	86	1:1
SUPREME INDUST,10	06/87	1.80	3.70	30.80	208.80	208.80	137.50	10.1	5.7	20.6	35.0	1.7	87	1:1
SWAD POLYTEX,10	09/86	3.90	36.00	102.30	42.00	42.00	21.50	8.5	5.7	4.9	30.0	7.1		
SYNTH & CHEM,10	03/87	5.80	3.80	16.40	48.00	51.00	28.50	1.4	2.6	34.0	10.0	2.1		
TATA CHEMICALS,10	03/88	37.20	150.30	50.40	97.50	105.00	56.00	7.3		13.3	30.0	3.1	85	2:5
TATA LOCO,100	03/88	91.00	213.00	334.10	752.50	785.00	340.00	45.0	15.1	16.7	23.0	3.1	82	2:5
TATA OIL,25	03/88	8.10	19.80	75.30	83.00	87.00	55.00	4.2	4.3	19.6	10.0	3.0	81	1:5
TATA POWER,100	03/88	21.20	68.20	421.60	365.00	372.00	175.00	89.1	111.3	4.1	16.0	4.4	75	1:5
TATA PRESS,10	03/88	1.60	5.90	47.30	50.00	53.80	33.00	4.5	2.1	11.2	18.0	3.6		
TATA STEEL,100	03/87	136.00	476.30	450.20	960.00	968.80	568.80	67.8	61.7	14.2	25.0	2.6	86	2:5
TATA TEA,10	12/87	12.20	54.80	54.90	142.00	145.00	105.00	8.9	2.1	16.0	45.0	3.2	79	1:3
TATA UNISYS,10	12/87	4.40	3.80	18.30	97.50	100.00	60.00	3.5	2.2	27.5	22.0	2.3	87	2:5
TEXMACO,10	12/86	1.90	11.10	69.10	27.50	27.50	17.00	-208.6						
TINPLATE,10	03/88	10.10	8.30	18.10	24.00	24.00	15.50	2.8		8.5	10.0	4.2		
TUBE INVESTMENT,10	12/87	5.70	28.60	60.00	36.00	36.00	22.00	7.0		5.1	20.0	5.6	85	1:3
TUTICO ALKALIES,10	12/87	12.90	-2.60	8.00	16.00	20.00	11.00		-1.3					
TVS SUZUKI,10	02/88	23.10	-6.60	6.30	17.00	17.50	8.50							
TWENT.CENT,10	03/88	6.30	12.30	29.30	26.00	27.00	17.00	5.9	5.3	4.4	35.0	13.8	88	2:5
UNION CARBIDE,10	12/87	32.60	35.00	21.70	20.00	20.00	10.00	1.1		18.5	12.0	6.0	80	1:2
UNIT BREWERIES,10	06/87	4.00	9.50	33.80	39.50	40.80	36.50	5.4		7.3	15.0	3.6	86	1:1
UNIT PHOSPHORUS,10	12/87	2.60	2.70	19.50	42.00	52.00	32.50	0.4	-1.1	97.7	10.0	2.4		
UPCOM CABLES,10	12/87	5.00	0.00	10.10	42.00	42.00	21.80	0.1	0.9	600.0				
VAM ORGANIC,10	04/88	5.20	11.70	32.70	117.00	118.00	78.00	9.2		12.8	30.0	2.6		
VARELI,10	03/88	7.30	13.50	28.50	36.20	82.50	29.50	5.7	6.8	6.4	22.0	6.1		
VIDEOCON,10	09/88	2.80	1.60	15.80	43.50	48.00	16.90	6.5		6.7	18.0	4.1		
VINDHYA TELE,10	03/88	3.90	3.30	18.60	136.20	140.00	66.00	11.3		12.1	20.0	1.5		
VOLTAS,100	06/87	12.80	24.40	290.90	440.00	500.00	230.00	59.5	18.3	8.2	16.0	3.6	81	1:4
VST INDUSTRIES,10	09/87	8.00	12.00	29.90	30.00	30.50	19.00	4.6	2.3	6.5	29.0	9.7	77	3:5
WAL NAGAR,100	09/87	3.00	35.40	128.00	8.00	12.00	7.00	1.1	-5.8	7.1			82	1:2
WARREN TEA,10	03/88	3.90	11.50	39.50	65.00	65.00	50.50	8.9		7.3	30.0	4.6	86	1:5
WIMCO,10	12/87	8.40	9.60	21.30	26.50	27.00	11.00	-5.8	-4.6				70	1:5
ZENITH,10	06/87	9.20	13.00	30.30	86.00	71.00	36.00	2.5	3.5	26.7	30.0	4.5	87	1:4
ZF STEERING,10	06/87	2.20	0.10	10.30	56.00	61.00	30.00	1.1	2.0	54.2				
ZUARI,10	12/87	12.40	49.40	49.70	75.00	75.00	34.00	3.5	0.3	21.4	25.0	3.3		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.

A LOT OF MANUFACTURERS IN INDIA HAVE GOTTEN WISE AND PROGRESSIVE.

ARE YOU ONE OF THEM ?

All over the world manufacturers are switching over to the lamitube. For good reasons. For one thing, the lamitube looks so much better. You can print whatever attractive designs you want in as many colours as you like. Which means your product, standing on the shelves among so many others, stands out to catch the consumer's eye. And the lamitube is so much more hygienic. No messy grey oxides on your products. No wastage because of wrinkled tubes. No paste oozing out of the back of the tube instead of the nozzle. And no bursting.

So, if you haven't switched over to the lamitube yet, do it now. It makes a lot more sense.

Dentifrice: Colgate Fluoriguard 200 gm., Prudent, Neem, Close-up, Pepsodent Plus, Forhans, Solidox. *Pharmaceuticals:* Benitis, Moov, Lectrogel, Silver Sulphadiazene, Himax, Microbar. *Foods:* SIL Mustard, Peanut Butter, Mayonnaise. *Cosmetics:* Anne French, Lisa Pomade, Fair & Lovely. *Industrial:* Aquadis, Oleodis, Valvgrind.

Packaging in Lamitubes.
It makes a lot more sense.

LAMITUBES®

ESSEL PACKAGING LTD.

BOMBAY: 135, Dr. Annie Besant Road, Worli, Bombay 400 018. Telephone: 4933280 • 4933281 • 4939686 • 4939689. Telex: 76909 ESEL-IN.
DELHI: B-10, Lawrence Road, Industrial Area, New Delhi 110 035. Telephone: 7214135 • 7215803 • 7115608. Telex: 79079 RAMA-IN

Trading in debentures

The secondary market for debentures has historically been inactive. Out of the 900 odd debentures listed on the Bombay Stock Exchange, only about a hundred are traded at least once a month (about three dozen are traded every day). Over 700 debentures have not been traded even once this year. In comparison, over 450 shares are actively traded every day on the Bombay Stock Exchange out of a listing of about 2,200 shares, a considerably better proportion.

Several factors influence such a situation, the main one being the supply although thousands of small investors hold debentures, the largest blocks of debentures are held by financial institutions such as the Unit Trust of India (about 40 per cent of its portfolio is in debentures and other fixed-interest securities). Financial institutions hold debentures primarily for reducing the risk-level of their portfolios. Such debentures are either privately placed in the first instance by the issuing corporations or come to institutions from underwritten issues that are undersubscribed by the general public. These issues are subsequently traded among financial institutions in the over-the-counter market (ie, using dealers who specialise in debenture placements) without recourse to the exchange. This means that the supply of debentures coming into the exchange tends to be very small. The dealer market, on the other hand, is out of reach of small investors, since the value of the minimum lot size for a trade is usually Rs.1 crore.

Nevertheless, the debenture market in the exchange has not been stagnant. Several debentures are readily tradeable, for example, those issued by Ashok Leyland, Essar Shipping, Reliance (E and F series), Raymond Woollen, Voltas and Steelage. The Bombay Stock Exchange is looking for ways to improve the liquidity of the debenture market and, at one time, considered introducing separate trading hours for debentures in the same manner as has been done for odd-lot share trades.

Meanwhile, the current yield on debentures (which is the interest amount as a percentage of the market price) has fallen along with general interest rates over the past year from 16.5 per cent to below 15 per cent now.

The key factors that influence a small investor's decision to invest in debentures, as indeed in any marketable security with a fixed-return, are yield, security of principal and easy liquidity. All three factors are equally important, although issuing firms tend to publicise only the return factor. In fact, the return offered by initial subscription is legally limited to 14 per cent for non-convertible debentures and 12.5 per cent for convertible (including partially convertible) debentures, and most corporations offer the maximum permitted by law. As we shall see below, this return is significantly less than what the secondary market offers.

Most actively traded debentures offer similar terms — six-monthly interest payments and security of principal. Judging the security of principal and the timeliness of interest payments of a new company is difficult. As a rule of thumb, actively traded debentures tend to be safe ones. In fact, one of the reasons that several debentures are inactive is that the issuing companies have delayed or defaulted on interest payments or principal repayments.

Nevertheless, all actively traded debentures are not alike, the significant differences arising out of the convertibility and buy-back clauses. Debentures are either fully convertible into shares, partially convertible into shares or non-convertible. Fully convertible debentures tend to be the most actively traded and the activity in such a case mirrors the activity of the equity shares they will eventually become. Partially convertible debentures tend to be actively traded until conversion occurs, while the non-convertible portion that remains tends to become inactive offering yields that currently average 15 per cent per annum. Because of the low level of activity, potential buyers face high bid-offer spreads exceeding 5 per cent and the risk of being unable to sell when desired.

A similar situation holds for non-convertible debentures that were initially issued along with equity shares. Such "linked-issues", such as those by Vareli Textiles or Jindal Strips currently quote at yields of 15 to 17 per cent.

The most attractive non-convertible debentures from the buyer's point of view are debentures with the one-year buy-back clause. Such debentures are usually issued as stand-alone debentures without any convertibility or equity linkage. In order to make them attractive, the issuing corporation usually offers to buy-back at par value a holding of upto Rs.40,000 within a year from purchase. Such debentures can offer attractive yields and pose no liquidity problem since they are sold by the purchaser back to the company. Hence, they are the most sought after.

The premier such debenture in the market today is undoubtedly the Reliance F series. The size of its issue (Rs.270 crores) and the buy-back clause have given it a liquidity that no other debenture comes close to. To see why, consider the return to an investor who purchased these debentures after they went ex-interest on 1 September 1988. The purchase price on that date was Rs.95. A year from then, company will buy it back at Rs.100. Hence, the return from his investment is the capital gain of Rs.5 plus interest of Rs.15, for a return of 21 per cent per annum (actually, a little more than 21 per cent since the interest is paid half-yearly). The investor purchasing the debenture today would receive the first payment of interest in five months and the higher price of Rs.97 reflects the fact that the debenture already includes an interest component of one month, ie, approximately Rs.1.25. The table below gives the return from holding four such debentures and then tendering them to the company for buy-back after receiving two half-yearly interest payments.

The table also shows why current yield can be a misleading figure of return. For example, Unitech debentures have a current yield of 18.75 per cent, but the one year return using the buy-back provision is actually 43.80 per cent.

■ RAJIV HASSAN

Company	Face value (Rs)	Interest rate (%)	Market price (Rs)	Current yield (%)	One-year return from buy-back (%)
ASHOK LEYLAND 'C'	100	15	95.00	15.8	21.1
RELIANCE 'F'	100	15	97.00	15.5	23.6
UNITECH	100	15	80.00	18.8	43.8
VOLTAS	300	15	300.00	15.0	17.1

Time to renew your subscription?

Not at the eleventh hour please

Our computer is fussy. It requires renewals to be recorded four weeks in advance. And it would like to know that your payment is against a renewal. That's not all. It would also like to know your subscription number.

Who said computers were meant to make life simpler?

Help us to help you

Business India

Company fixed deposits (current for October 1988)

Name of the company	Minimum Amount	Rate of Interest 1 year	2 year	3 year
ACC	3000	12.00	13.00	14.00
ASHOK LEYLAND	2000	—	13.50	14.00
ASEA	3000	12.00	13.00	14.00
APOLLO TYPRES	5000	13.00	13.50	14.00
BAJAJ TEMPO	3000	12.00	13.00	14.00
BALLARPUR IND	2500	—	—	14.00
BAYER	5000	11.00	13.00	14.00
BHARAT PETRO	2000	10.50	11.50	13.00
CEAT TYRES	3000	—	12.50	14.00
CHEM & PLAST	2000	14.00	14.00	14.00
CANBANK FIN	5000	11.00	—	12.00
DCM LTD	5000	12.00	13.00	14.00
DUNLOP	3000	14.00	14.00	14.00
DCW LTD	3000	12.50	13.50	14.00
DCL FINANCE	5000	14.00	14.00	14.00
EAST IND HOTELS	1000	14.00	14.00	14.00
E MERK	3000	—	—	14.00
EMPIRE FIN	1000	14.00	14.00	14.00
EID PARRY	3000	—	13.00	14.00
ENFIELD FIN	2000	14.00	14.00	14.00
ENNORE FOUND	2000	—	13.75	14.00
FOOD SPEC	5000	—	—	14.00
GKW	2000	—	—	14.00
GUJRAT AMBUJA	3000	—	13.50	14.00
GERMAN REME	5000	—	—	14.00
GSFC	3000	10.50	11.50	13.50
HICO PRODUCTS	4000	13.50	14.00	14.00
HIND SUGAR	2000	—	13.00	14.00
HOTEL LEELA V	2000	14.00	14.00	14.00
ICIM	3000	14.00	14.00	14.00
INDIAN OIL	2000	10.50	11.50	13.00
JAGATJIT INDUS	3000	13.00	14.00	14.00
KIR CUMMINS	3000	12.00	13.00	13.00
L&T	3000	11.00	12.50	14.00
MAH UGINE	3000	—	—	14.00
MAH & MAH	2000	11.00	13.00	14.00
METTUR CHEM	2000	—	—	14.00
MADRAS REFIN	1000	10.50	11.50	13.00
MRF LTD	1000	12.50	13.50	14.00
MAD CEMENT	1000	12.00	13.00	14.00
NAGARJUNA FIN	1000	14.00	14.00	14.00
NELCO	2000	—	—	14.00
OVERSEAS SAN	2000	14.00	14.00	14.00
PEICO	3000	—	—	14.00
POND'S	3000	—	14.00	14.00
POLYCHEM	2000	13.00	13.50	14.00
POLYOLEFINS	2000	12.50	13.50	14.00
PREMIER AUTO	3000	12.00	13.00	14.00
PREM CONST	3000	—	14.00	14.00
RAYMOND WOOL	2500	14.00	14.00	14.00
SANDOZ	5000	14.00	14.00	14.00
SIEMENS	5000	14.00	14.00	14.00
SUNDARAM FIN	3000	12.00	13.50	14.00
SPIC	3000	—	13.50	14.00
SAIL	2000	10.50	11.50	13.00
STRAW PRO	3000	13.00	13.50	14.00
SKF INDIA	5000	—	—	14.00
SIYARAM SILK	5000	—	—	14.00
SUNDARAM FAST	3000	—	—	14.00
SAFE LTD	2000	14.00	14.00	14.00
SI VISCOSE	2000	13.50	14.00	14.00
TATA TEA	3000	—	—	—
TATA PRESS	3000	12.00	13.00	14.00
TATA CHEM	3000	—	—	14.00
TIDCO	2000	12.00	13.00	14.00
UPTRON	3000	—	13.50	14.00
VOLTAS LTD	1000	9.50	10.50	13.50
VIJAYA LEASING	1000	14.00	14.00	14.00
WESTERN INDIA	2000	14.00	14.00	14.00
WS INDUS	2000	13.50	14.00	14.00
ZENITH LTD	3000	—	13.50	14.00

Cumulative deposit schemes (current for October 1988)

Name of the Company	Minimum deposit	Maturity amount	period (years)	Annual Compound rate of interest (%)
1	2	3	4	5
ASHOK LEYLAND	2000	3025	3	14.79
ACC	3000	4503	3	14.50
APOLLO TUBES	2000	3022	3	14.75
ASEA	3000	4533	3	14.93
APOLLO TYRES	3000	4533	3	14.93
BATA	3000	4503	3	14.90
BAJAJ TEMPO	3000	4502	3	14.99
BHARAT PETRO	2000	2930	3	13.75
CANBANK FIN	5000	7092.50	3	13.80
DUNLOP	3000	4535	3	14.75
DCW LTD	3000	4533	3	14.93
DCL FIN	1000	1518	3	14.93
EAST IND HOTEL	1000	1508	3	14.67
EID PARRY	3000	4533	3	14.75
ENFIELD FIN	1000	1518	3	14.93
ENNORE FOUND	2000	3025	3	14.79
FOOD SPEC	5000	7500	3	14.47
GOOD YEAR	3000	4502	3	14.49
GNFC	3000	4503	3	14.50
GUJ AMBUJA	3000	4555	3	14.80
HOTEL LEELA VEN	2000	3035	3	14.89
INDIA EQUIP LEAS	5000	7575	3	14.90
INDIAL OIL	2000	2930	13.75	
KIRL CUMMINS	3000	4533	3	14.75
KREST DEVLP	1000	1518	3	14.93
KELVINATOR	2000	3000	3	13.93
L&T	3000	4468	3	14.30
MJ PHARMA	3000	4533	3	14.73
MADRAS REFIN	2000	2956	3	13.91
MADR CEMENT	1000	1511	3	14.74
NAMDANG TEA	4000	6044	3	14.74
NELCO	2000	3022	3	14.76
PREMIER CONST	3000	4533	3	14.73
PANYAM CEM	2000	3036	3	14.93
PEICO	3000	4502	3	14.49
PHILIPS CARBON	1000	1511	3	14.74
ROLATAINERS	2000	3001	3	14.48
S&S BUSHINGS	1000	1518	3	14.93
SPIC	3000	4530	3	14.73
SAIL	2000	2950	3	14.34
SIYARAM SILKS	3000	4533	3	14.75
STRAW PROD	3000	4500	3	14.47
SHAKTI FIN	1000	1518	3	14.93
SI VISCOSE	2000	3022	3	14.73
S ASBESTOS	1000	1510	3	14.74
SAE INDIA	2000	3022	3	14.75
SIYARAM SILK	3000	4533	3	14.75
SAFE LTD	2000	3030	3	14.90
SI VISCOSE	2000	3022	3	14.73
UPTRON	3000	4533	3	14.75
WESTERN INDIA	1000	1518	3	14.93
WS INDUS	2000	3022	3	14.75
ZUARI	2000	3023	3	14.76

Note: The list given above is a selection of many companies which accept deposits from their shareholders or from the public companies which offer somewhat lower rate compared to many quite sound private limited companies of partnerships. Readers are advised to take suitable professional advice.

Konica film takes color photography to new heights.

Konica Color **SR-V100**

SR-V100 color film – taking advantage of Konica's advanced processing technologies to bring an exciting new world of color to your photographs.

Konica JUMP
WEATHER PROOF

Get the jump on memories with the Konica jump, a camera so stylish and durable that you'll always want it along.

Konica

KONICA CORPORATION. No. 26-2, Nishishinjuku 1-chome, Shinjuku-ku, Tokyo 163, Japan. Tel: (03) 349-5125
KONICA HONG KONG LTD. Room 1818, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong. Tel: 5-757288
KONICA SINGAPORE PTE. LTD. 460 Alexandra Road, #24-03 PSA Building, Singapore 0511. Tel: 2785877

CHECK THIS OUT

BEFORE INSTALLING A COMMERCIAL FLOOR...

Ever since Linoleum was invented way back in 1863, commercial floorings have progressed in leaps and bounds — necessitated by the rapidly changing commercial environment, and customers who have become exacting in their needs.

1863: Linoleum
1949: Homogeneous Vinyl Sheets
1952: Vinyl Asbestos Tiles
1982: Sheet Foam backed Vinyl Flooring
1988: New TRANZIT SERIES – the latest in Foam backed Vinyl Flooring technology.

Today, more than ever, you should pay careful attention to your choice of commercial flooring. To ensure it can withstand the abuse of rush hour traffic, retain its beauty and last for years.

WHAT TO LOOK FOR IN A COMMERCIAL FLOORING

First take into account the activity within the area to be refloored. Then consider the ideal floor attributes that will meet your needs, before choosing a commercial flooring.

AREA	ACTIVITY	IDEAL FLOOR ATTRIBUTES
Reception Rooms	Medium — Heavy Traffic Mud, gravel, water enters into office	Durable. Various shades. Easy maintenance.
Corridors	Heavy Traffic	Durable. Maximum underfoot comfort. Easy maintenance. Sound insulated.
Typist Pools	Heavy Traffic. Office furniture present	Durable. Resistant to furniture indentation marks. Resistant to castor wheel marks. Easy maintenance.
Cabins	Medium — Heavy Traffic	Durable. Sound insulated. Light or dark shades. Easy maintenance. Resistant to furniture indentation marks.
Conference Rooms/Schools/ Hospitals	Medium — Heavy Traffic	Durable. Sound insulated. Light or dark shades. Easy maintenance. Resistant to furniture indentation marks and hygenic.
Canteens	Heavy Traffic. Hot food liable to be spilt	Durable. Stain resistant. Easy maintenance. Sound insulated.

Next, consider the different floorings available in the market ... like Vinyl Asbestos Tiles, Calendered Flooring and Foam backed Vinyl Flooring.

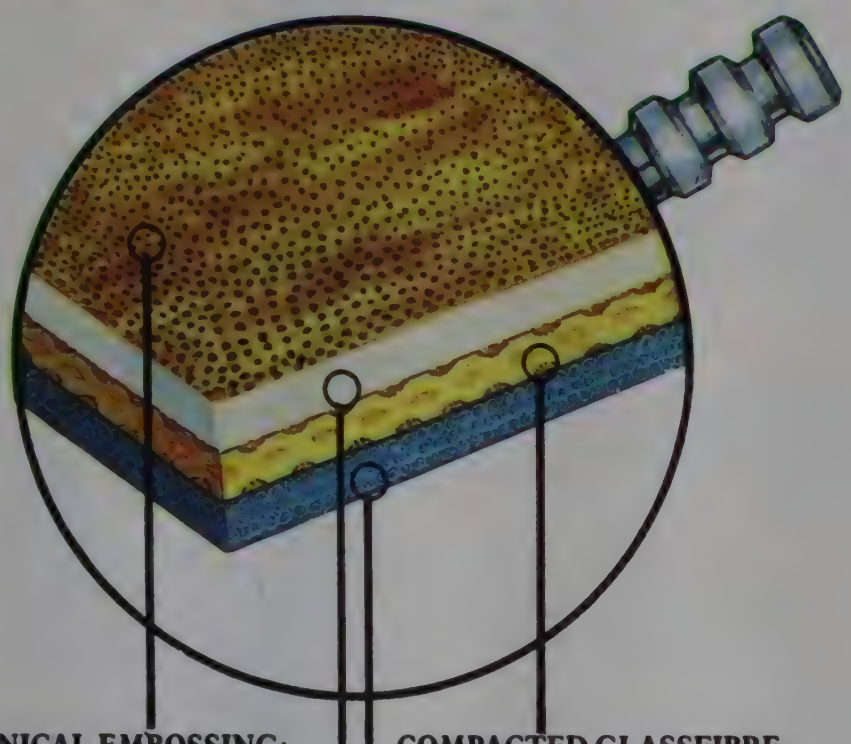
ATTRIBUTE	CALENDERED HOMOGENEOUS FLOORING	VINYL ASBESTOS TILES	FOAM BACKED VINYL FLOORING
ABRASION RESISTANCE	MEDIUM	LOW	HIGH
DIMENSIONAL STABILITY	≤ 0.4	≤ 0.25	≤ 0.1
SOUND INSULATION	$\Delta L = 2$	$\Delta L = 2$	$\Delta L = 15\text{-}16$
WALK COMFORT	HARD	HARD	SOFT
DESIGN/COLOUR	POOR	POOR	VARIOUS
WALL TO FLOOR CO-ORDINATION	NO	NO	MANY POSSIBILITIES
POROSITY	POROUS	POROUS	NON-POROUS
FIRE-RESISTANCE	GOOD	GOOD	GOOD
INSTALLATION	NON-FLEXIBLE MATERIAL HOT WELDING NECESSARY	BREAKING MATERIAL OPEN JOINTS ASBESTOS DANGER	FLEXIBLE MATERIAL COLD WELDING POSSIBLE

Considering the ideal commercial floor attributes required, Foam backed Vinyl Flooring comes out far ahead of both Vinyl Asbestos Tiles and Calendered Flooring. Good reasons why it's the most widely used commercial flooring in Europe.

In India, only Royal Cushion Vinyl Products Pvt. Ltd. manufactures Foam backed Vinyl Flooring under the brand name 'TRANZIT SERIES' in collaboration with world leaders Gerland of France.

Now double check whether the TRANZIT Series can match your needs.

THE TRANZIT SERIES HAS:



LIGHT MECHANICAL EMBOSSING: For zero dirt accumulation, scratch-resistance and non-skid properties.

TRANSPARENT PVC LAYER: Non-porous to ensure stain resistance. Tough, for maximum abrasion resistance.

COMPACTED GLASSFIBRE REINFORCEMENT: To prevent expansion and shrinkage and withstand maximum temperature fluctuations.

LOW DENSITY CLOSED CELL FOAM LAYER: To facilitate underfoot comfort, better sound insulation and best residual indentation.

All primary materials used in the manufacture of TRANZIT Floorings conform to the highest standards of quality. Unlike competitive floorings, no recycled material (which desequilibrates the product and weakens it) is used. TRANZIT Floorings are cold welded and come in 2m rolls. TRANZIT Floorings are available in neutral designs permitting easy colour co-ordination. Unlike other floorings, TRANZIT Floorings can be installed using a totally safe water-based adhesive, specially developed for the TRANZIT Series.

SPECIALIZED FLOORINGS — FOR SPECIAL NEEDS

FLOORING	PLACES FOR USAGE
TRANZIT ANTISTAT FLOORING. With a unique physiological antistatic property.	Computer Rooms.
TRANZIT ACOUSTIFLOOR For maximum sound insulation.	Hospitals. Schools. Recording Studios. Health Clubs.
TRANZIT DUTIFLOOR For maximum abrasion resistance.	Commercial Centres. Offices. Administrative Buildings. Banks. Restaurants. Shopping Centres.

TRANZIT SERIES

Foam backed Vinyl Flooring

From
ROYAL CUSHION
VINYL PRODUCTS PVT. LTD.

Regd. Office: Ramkrupa, 25 Parekh Street, Prarthana Samaj, Bombay 400 004.
Phone: 352497/389774 Telex: 011-76402 - MHDT IN Cable: 'ROYALFLOOR'
Delhi Office: 415, 4th Floor, World Trade Centre, Barakhamba Lane, New Delhi 110 001
Phone: 3315300. Telex: C/o. 031-61011 - GLOB IN

ULKA-RH-1-88

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable * Maintenance - free * 100% Leakproof and Rustproof * Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes. * Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Sintex - World's No.1 Plastic Water Tanks

Taken by surprise

n Friday 26 August, these were the share prices of the six rips of investor contest 274. Bajaj Auto 263.75, Britannia 1.00, Century Enka 1,595.00, Eskayef 117.50, Glindia 54.50 nd SKF Bearings 1,380.00. By Friday 30 September Bajaj uto had flared up to 337.50. Century Enka to 2,005 and SKF earings to 1,780. The bulls have taken both the markets and ontestants by surprise. And we have no winner for IC-274.

How to enter
On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these shares as on 11 November 1988, and send in your entry by 1 November 1988. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

ules:

There is no entry fee.

The list has been selected on the basis f what we consider are actively traded nd interesting scrips on Indian tockmarkets.

The price mentioned last in the official uotation list of the stock exchange (if here is a series of such prices against the ame of the share) will be taken as the orrect answer. The official list of the articular stock exchange, which will be eferred to, is given against the name of ach scrip. If for some reason the stock-market is either closed on 11 November 1988, or there are no transactions for the ix scrips chosen below, then the quotations for the nearest working day prior to 11 November 1988, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 1 November 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of **the Business India group of publications** is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 7 October 1988 (Rs)	Variations permitted from correct prices up to (Rs)	Prices as on Friday, 11 November 1988 (Please fill) (Rs)
ACC	Bombay	260.00	2.00	
Century	Bombay	1,240.00	3.00	
Colgate	Bombay	287.00	2.00	
L&T	Bombay	145.00	1.50	
Telco	Bombay	752.50	2.50	
UTI Mastershare	Bombay	13.50	0.75	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC-277

INDIAN INSTITUTE OF MANAGEMENT BANGALORE

Indian Institute of Management, Bangalore, offers the following Management Development Programmes during the month of NOVEMBER, 1988.

MANAGING THE SALES FORCE (CONSUMER PRODUCTS)

November 14-18, 1988 : Fernhill Palace, Ooty
Faculty Leader : Prof. RK Vijayasarathy

HIGHLIGHTS: Indian Consumer Goods Marketing Scenario * Managing the Sales Force * Region Office Management * Behaviour Science Component * Input to Marketing Decisions.

PARTICIPATION: Branch Managers, Divisional Managers, Zonal Managers, Regional Managers, District Managers, Area Managers, Field Sales Managers, representing Public and Private Sector Consumer Goods Companies and who have a Direct Sales Supervisory responsibility.

Fee: Residential: Rs. 4,000/-
Non-residential: Rs. 2,250/-

GENERAL MANAGEMENT

November 14-26, 1988 : Harsha Hotel, Bangalore
Faculty Leaders : Prof. S Ramaswamy
Prof. TP Gopalaswamy

HIGHLIGHTS: General Management * Production Management * Marketing & Sales Management * Personnel Management * Financial Management.

PARTICIPATION: The Programme is Designed for Managers with at least 5 to 7 years of Experience in any Functional Area of Management, who would like to get an Overview of other Areas of Management. Participants should preferably be in their mid-twenties or early thirties in terms of age. They should have a Bachelor's Degree or Equivalent Professional Qualifications.

Fee: Residential: Rs. 7,500/-
Non-residential: Rs. 4,250/-

MANAGEMENT OF WORKING CAPITAL

November 16-19, 1988 : Ashraya International Hotel, Bangalore
Faculty Leader : Prof. R Vaidyanathan

HIGHLIGHTS: Characteristics of Current Assets and Working Capital Leverage * Cash Management * Electronic Funds Transfer Systems (EFTS) * Optimising Inventory * Credit Rating Analysis * Short-term Financing and Optimising Techniques * Monitoring and Control of Receivables * Bank Norms for Financing * Computer Systems for Current Assets Planning.

PARTICIPATION: Persons holding Senior and Middle-level Positions in the Areas of Finance, Materials Management, Production and Marketing are eligible to participate. Senior and Middle-level Executives from Banks will also benefit from this Programme

Fee: Residential: Rs. 3,500/-
Non-residential: Rs. 2,000/-

STRATEGIC MANAGEMENT OF PRODUCTION & OPERATIONS

November 17-19, 1988 : Hotel Ashok, Bangalore
Faculty Leader : Prof. TS Nagabhushana

HIGHLIGHTS: Developing Production/Operations Policies and Strategies * Strategic Alternatives for Building Production Capabilities * Technological Advances and its Impact on Production/Operations Decisions * Strategic Issues in Vertical Integration and Resource Planning * Deciding on the Right Product Quality for the Situation/Environment * Problems in Implementation of Production/Operations Policies and Strategies

PARTICIPATION: Directors/Vice Presidents, General Managers and Senior Managers in-charge of Production, Materials, Quality, Maintenance and other related Functions.

Fee: Residential: Rs. 3,500/-
Non-residential: Rs. 2,000/-

MANAGEMENT INFORMATION AND REPORTING SYSTEM

November 21-24, 1988 : Hotel Ashok, Bangalore
Faculty Leader : Prof. S Ramaswamy

HIGHLIGHTS: Need of Integrated Management Information and Reporting System * Organisational Requirements for MIRS to be effective * Computer and MIRS * MIRS for Production Function, Marketing and Sales Function, Materials Management Function and Finance and Accounting Function * Presentation of MIRS at various levels of Management.

PARTICIPATION: Senior and Middle-level Executives from Public and Private Sectors from all Functional Areas of Management.

Fee: Residential: Rs. 5,200/-
Non-residential: Rs. 3,000/-

COST CONTROL AND COST REDUCTION

November 23-26, 1988 : Holiday Inn, Bangalore
Faculty Leaders : Prof. R Narayanaswamy
Prof. Vatsala Nagarajan

HIGHLIGHTS: Cost Control as part of Managerial Control * Cost Control and Responsibility Accounting * Budgetary Control * Standard Costing and Variance * Investigation * Cost Reduction Need, Scope and Methods * Cost Reduction in Manufacturing and Materials, Finance and Marketing * Emerging Trends in Cost Management Systems.

PARTICIPATION: Executives from Production, Finance and Marketing in Senior and Middle-levels.

Fee: Residential: Rs. 4,500/-
Non-residential Rs. 2,500/-

PERSONNEL MANAGEMENT FOR NON-PERSONNEL EXECUTIVES

November 24-29, 1988 : Hotel Fidalgo, Goa
Faculty Leaders : Prof. SG Lele
Prof. BR Patil

HIGHLIGHTS: Organisation and Role of Personnel Department in Enterprises * Manpower Planning and Selection * Training and Development * Performance Appraisal * Wage Administration * Administration of Discipline * Communication in Organisation * Employee Motivation * Leadership Styles * Management of Change * The Industrial Relations Scene in India.

PARTICIPATION: Senior and Middle-level Managers in various Functional Areas of Management.

Fee: Residential: Rs. 4,900/-
Non-residential Rs. 3,500/-

For further particulars, please write to:

Administrative Officer (M),
Indian Institute of Management,
Bannerghatta Road,
Bangalore 560 076. Phone: 642519/642520
Telex: 0845-2472 IIMB-IN
Grams: 'MANAGEMENT'

A love affair with rice

S.S. Nagarajan, *is chief agricultural economist, Tractors & Farm Equipment Ltd, (TAFE)*

"Research findings cannot be translated into practice immediately, particularly in agriculture. Adaptive research is essential in order to test the findings; if found suitable for Indian conditions they can then be transmitted to the farmer for implementation," observes S.S. Nagarajan, chief agricultural economist, Tractor & Farm Equipment Ltd (TAFE). It is research of this kind that Nagarajan directs at J farm, a 200 acre model farm on the outskirts of Madras city, named after the late S. Anantharamakrishnan, TAFE's founder who was nicknamed J.

Nagarajan has spent a major portion of his professional life on research relating to rice, though it was on groundnuts that he first worked. After acquiring a BSc in agriculture from the agricultural college, Coimbatore, and winning the usual medals, distinctions and scholarships, he joined the Madras state agricultural department as an assistant breeder in 1954. Simultaneously he worked on a project on "calcium nutrition in groundnuts" and was awarded an MSc by Madras University. But in 1964 he opted to join J Farm as an agricultural agronomist, "since this institution was willing to recognise and encourage my research efforts".

Rice research. Adaptive research at J Farm has always centred on rice. "Universities concentrate only on the development of high-yielding varieties," observes Nagarajan. At J Farm the needs of three distinct groups are taken into account while introducing a new variety of rice. "The farmer wants a high yield coupled with low cost of production, the merchant expects a good recovery after the hulling process, and the housewife is concerned about its quality," he says. The emphasis, therefore, has been on identifying varieties of rice which involve "low-cost, low-risk technology"; varieties like IR 8 which did not meet this requirement, disappeared quickly.

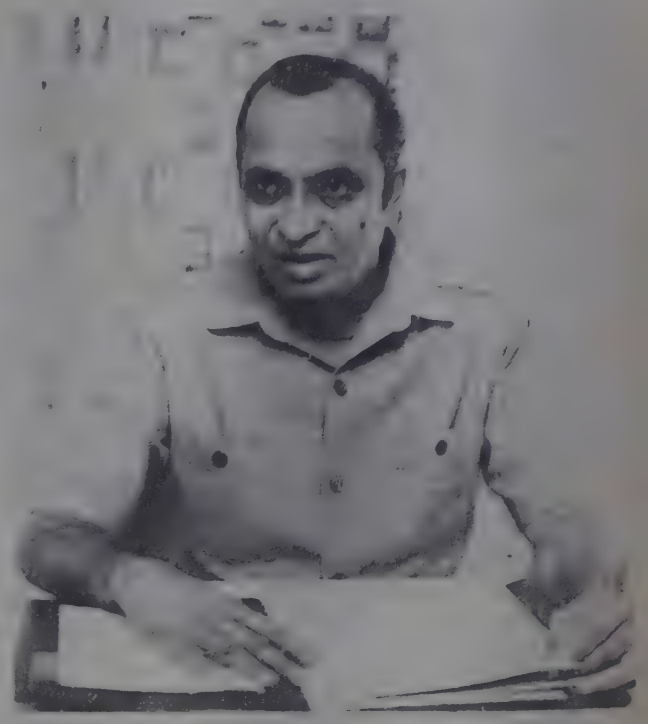
"The cost of production is the factor which ultimately decides how widely a variety is used," Nagarajan explains.

Among the successful varieties introduced by J Farm is IR 50. "We brought 500 gm of this rice from the Philippines and worked on it for five years, before discovering its adaptability to the soil of Tamil Nadu and weather conditions," he explains. Currently IR 50 is being cultivated on 1 million acres of land in the state. This was followed by "White Ponni" which is a fine table variety.

However, it is J 13 — a variety developed at J Farm — that Nagarajan is proud of, since it was developed from a culture. Short duration cultures of 110 to 113 days were imported from the International Rice Institute, Philippines. "Seventeen cultures were selected and worked upon. Tests proved that the thirteenth culture was eminently suitable for Indian conditions," recalls Nagarajan, and J 13 was born. It is a short-term crop of 100 day's duration, the plant cost is negligible and it is suitable for cultivation in drought prone areas. J 13 is cultivated on 1 million acres of land in Tamil Nadu, and is growing increasingly popular.

A catalyst. Nagarajan is also deeply involved in the second aspect of adaptive research — transferring the technology to the farmers. Regular Farmer's Day meets are held three times a year, at the farm — in April, July and January. Two or three farmers from each district are trained in the cultivation of these new varieties. "Our role is that of a catalyst," explains Nagarajan. "Seeds are supplied to farmers at a reasonable cost, and if we are supplied with details regarding the extent of land, the soil type, the rainfall pattern, etc, we offer advice, not consultancy." J Farm is entirely service-oriented and concentrates on small and marginal farmers. "It has taken us almost 20 years to win acceptance and approval," comments Nagarajan. Every year nearly Rs.5 lakhs are spent by J Farm on adaptive research and technology transfer.

At least a part of the success in transmitting technology must be attributed to Nagarajan's ability to rope in the media as a means of disseminating information. In 1964, A.N. Sivaraman, the editor of the Tamil daily Dinamani, visited J Farm and encouraged Nagarajan to write a weekly column on matters of interest to agriculturalists. This was followed by regular contributions to the Indian Express, Madurai. Later, Nagarajan also presented talks on technology, interviews with farmers and quiz programmes for farmers on All India Radio. Subsequently, with the opening of Doordarshan's Madras Kendra, Nagarajan has been a regular farm news presenter, handling



Vayalum Vazvum, a programme for farmers. For instance, he presented several TV programmes on the IR 50 rice variety, Farmers later began to call it "TV paddy".

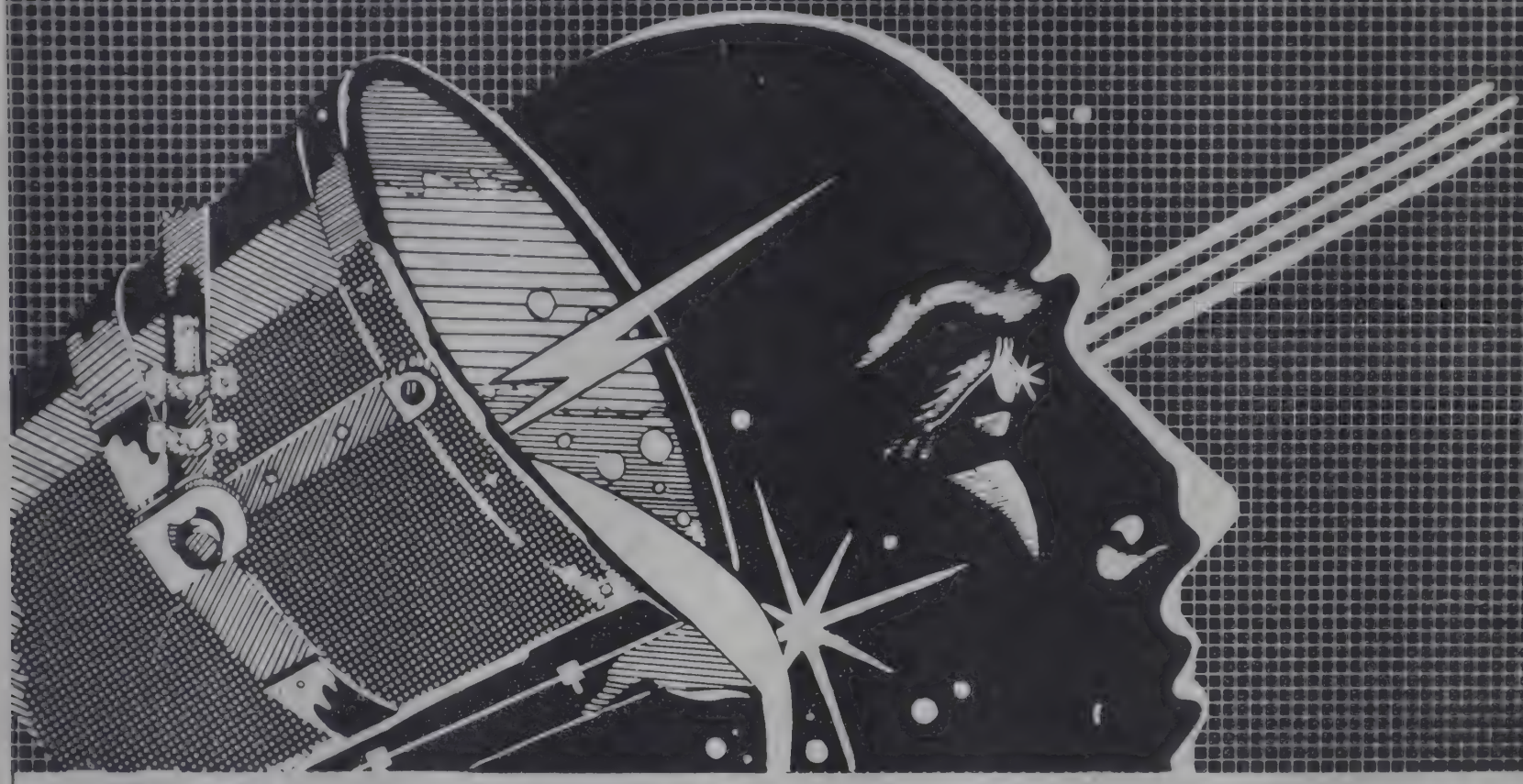
Next step. The next major programme which Nagarajan hopes to direct envisages the training of farmers in the technological and management aspects of agriculture. "Only 25 per cent of the technology percolates to the farmers. Lack of funds, the high cost of technology and its ineffective dissemination are hurdles," he observes. Indian farmers also lag behind in managing fund allocation for each aspect of the work. "For example 40 per cent of the expenditure should be allocated for manuring and plant protection," he maintains. Low yields have been a cause for worry especially since in India the average yield is 1,000-1,200 kg per hectare, while in other major rice-producing countries, yields are about 6,000 per hectare.

Nagarajan advises farmers in the Tamil Nadu region to go in for mango cultivation. "The best mangoes are often found in the driest regions," he maintains. "And the export potential is good."

Nagarajan has also written his share of books. During a study tour of the UK in 1970, he did a detailed analysis of mechanised farming in Britain. The results were summarised in a book entitled British Agriculture in Brief. "Transfer of technology is easier in Britain where the farmer has the basic education and is often a skilled observer of trends. Illiteracy is a major bottleneck in India," says Nagarajan. He has also written two books on paddy cultivation. Deeply involved as he is in agriculture, Nagarajan has little time for hobbies.

■ DHARANI K. PANI

WE MASTERMINDED THE SUCCESS OF INDIGENOUS TECHNOLOGY



Medium frequency induction furnaces upto 10 tons

Induction melting industry. An industry which was built on foreign technology. Which was dependent on the collaborators even for the slightest improvisation. An industry which had spread in India but had its roots elsewhere. That's when we thought of establishing a technology which was not adapted — but created for Indian conditions. And so was born Electrotherm. The magnificent master of indigenous technology.

What makes us the masters —

- ✲ Fastest melting at lowest cost.
- ✲ Reliable double system protection.
- ✲ Upto 97% efficiency.
- ✲ Static medium frequency generators upto 5000 KW capacity
- ✲ Built-in test facility.
- ✲ Optimum voltage system.
- ✲ No intermediate capacitor switching.
- ✲ Efficient and reliable closed loop cooling system.
- ✲ Durable and high efficiency steel frame crucibles.
- ✲ Safe and convenient layout.
- ✲ Rapid erection.
- ✲ Commitment to excellent after sales service.

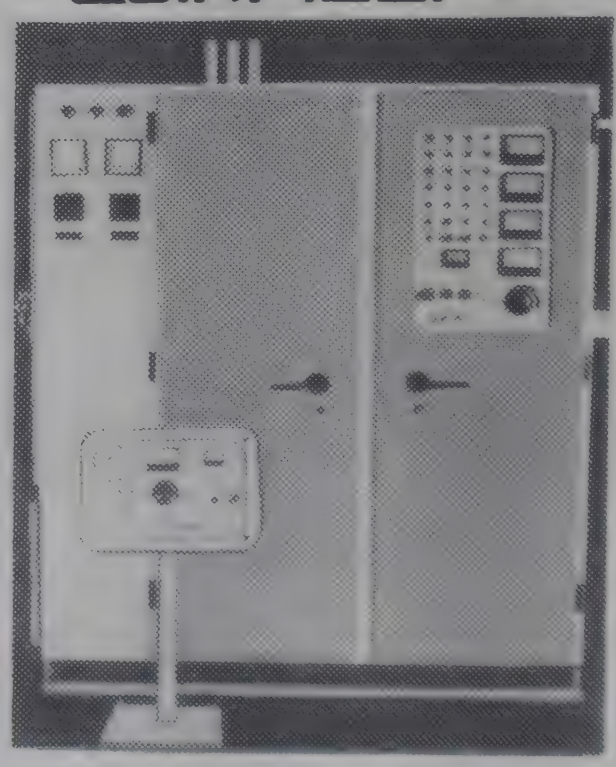
We also offer —

- Induction heating and hardening equipments in mains frequency to radio frequency range.
- Specially designed furnaces to meet your specific metallurgical needs.

We are climbing the steps of leadership. Innovation and consistency have always been parallel with our excellent services.

We're Electrotherm. The milestone of indigenous technology.

QUIKMELT +



Compact new design medium frequency solid state generator upto 2000 KW capacity

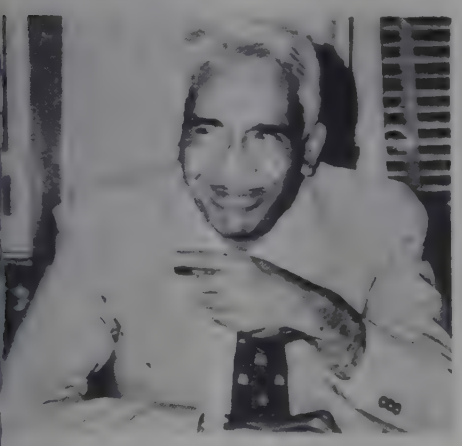
ELECTROTHERM
THE INDUCTION MELTING GENIUS
Electrotherm Machines (India) Pvt. Ltd.

Regd. Off. & H.O. : 414/1, GIDC, Phase II, Opp. Vinzol Crossing, Vatva, Ahmedabad - 382 445. Phones : 831463/4/5
Cable : QUIKMELT-VATVA Telex : 0121-6009 ETM IN
Bombay Phone : 8514541 Delhi Phone : 5417624
Madras Phone : 446516
Service Centres also at Pune and Nagpur

Projections/ET/4/88

NOT SO LONG AGO, **S.P. charya,** former chairman of li-uor giant, Shaw Wallace & Co, rabbed newspaper headlines very other day as he resisted he entry of takeover tycoon Ianu Chhabria. Today, with the ust having settled down, charya has quit the limelight nd found quiet refuge in Ban-alore, an old favourite of re-irees. His new status of "a rivate citizen" also helped him ut off a *Business India* corre-pondent on his trail.

True to his name, Acharya as decided that it is time he aught others a few lessons. He s believed to have taken up an ionorary professorship at the ndian Institute of Management



t Bangalore, with finance and usiness policy as his subjects. n fact, he is a faculty member or a programme on corporate xcellence to be held in Goa this ecember. His students, of ourse, must be anxious to be nitiated into the complex art of arding off takeover attempts.

With Chhabria's pal, Vijay Mallya of United Breweries, in the neighbourhood, Acharya may not find it easy to forget the Shaw Wallace episode.

THE SAVE A LIFE CLUB WAS START-ed in Madras to do just what its name suggests — save lives. A couple of months ago, 28,000 school children marched through Madras city to focus attention on the tragedy of innumerable lives lost in traffic accidents.

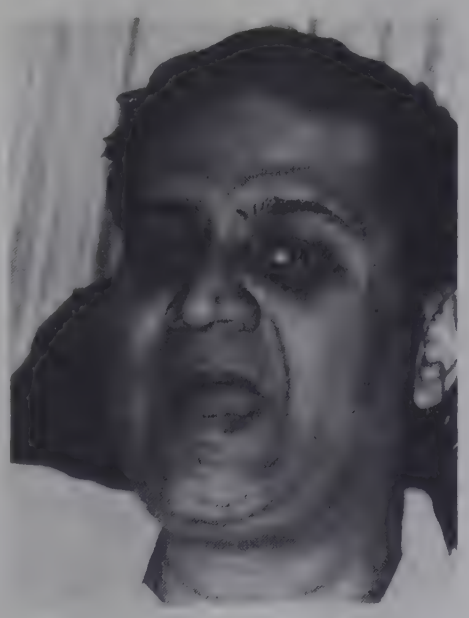
"We represent the most under-privileged of all people," says **Rekha Shetty**, vice-president, marketing, Apollo Hospital, and secretary of the club, "Whether an individual is a millionaire or a pauper, after an

accident he becomes someone who cannot speak for himself. He is unconscious and in need of help."

The Save a Life Club, which meets once a month, has a large number of members, including very successful professionals. "We believe that the participation of professional managers in a social cause can greatly improve its effectiveness. Our executive think tank, which is made up of top management professionals, has played a major role in making this an effective concept," says Shetty.

THEY SAY "YOU JUST CAN'T BEAT A Bajaj". And going by **Rahul Bajaj's** plans this certainly sounds true. Bajaj in fact plans to beat the lethargic Indian government by a whole year this time round.

For once though, Rahul Bajaj's aggressive competitiveness is not in the already conquered area of two-wheelers. He is on even more familiar turf — the family. The Bajaj family is currently gearing up to celebrate the 100th birth anniversary of



the group's founder Jamnalal Bajaj this year. Celebrations begin with the installation of Jamnalal's statue in Pune by the President of India and will be followed by the Bajaj Award ceremony which will be held in Wardha this year, not in Delhi where it is normally held. Says Rahul Bajaj, "The family certainly has a hectic time ahead." Since the government of India has chosen to begin its own celebrations of Jamnalal's anniversary in 1989, it seems as if for two years it's going to be Bajaj

THE QUEEN OF THE STAR-STUDded rock fest that shook the capital recently and attracted most of Bombay's glitterati was undoubtedly **Nandita Jain**, the effervescent and feisty sister of Samir Jain of the Times of India group. In a tribute to little sister's signal contribution to making the human rights concert an event that will be remembered for long, Samir Jain said, "There is no doubt that Nandita was the epicentre of this earthquake." The little lady, who beamed gleefully at the surprise party hosted for her by a well- known Bombay socialite, which had a real back street band (as opposed to Springsteen's E street band) in attendance, said, "And this is even before the start of our 150th year birthday bash!"

THE ALMOST UNIVERSAL HOWL OF protest that rose at the sudden sacking of **Bhaskar Ghose** from the top job at Doordarshan was heard all over the country. There were editorials galore and cartoons aplenty reviling the government for removing a competent soul from the largely incompetent idiot-box hierarchy.

Not everyone, however, mourned his exit. His pals from the theatre world were overjoyed; the day after Ghose was sacked, they invited him for a play reading session. Ghose's considerable talents as a thespian were one reason why he seemed to make the ideal choice for Doordarshan. But

now with the drama of exit having been gone through, Ghose may well go back to doing the kind of drama he loves best. As a rather wistful Ghose confided to friends last week, "I'll now have more time for friends, family and fun."

LOW PROFILE HI-TECH TYCOON **Shiv Nader's** parties are true to his style. Joyous but quiet. Typically, Nader who heads the nation's largest computer company, HCL, did not exactly crow from the rooftops about the whopping Rs.25-crore order that he just bagged from the US.

Says Nader, "The days of computer companies selling cheap labour are over. What we will now sell will go to the top end of the market in hardware."

HCL was, of course, uncertain till the last moment whether all the local red tape would be snipped through in time to get the order. Mercifully it all worked out. And right on schedule. HCL will begin deliveries by the end of this year and finish executing the contract by the end of 1989. So, while Nader and company may have taken time off to shake a leg, the long march has just begun

SICO'S ACFC

AUTO CANE FEED CONTROLLER

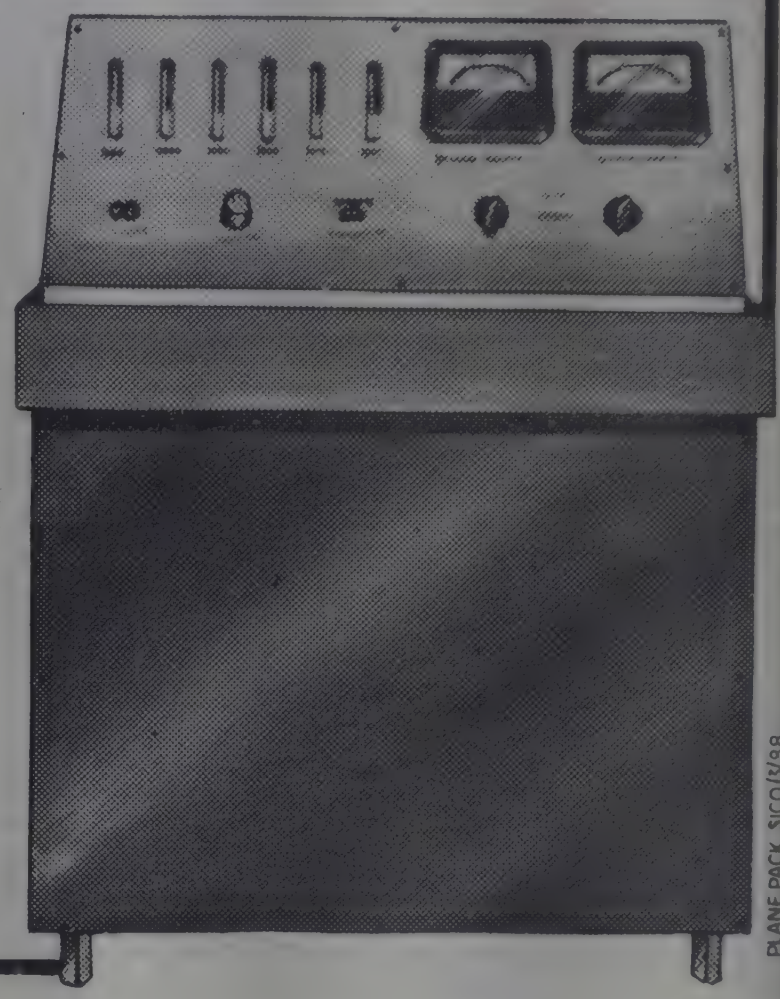
for maximum sugar recovery

FEATURES

1. Suitable for electrical, steam, hydraulic driven carrier.
2. LED Bar graph display for cane level and load on preparatory devices.
3. Interlocking facilities.
4. Easily replaceable cane level FRP molded stainless steel conductive type sensors.
5. Built-in fault find test boards for easy maintenance.

BENEFITS

1. Avoids the jamming, choking and over-loading on turbo generator etc.
2. Precise level control of cane bed for optimum feed to crushing mill for maximum extraction of juice.
3. Constant feed of bagasse to boilers for efficient operation and minimum steam pressure fluctuation.
4. Minimum wear and tear to the milling tandem and devices.



SICO
Estd. 1911
SERVES SCIENCE

The Scientific Instrument Co. Ltd.,

Head Office Post Box No.1
6, Tej Bahadur Sapru Road, Allahabad-221 001
Phone : 51434/52594/55390
Telex : 0540 - 219 SICO IN
Telegram : SICO

PLANE PACK SICO/3/88

PUNJAB WOOLCOMBERS LIMITED

Regd. Office:— Dhandari Kalan, G.T. Road, LUDHIANA.

UNAUDITED FINANCIAL RESULTS (ESTIMATED) OF SIX MONTHS ENDING 30.06.1988 OF M/S. PUNJAB WOOLCOMBERS LIMITED

(Rs. in lacs)

Particulars	Six Months ended 30.6.88	Six months ended 30.6.87	Previous year ended 30.6.87
Sales (Net of Excise)	762.25	574.79	1171.82
Other Income	4.23	3.89	5.09
Raw Material Cost	420.02	324.95	701.13
Wages and Salaries	50.94	33.97	72.73
Interest	54.64	31.62	60.96
Gross Profit	137.35	97.06	177.53
Provision for depreciation	48.68	43.88	71.48
Provision for taxation	16.50	7.75	16.75
Net Profit	72.17	45.43	89.30

for PUNJAB WOOLCOMBERS LIMITED

Sd. /-

(N.K. OSWAL)
MANAGING DIRECTOR

Sounding the alarm on ecology

Saving The Tropical Forests
By Judith Gradwohl and Ressel Greenberg
Earthscan Publication Ltd, UK, 1987, pp.207, £6.95

This is a businesslike, pragmatic look at ecology and an attempt to draw the world's attention to an emergency. For a long time now, it has been commonly believed that in the question of ecology, the choice is between conservation and people. That, according to the authors, is a misinterpretation of reality.

Tropical forests are disappearing at the rate of 50 to 100 acres every minute. The trend is escalating worldwide at a time when plants are becoming crucial to the development of the pharmaceutical industry. "In 1980," say Gradwohl and Greenberg, "the estimated value of plant-derived prescription drugs in the United States was $ 8 billion. Tropical forest plants worldwide are being screened for anti-cancer properties, and 70 per cent of the plant species known to possess anti-cancer properties are from tropical moist forests."

The situation in agriculture is nearly the same. Tropical forest plants are valuable sources of wild genetic stock for crops. Wild varieties of cultivated plants are used as tools by plant geneticists; the varieties growing in tropical forests have a long record of saving crops from major outbreaks of disease. For instance, wild forms of peanut found in the Amazon turned out to be resistant to leafspot; their introduction into plantations has resulted in savings estimated at $ 500 million per year. Similarly, fibres, oils and resins from tropical forest plants are used in making furniture, clothing, varnishes, pesticides, lubricants, adhesives and many household goods.

Scientists have recently begun to recognise the link between the burning of the Amazon and other tropical forests and the depletion of the ozone layer over the Antarctic. The burning of huge tracts of forests every year — for crop cultivation, for pasture land, etc — causes the release of gases and smoke which in turn reacts with and depletes the ozone layer. Findings such as this do get a lot of publicity and yet, the large scale burning continues as it provides easy, short term profits for a few companies, and livelihood for landless families.

Short term gain versus long term, regional versus global interests — this is the crux of the matter. A scientist of the Smithsonian Institute (the Washington-based research body), Michael Robinson, observes in the preface of the book that if rain forests were being destroyed because of stupidity or ignorance,education could conceivably lead to reform. But the problem, he says, is that they are largely being destroyed because of poverty and greed. He warns, "We are aware that we are facing the first human-created extinction cycle that is on the same scale as the major geological events of the past, but condensed into an incomparably smaller span of time."

If the destruction is not carried out by a few companies for their short term profits, then it is caused by "slash and burn agriculture". This pattern of deforestation, far more prevalent the world over, also has a worldwide ecological impact. As new forest areas are cleared and opened up, new roads are built (often specifically to encourage colonisation) and poor rural families, following the promise of abundant farmland, become homesteaders, usually with rights to farm public land as long as it is kept planted. But often, as in India, such encroachments are unauthorised and do more damage then good.

Many governments face an expanding population and a debt crisis; they have therefore few options other than the rapid extraction of natural resources to raise capital. Thus, they exploit products such as timber

The authors explain the process: the entire forest lot is first cleared. The cut vegetation is allowed to dry and then burnt. The planters immediately work the land afterward so that the crops have the benefit of nutrients such as the ash left by the fire. But even the tillers of such soil recognise that, after the first year, the fertility of the plot begins to decline and productivity decreases as weeds and pests appear.

Many governments face an expanding population and a debt crisis; they have therefore few options other than the rapid extraction of natural resources to raise capital. Thus, they exploit the most readily available products such as timber, minerals and oil. Ironically, many of the loans that have contributed to the burden debt were for the very roads and hydroelectric dams that necessitated forest clearance. In that respect, the lobby that is trying to revive the Silent Valley Project in Kerala — scuttled a decade ago — may want to review the dangers as explained in this book.

War has had an impact too, as in Vietnam. Forty per cent of the country's rain forests were destryoyed in less than a decade, through the use of herbicides and defoliants, and of course the damage caused by bombs and napalm.

The book was published in conjunction with an international exhibition organised by the Smithsonian Institute and scientists speculate that the loss of tropical forests will cause:

- destruction of tribes whose way of life depends upon forests;
- an increase in barren land and desertification in drier tropical regions;
- regional decreases in rainfall, exacerbating desertification;
- a global increase in temperature due to a rise in atmospheric carbon dioxide, leading to a rise in sea levels;
- extinction of a large number of animal species and potentially important food and medicinal plants;
- a decline in the population of temperate zone birds which migrate to the tropics;
- increased exposure and erosion of soil;
- and loss of hydroelectric power potential.

As Robinson states in the preface, "In stark summary, we are destroying irreplaceable species on an unprecedented scale without regard for their potential economic, aesthetic or biological significance."

"Given all the ecological constraints on the development of regions of tropical forest, is it realistic to suggest that the forests can be preserved for wildlife and put to sustainable economic use?" the authors ask. They provide an answer. It depends on the intensity of use and on a balance between short and long term gain. All around the world, in fact, models are emerging, in response to a growing awareness of the importance of tropical forests.

■ ARUN BHATIA

XLRI JAMSHEDPUR

MANAGEMENT DEVELOPMENT PROGRAMMES

XLRI,Jamshedpur invites participation in the forthcoming Management Development Programmes.

MANAGERIAL SKILLS FOR EMPLOYEE COUNSELLING

November 21-26, Venue: XLRI Jamshedpur
Programme Director: Fr. K. Cyriac
Course Curriculum: *Basic Techniques of Counselling, Classic and Modern Approaches, Helping Relationship, Skill Exercises, Listening and Responding, Performance Counselling, Problem Counselling, Group Counselling, Growth Labs, Group Dynamics.*
Participation: *HRD Managers, Personnel Officers, Administrators and Senior Supervisors.*
Fee: *Residential Rs. 3,300/-*
Non-Residential Rs. 2,600/-

JOB STRESS INDENTIFICATION AND INTERVENTION

November 28 - December 2, 1988, Venue: XLRI Jamshedpur
Programme Directors: Fr.R.D'Souza S.J., Prof. K.C.D'Souza
Course Curriculum: *Identifying Causes and Effects of Job Stress, Moderating Type A Behaviour, Individual and Organisational Strategies for Reducing and Coping with Job Stress.*
Participation: *Senior and middle level managers with responsibility for human resources development.*
Fee: *Residential Rs. 3,300/-*
Non-Residential Rs. 2,600/-

MANAGING HUMAN RESOURCES IN ORGANISATIONS

December 5-10, 1988, Venue: XLRI Jamshedpur
Programme Directors: Prof. K.C.D'Souza, Fr. R.D'Souza, S.J.
Course Curriculum: *Leadership Motivation, Interpersonal Skills Development, Performance and Potential Appraisal, and Organisational Development.*
Participation: *Senior and middle level managers in any area of management.*
Fee: *Residential Rs. 3,500/-*
Non-Residential Rs. 2,700/-

COMMUNICATION AND TRANSACTIONAL ANALYSIS FOR EFFECTIVE MANAGEMENT

Decemeber 12-17, 1988, Venue: President Hotel, Bombay.
Programme Directors: T.A. Mathias, K.C.D'Souza
Course Curriculum: *Theory of good communication, The art of persuation, Assertive communication, conference leadership Participation, Life scripts Communication, Games Communicators play, Communication strategies for the transactional manager.*
Participation: *Senior executives from any area of management Senior administrators in governmental trading or financial institutions.*
Fee: *Non-Residential: Rs. 3000/-*

INDUSTRIAL RELATIONS LAWS

December 19-22, 1988, Venue: XLRI, Jamshedpur
Programme Director: K. Mathur
Course Curriculum: *Role of trade unions, Employers and the State in Industrial relations, Central legislation relating to Trade Unions, Industrial Disputes, Job Security Discipline, Standing Orders, Work Rules and allied matters.*
Participation: *Senior and middle level executives dealing with industrial relations.*
Fee: *Residential Rs. 3,000/-*
Non-Residential Rs. 2,500/-
For further communication please contact:

Dr. Atul Parvatiyar
MDP Coordinator XLRI
Post Box 222, Circuit House Area (East)
JAMSHEDPUR - 831 001
Telephone: 25231/25233/27813
Telex: 626-240 XLRI- IN GRAM: EXCEL

expression

PERSONNEL PRACTICES

Software industry sets the trend

The boom in the software industry has changed many things besides business systems and working methods. It has brought a new breed of engineers and professionals into the employment market and has changed many personnel practices. In fact, this industry could bridge the gap in personnel practices between the "twentieth century" nations and us.

The software industry has been the most active in the recruitment market in the last two years. The recruitment campaigns of most software companies have been aggressive and the advertising, attention grabbing and enticing. Most of the ads communicate the youthfulness of the industry and reach out to the young "dreamers" and the ambitious professionals with promises of exciting work, trips abroad and opportunities for rapid career development. The perks, the pensions, the stability of the organisation or the linkage to big houses are often glossed over. These ads probably played a role in changing the style of recruitment ads in general and underlined the need for companies to sell themselves on the recruitment market in terms of future plans rather than past glory.

MAJOR RECRUITERS

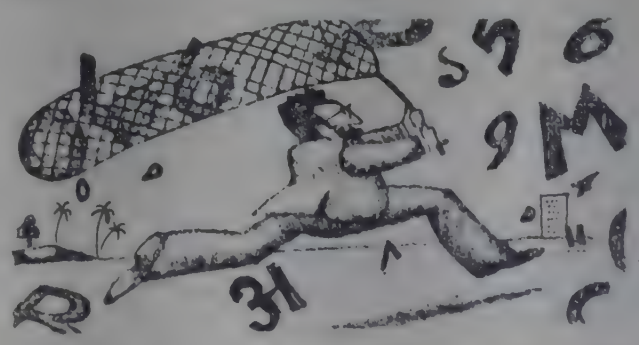
The major recruiters in the industry such as TCS, Tata Unisys, Datamatics and Hinditron, besides the large hardware manufacturing companies, have each been recruiting about a hundred professionals annually for the last three years. They have been joined by a growing number of foreign companies such as Texas Instruments, DEC (with Hinditron) and soon Hewlett-Packard. Companies like Citibank Overseas Software are also recruiting though in smaller numbers.

With the top dozen companies alone planning to recruit a thousand professionals next year, it is not surprising that the demand for software specialists continues to far outstrip the supply. Naturally, there has been an unprecedented rush for software courses. All engineering colleges have begun offering specialisation courses in computers and electronics. All kinds of institutes are offering computer courses; in the absence of any uniformity in course standards, this makes the task of recruiters more difficult. Most major recruiters therefore administer aptitude and skill/professional knowledge tests at entry levels. This practice has been accepted even in the IITs. Several of the foreign software companies have begun administering tests; this has made Indian companies review their own. In recent times the tests administered by Microsoft have been rated highly by potential candidates.

Earlier,professionals were reluctant to go through such written tests when they were insisted on by public sector companies or large companies recruiting engineers.

NEW APPROACHES

The software industry the world over is manned by young, highly ambitious professionals who are very "individualistic" and have values and goals different from those of professionals in other industries. Perhaps the influence of the literature from the West and the tremendous exposure people in this industry in India have to peers in the US has resulted in the similarity of personnel issues. This has meant adopting new and different approaches in attracting and motivating staff.



While the large software houses like TCS and Tata Unisys and companies like Citibank Overseas Software Co are still the favourites of candidates (mainly due to the opportunity they provide for going abroad), quite a few little known firms have successfully attracted professionals with the promise of interesting work and fast growth. The financial stability or standing of the recruiter is not as important as the exposure and opportunity for doing state-of-the-art-work. Even young engineers realise that unless they are constantly in touch with new developments (in the software industry, changes are bewilderingly rapid), they will be obsolete professionally.

It is therefore necessary for employers in the industry to constantly upgrade their own technology. Of course this is not always possible and hence the freelancers and small set-ups manage to stay ahead of the large companies.

But the problem then is, who will work on those jobs that still use older languages or systems. For several of our companies are not able to rapidly change from one level of technology to another. It has perforce to be the first generation of computer specialists who feel the pressure and pace of the current generation the most.

With western companies viewing India as a cheap source of software, the brighter software engineers are becoming more choosy about the kind of assignments they want. Most of the younger engineers and those from the premier institutes want to work on CAD/CAM or expert systems or operating systems software and not on business systems. But in India the opportunities in non-business software still remain fairly small.

PECKING ORDER

With the increasing number of computer training institutions, a pecking order on who does what kind of software job will soon develop. And user industries are undoubtedly going to get lower in the pecking order. That means new concepts such as recruiting staff on a contractual basis for specific assignments. With the aspirations being different this system would find ready acceptance. It would also enable problems of parity in salary vis-a-vis other engineers/peers in the company to be resolved.

The software industry has also experimented with changes in the conventional organisation structure. The structure of most of these companies is flat with minimal hierarchical differences. Designations are not important except in marketing jobs. Salary grades also do not follow the conventional overlap pattern. It is well accepted that a specialist could be paid a disproportionately high salary. Hence salary grades are often theoretical.

The intense competition for manpower and the consequent spiralling remuneration has resulted in frequent salary surveys and revisions. In fact, most companies in the industry review their compensation as often as twice a year. The rewards in the form of increments, cash rewards and foreign travel are also fairly immediate. All this has resulted in the human resources departments of these companies being more agile and often more innovative than in other industries.

■ ANITA RAMACHANDRAN

IF THIS DOESN'T MAKE YOU START SAVING OIL, YOU'RE PROBABLY NOT IN BUSINESS FOR PROFITS.

Name of Company	Oil saved per year- Kilolitres	Additional profit per year - Rs.*
Warner Hindustan Ltd	400	14,00,000
Vijay Kumar Mills	96	3,36,000
GTC Industries Ltd.	45	1,57,500
Digvijay Textile Mills	15	52,500
Rajkot Dairy	240	8,40,000
Nav Bharat Steel Rolling Mills	480	16,80,000
Visvesvaraya Iron & Steel Ltd	4,300	1,50,50,000
Shri Raghuvir Chemical Industries	20	70,000
Ashok Foundry & Metal Works	90	3,15,000
Man Industrial Corporation	570	19,95,000
J.G. Glass Industries	700	24,50,000

You are looking at the names of a few pioneers in the industry who are confronting the problem of oil wastage and taking steps to alleviate it.

And more importantly, saving themselves lakhs of rupees every year to add to their profit curves.

But what is surprising is that these thinking individuals are only a handful. Even in today's situation of acute oil crisis.

Surprising, considering that saving oil does not necessarily involve using only expensive, sophisticated equipment or changing plant machinery. Rather, it involves a simple change of attitude towards the problem.

Because once you decide to act on the problem, the rest becomes easy.

PCRA has already helped over 1750 industries, identified wastage areas and provided complete recommendation packages for increasing efficiency. For free.

These industries will testify that in most cases, the recommendations consist of simple measures to be implemented by you and your work force. Simple measures carried out with a new awareness. And a commitment towards the cause of saving that drop of oil.

So if yours is an industry that has already consulted PCRA, now is the time to act.

And if you haven't yet talked to PCRA, now is the time to pick up the phone or mail the coupon below.

After all, the profitability of your company is in your hands. And considering the high oil prices, it's about time you changed your attitude towards the problem. After all you are in business for profits, aren't you?

I am keen to know about fuel oil saving in Industry
- ☐ Please send me your free literature
- ☐ Please depute your representative to visit our plant

Annual fuel oil consumption : _____

Major fuel consuming equipment with capacity : _____

_____

Name : _____

Address : _____

_____

B.I.

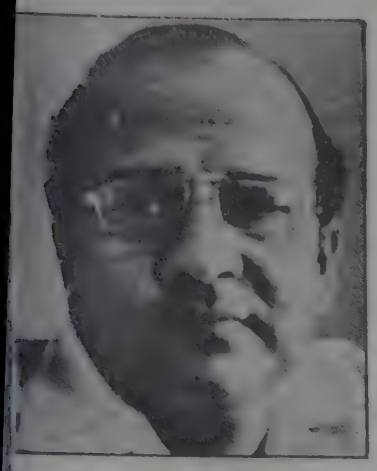
** At an average rate of Rs. 3,500/- per Kilolitre*

Petroleum Conservation Research Association

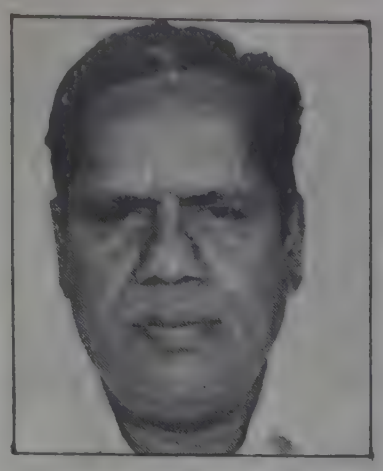
603, New Delhi House
27, Barakhamba Road,
New Delhi-110 001.
Tel : 3315868.

FUEL SAVED IS PROFITS MADE.

everest/d88/PCRA/275

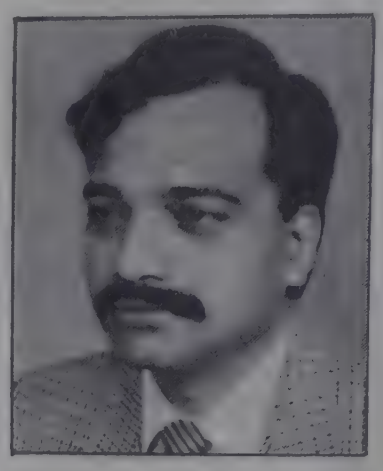


S. GANGULY has been appointed vice-chairman and managing director of Associated Cement Companies Ltd (ACC).



T.S. KRISHNAMURTHY has assumed charge as director (refineries and pipelines) of Indian Oil.

COLIN BANFORD has taken over as the new chief executive of Hongkong Bank, India.



PRASAD CHANDRAN has taken over as director (marketing) of the agrochemicals division of Searle (India) Ltd.

P.N. THAMPI, has joined as a director on the board of Telematics Systems Ltd.

A.A. MODI has been appointed chief executive of Jyoti Switchgears Ltd.

I.S. ALVA has been appointed general sales manager of Steelage Industries Ltd.

A. GAVISIDDAPPA has taken over charge of the hardware division of Bharat Heavy Electricals Ltd (BHEL).

P.C. GUPTA chairman and managing director of National Mineral Development Corporation Ltd (NMPC), has been granted extension of his tenure.

G.S. RAO has been appointed additional general manager of Maharashtra Electronics Corporation Ltd (MELTRON).

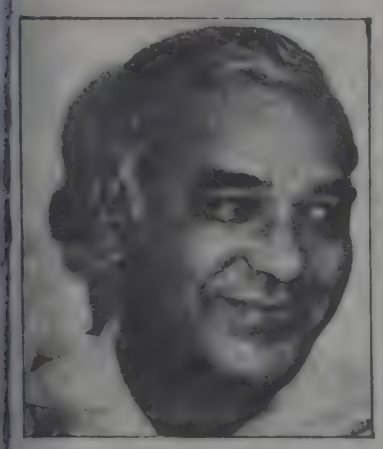
SATISH MIGLANI has taken over as chief executive of J.B. Advani (Mysore) Ltd.

G.S. VIJAY KUMAR has taken over as regional manager (western regional operations) of T.T. Krishnamachari & Co.

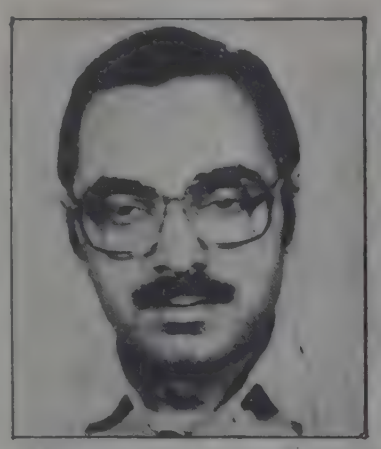
GILDAS LE LIDEC has been appointed consul general for France in Bombay.

G.L. LATH has been elected president and R.L. TOSHNIWAL elected vice-president of the Indian Spinners' Association.

K.G. SOMANI has been elected president of the 14th Council of the Institute of Chartered Accountants of India A.H. DALAL has been elected vice-president



SURESH S. NADKARNI, chairman and managing director of Industrial Development Bank of India (IDBI) has been given an extension of five years in his tenure.



A.K. MAGO has taken over as chairman and managing director of Maharashtra Petrochemicals Corporation Ltd.

S. SUNDRESAN has taken over as director (finance and administration) in Electronics Trade and Technology Development Corporation (ET&T).

N.D. PRABHU has been appointed chairman and managing director of Canara Bank.

ASSOCIATIONS

MINOO R. SHROFF has been re-elected president of the Indo-Japanese Association.

JASUBHAI A. PATEL has been appointed managing director of the Gujarat Co-operative Oilseeds Growers' Federation.

VINUBHAI PANDIT has been appointed chairman of Public Relations Society of India (Baroda Chapter).
PRABHA NAGRAJ has been appointed vice-chairman.

HARISH MAHINDRA has been re-elected chairman of the Indian Society of Advertisers.

KUMAR VIKRAM SINGH has been elected executive director of the Council of International Investigators Inc.

RAMGOPAL DUJODWALA has been elected president of the All India Manufacturers' Organisation.

D. SUBHA RAO has been elected chairman of the Indian Ferro Alloy Producers' Association.

K. AHMADULLAH has been elected chairman of the Planters' Association of Tamil Nadu.

Senior executive positions

A compilation of executive positions advertised in **Business India** and other major publications between 26 September and 8 October 1988.

NATIONAL

VICE-PRESIDENT (Finance) * *Sal* Exceptional * *Age/Qlfn* Between 40 and 50 * NS * *Reqd* Entreprenurial spirit, wealth of experience at senior most level * *Resp* Tax planning and management for group of companies with a turnover of Rs.100 crores, fund mobilisation and management * *Cont* Box No.6315, c/o The Hindu, Madras 600002 (H — 27.9)

PRESIDENTS * *Sal* Attractive + perks * *Age/Qlfn* NS * Engineering graduates with formal management exposure preferred * *Reqd* Ability to lead a team of professionals * *Resp* Change of major projects in the metallurgical industry * *Cont* Box No.AA/276/LI/1, Business India, Krishna Villa, 100 Park Street, Calcutta 700017 (BI — 3.10)

VICE-PRESIDENT (Operations) * *Sal* Attractive * *Age/Qlfn* NS * Mechanical/Electrical engineer, management qualifications preferred * *Reqd* 15-20 years experience in the converting industry, exceptional managment skills * *Resp* Operations management of a totally computerised magnetic media plant in central India * *Cont* Code No.CM/VP/101, Career Makers & Marketing Services, Personnel Selection Divison, 241 Defence Colony Flyover Market (Jangpura side), New Delhi 110024 (BI — 3.10)

VICE-PRESIDENT (Marketing) * *Sal* Attractive + perks * *Age/Qlfn* NS * Engineering + MBA (marketing) preferred * *Reqd* Experience as general manager/vice-president (marketing) in a large organisation * *Resp* Formulating marketing strategy and achieving large volume sales in the metallurgical industry * *Cont* Box No.AA/276/LI/1, Business India, Krishna Villa, 100 Park Street, Calcutta 700017 (BI — 3.10)

VICE-PRESIDENT (Finance) * *Sal* Attractive + perks * *Age/Qlfn* NS * Chartered Accountants/MBA (finance) from IIMs * *Reqd* Experience at the general manager/vice-president level in a good organisation * *Resp* Financial policy and strategy formulation, performance monitoring and control * *Cont* Box No.AA/276/LI/1, Business India, Krishna Villa, 100 Park Street, Calcutta 700 017 (BI — 3.10)

VICE-PRESIDENT (Finance) * *Sal* Exceptional terms * *Age/Qlfn* Around 40-50 years * NS * *Reqd* Experience at the senior most level ability to control a rapidly expanding multi-activity business * *Resp* Head the finance functions of a group of business companies with a turnover of about Rs.100 crores * *Cont* Box No.AA/244/BI/3, Business India, 59, Regal Building, Connaught Circus, New Delhi 110001 (BI — 3.10)

DIRECTOR (Organisation & Personnel Development) * *Sal* Attractive + perks * *Age/Qlfn* Around 40-45 years * NS * *Reqd* Proven track record of managing change * *Resp* All aspects of human resources management, the job will involve coordination amongst chief executives of various divisions of a large company * *Cont* Box No AA/276/MD/5, Business India, 59 Regal Building, Connaught Circus, New Delhi 110001 (BI — 3.10)

WEST

CHIEF EXECUTIVE (Works) * Baroda * *Sal* Attractive + perks * *Age/Qlfn* 38-45 years * Chemical engineering, management qualifications from reputed institutions preferred * *Reqd* 1[5] years works management experience in the chemical/plastics industry, including 7 years at senior levels. Exposure to industrial relations essential. * *Resp* Manufacturing operations, personnel management and finance and commercial functions. * *Cont* Code No. MS/4942, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (BI — 3.10)

VICE-PRESIDENT (Projects) * Bombay * *Sal* Attractive * *Age/Qlfn* 35-40 years * Management graduates preferred * *Reqd* Experience in executive positions required, experience with new projects would be an asset * *Resp* Identifying and developing new projects * *Cont* Chairman and Managing Director, 20th Century Finance Corporation Ltd, 25/26 Maker Chambers III Nariman Point, Bombay 400021 (BI — 3.10)

EAST

MANAGING DIRECTOR * Shillong * *Sal* Rs.10,000 per month + perks * *Age/Qlfn* Above 40 years * Engineering with specialisation in electronics, an MBA degree would be an advantage * *Reqd* 10 years senior management experience in marketing, export and import of electronic components, financial management knowledge preferable * *Resp* Manage existing units and initiate new projects for the Meghalaya Electronics Development Corporation Ltd * *Cont* Code No MS/4237, A.F. Ferguson Associates, Apeejay House, 5th Floor, Block B, 15, Park Street Calcutta 700016

SOUTH

CHIEF EXECUTIVE * Hyderabad * *Sal* Attractve + perks * *Age/Qlfn* 40-50 years * CA or Engineer or MBA * *Reqd* NS * *Resp* Formulation of strategies in all areas for turn around of the unit * *Cont* A.F. Ferguson Associates, P.O. Box 1786, Bombay 40000 (ToI — 03.10)

VICE PRESIDENT/GENERAL MANAGER * *Sal* Excellent terms * *Age/Qlfn* 40-45 years * Mechanical Engineer * *Reqd* 15-20 years experience in machine shop/fabrication and general management experience * *Resp* Take charge as profit centre head * *Cont* M.Madhusudan, General Manager, ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600034 (ToI — 3.10)

OVERSEAS

DIRECTOR (Finance) * Uganda * *Sal* Negotiable * NS * *Age/Qlfn* Chartered Accountant/ MBA Finance * *Reqd* 10-15 years experience as head of department in a large manufacturing organisation * *Resp* NS * *Cont* The Manager, Admin-Training & Personnel, NKM International House, 178 Backbay Reclamation Bombay 400020

GENERAL MANAGER (Marketing) * Nigeria * *Sal* Attractive * *Age/Qlfn* 35-40 years * MBA * *Reqd* 10-15 years experience with 3 to 5 years senior level experience in marketing of pharmaceutical formulations * *Resp* Develop and guide the sales management team * *Cont* The Managing Director, Unique Pharmaceutical Laboratories Pvt Ltd, S.M. Sheth G Smnti, 83 B & C, Dr A B Road, Worli, Bombay 400018 (ToI — 25.07)

Executive positions

ToI — Times of India; *H* — Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

SENIOR MANAGER (Marketing) * *Sal* Rs.90,000 pa + perks * *Age/Qlfn* Around 38 years * Mechanical engineer, MBA preferred * *Reqd* 12 years experience in marketing engineering items, technical and commercial abilities * *Resp* Formulation and implementation of strategy for achieving sales growth * *Cont* Code: MS/4950, A.F.Ferguson Associates, Post Box No 1786, Bombay 400001 (Bl — 3.10)

REGIONAL SALES MANAGERS * *Sal* Rs.100,000 pa * *Age/Qlfn* 30-35 years * Preferably management graduates * *Reqd* 7-10 years experience in sales of consumer/consumer durable products * *Resp* Leading a team of sales personnel to achieve sales and contribution targets, strengthening network * *Cont* Ref.MS/4956, A.F. Ferguson Associates, Post Box 1786, Bombay 400001 (H — 1.10)

ASSISTANT MANAGER (Sales and service) * *Sal* Excellent * *Age/Qlfn* Below 30 years * Two year post graduate qualification in business management * *Reqd* Sales experience in reputed organisations * *Resp* Selling sophisticated financial packages and products to individuals and companies * *Cont* Citibank Consumer Services Group, Box No 1732, C/o The Hindu, Madras 600 002 (H — 1.10)

PRODUCT MANAGER (Pharmaceutical Division) * *Sal* NS * *Age/Qlfn* 25-28 * Engineer with an MBA * *Reqd* You need to be a bit of a non-conformist * *Resp* Identify opportunities and champion new ideas till they become "star" products * *Cont* Personnel Manager, Johnson & Johnson Ltd, 30 Forjett Street, Bombay 400036 (ToI — 03.10)

ACCOUNTS MANAGER * *Sal* NS * *Age/Qlfn* 30-35 years * CA/Cost Accountant * *Reqd* 6 years experience in area of company accounts * *Resp* For corporate accounts, audit and taxation * *Cont* General Manager (Personnel), Asian Paints (India) Ltd, Lal Bahadur Shastri Marg, Bhandup, Bombay 400078

TREASURY PRODUCT MANAGER * *Sal* Outstanding remuneration * *Age/Qlfn* NS * MBA/chartered accountants * *Reqd* 3-4 year experience of dealing in financial instruments traded in primary and secondary markets * *Resp* NS * *Cont* The Personnel Manager, American Express Bank Ltd, Dalamal Towers, 211 Nariman Point, Bombay 400021 (BI — 3.10)

FOREIGN EXCHANGE DEALER * Bombay * *Sal* Outstanding * *Age/Qlfn* NS * NS * *Reqd* Thorough knowledge about FERA, FEDAI and exchange control regulations * *Resp* Interbank trading and cross-currency transactions * *Cont* The Personnel Manager, American Express Bank Ltd, Dalamal Towers, 211 Nariman Point, Bombay 400 021 (BI — 3.10)

FACTORY MANAGER * *Sal* Rs.150,000 + car + profit sharing * *Age/Qlfn* NS * NS * *Reqd* Experience in shoe production planning * *Resp* Responsible for each unit as a profit centre * *Cont* The General Manager (HRD), Phoenix International Ltd, 3rd/4th Floor, Gopala Tower, 25 Rajendra Place, New Delhi 110008 (BI — 3.10)

MANAGER (FOREIGN EXCHANGE) * Delhi * *Sal* Rs.65,000 pa + benefits * *Age/Qlfn* 26-30 years * CA or MBA * *Reqd* 2-3 years similar experience * *Resp* For all operations relating to imports, exports and exchange * *Cont* A.F.Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110001(ToI — 30.09)

EXECUTIVE (Overseas markets) * Bombay * *Sal* Commensurate with qualifications and experience * *Age/Qlfn* Below 30 years * Degree in electrical engineering, diploma in foreign trade from the Indian Institute of Foreign Trade, New Delhi desirable * *Reqd* 2 years experience in sales or marketing, preferably in export of engineering products * *Resp* To identify and exploit new markets and promote sales * *Cont* Ref. EXPORT/2, Manager (Personnel & Administration) (Group III), Larsen and Toubro Ltd, Powai Works, Post Box 8901, Bombay 400072 (H — 29.9)

AUDIT SENIOR * *Sal* Attractive * *Age/Qlfn* NS * Chartered Accountants * *Reqd* At least 5 years post qualification experience at senior levels in reputed concerns, excellent command over English * *Resp* Work at branch offices in the United Arab Emirates * *Cont* Ref No.MS/4951, A.F. Ferguson Associates, Post Box No 1786, Bombay 400001 (BI — 3.10)

SALES ENGINEERS * Muscat * *Sal* NS * *Age/Qlfn* NS * Civil/Electrical/Sanitary engineer * *Reqd* NS * *Resp* NS * *Cont* J.M.Mehta & Co, 36, Dasis, Near Vakola Masjid Bus Stop, Santa Cruz (East), Bombay 400055 (ToI — 02.10)

MARKETING MANAGER * Bangalore * *Sal* Attractive + perks * *Age/Qlfn* NS * Mechanical/chemical engineering * *Reqd* 10 years experience in the marketing of industrial consumables, high degree of self-motivation, ability to develop and implement innovative strategies, experience in handling lubrication, maintenance and corrosion products desirable * *Resp* head the sales and marketing function of OKS Speciality Lubricants (India) Pvt Ltd * *Cont* Code No. MS/4953, A.F. Ferguson Associates, Post Box No 1786, Bombay 400001 (BI — 3.10)

Gujarat Narmada Auto Limited
GNAL
(A wholly owned subsidiary of GNFC)

Requires

Chief Executive

We are looking for a highly competent professional between 40-50 years, who can take charge of this very responsible top management position.

He will have the necessary technical qualification and expertise to lead and guide a team of professional managers. And the ability and capability to adopt unconventional management techniques, that are required in today's challenging automobile industry.

He will have about 20 years experience in the automobile industry. And must have held a similar senior management position, during the last five years.

The compensation offered is very attractive and will not be a constraint for the right person.

Please apply in strict confidence before 30-10-88 to :

Managing Director
Gujarat Narmada Auto Ltd.
P.O. : Narmadanagar-392 015
Dist : Bharuch, Gujarat.

Mudra:A:GNAL:4427 A

ABC's major specialisations include Corporate Consultancy

CHIEF EXECUTIVE CREDIT CARDS

Delhi — Excellent Terms

Our clients are a profit making, professionally managed group of companies with a highly diversified product range and a turnover in excess of Rs. 100 crores. Their **diverse business ventures range from chemicals to services and fabrics to engineering products** with operations spread all over the country. They are a dynamic organisation with **heavy emphasis on growth and upward mobility of both the company and the individuals.** It is their belief that their diverse business portfolio is **a result of the open and stimulating working environment** that they provide to their employees which ultimately **leads to innovations and creative business ideas.**

Their latest thrust, is in the area of Credit Cards – a field of high promise in years to come. For their Credit Cards Division, they need a dynamic and capable professional with proven track record as Chief Executive for heading the operations **as profit centre head.** Code : CM/DEL/716.

MARKETING MANAGER CREDIT CARDS

The incumbent would assist the Chief Executive in **launch, sales, advertising** and **conceptual aspects of marketing.** Consumer marketing background would be of definite help. Code : MM/DEL/717.

The candidates would be Management graduates preferably between 30-40 years with a flair for financial business coupled with astute business acumen and meaningful "hands-on" experience.

Individuals who are used to working under intense performance pressures and have inherent confidence in their capabilities, need only apply. **Compensation package would be comparable with the best in the business.** Please apply in strict confidence to **Deepak Bhargava, Divisional Manager,** giving details of age, qualifications, experience, current & expected emoluments, contact telephone numbers etc. quoting relevant job title & code.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

209, Meghdoot, 94 Nehru Place, New Delhi-110 019. Phone : 6433383

Negotiations • MIS • O&M • Software Packages • Business Ne • Project Reports • Materials Management • Organised Cost Reduction • SWOT Analysis • Data Processing • Computer Feasibility • Systems & Procedures • Engineering • Industrial Eng • Operations Research • Project Reports

TiPS-TOTAL INFORMATION PROCESSING SYSTEMS(P)LTD are in software development,providing TOTAL solutions to customers' information and processing needs. Based in Bangalore, TiPS have a permanent office in the US to export software to American clients. They are highly quality-conscious, customer-driven, professional organisation, moving upwards on a fast growth track and will soon be among the leaders in the field. TiPS recognise that it is the employees who make the organistion. They want to attract, develop and retain the well-qualified, committed individuals.

TOTAL INFORMATION PROCESSING SYSTEMS (P) LTD.

We have been retained by TiPS for the recruitment of the following personnel:

1. VICE-PRESIDENT (SOFTWARE)

You would have at least 5 years' experience in managing software development projects and 2 years' technical experience in developing applications in relational data-based management systems in DOS, UNIX or VMS.

You will organise and lead a professional team to achieve time-bound results. Excellent Communication skills are essential for conducting/speaking in Seminars. Expect to travel to the US for 1-3 months in a year.

Those presently running small/one-man outfits in the above field are also welcome to contact us.

2. SYSTEM SPECIALISTS

You would have at least 3 years' experience in 2 different RDMS in DOS/UNIX/VMS. Excellent ability to grasp and adapt to newer developments in software necessary. Will be responsible for setting/managing system standards.

3. SYSTEM ANALYSTS

You would have at least 2 years' exposure to DOS/UNIX and preferably RDMS — with adequate knowledge of "C" language.

TiPS offers the best possible environment for work and growth. Customised remuneration packages will include a combination of attractive benefits and profit/equity incentives. Excellent career paths for the dedicated, innovative people.

Write to us in full confidence within 15 days giving detailed bio-data and expected terms.

PLACEMENT DIV. P.B. No. 2791

SHAKTI CONSULTANTS & SERVICES PVT. LTD

Chandrika Complex 57, Mission Road
BANGALORE - 560 027. Tel. No. 22 40 41.

GENERAL SALES MANAGER
Telecommunication Industry

Delhi **Attractive Compensation Package**

INDIA TELE-COMP LIMITED has been promoted by DALMIAS, a multi-crore, multi-unit, diversified conglomerate with a 75-year standing in industry.

ITL is in collaboration with BRITISH TELECOM, Inc., U.K., one of the world-leaders in the field of communication technology and the 4th most profitable company in the world.

Today, ITL has a manufacturing facility at Dehradun which is built in accordance with contemporary international hi-tech standards. The Company operates through a national network of 4 Regional Offices and already has a 60-strong installation base of TEXTELs in the country. ITL is also firming up a few more prestigious collaborations to launch another range of hi-tech products soon. ITL regards human resources as its most valuable asset and has a tremendous commitment to product quality and customer satisfaction.

We are looking for a General Sales Manager capable of providing energetic direction to the sales activity in the highly competitive office-automation field. He should be a go-getting, self-confident person, preferably an engineering graduate, with an impressive track record of achievements in sales of engineering products where sales depend on diagnosis of customer needs, meeting these, and providing efficient after-sales service. He will be given a free hand to develop the sales strategy and direct the field effort through a team of highly qualified professionals, with an urgent concern for results in the near-term as well as in the longer run.

The position of General Sales Manager is regarded as one of critical importance to the Company, and successful performance in the position will lead to rapid development for top management positions in the Group. The remuneration package is not likely to be a constraint for an outstanding professional.

Applications giving full details of age, education, professional experience and achievements, should be sent within 5 days to :

The Executive Director,
INDIA TELE-COMP LIMITED
Telecom House, L-12, South Extension-II,
New Delhi 110 049.

All applications will be treated in strict confidence.

GENERAL MANAGER - PERSONNEL

LEADERSHIP BUILT ON TRUST

DELHI

1.25 LACS + & CAR + HOUSE + HARD FURNISHING + OTHER ATTRACTIVE BENEFITS

HCL LIMITED, which is the Market leader in the Office Automation Industry, has achieved the distinction of establishing a **sound R&D base** and has carved a greater Market share through **Innovative Marketing** combined with impeccable timing. It has also been ranked **Number one by Dataquest in their 1988 Special issue, "The DQ Top 10".**

The Company's **pursuit of excellence** is reflected in the very high Calibre of Manpower with more than **fifty per cent** of them from leading Management and Engineering Institutes including **IIMs/IITs** among others.

The incumbent should be a mature professional with **Post Graduate** qualifications in **Personnel Management** and **15-20 years** of experience in a highly Professional organisation. He should have a minimum of at least **5-6 years** of experience as Head of the Personnel function in a large multi-divisional company of repute.

His key responsibilities shall be formulating policies for the group and implementation of the same in a fast growing organisation and a demanding work environment in the following areas:

- **ORGANISATION PLANNING AND PERSONNEL POLICIES**
- **CAREER AND SUCCESSION PLANNING**
- **SELECTION AND PLACEMENT**
- **TRAINING AND DEVELOPMENT**
- **PERFORMANCE APPRAISAL AND COUNSELLING**
- **COMPENSATION AND BENEFIT PLANNING**
- **EMPLOYEE RELATIONS**

He will be reporting to the whole time Director on the board and shall head a team of functional professionals at Corporate and Divisional levels.

Candidates who satisfy our requirement may mail their resume superscribing the position and code HCL/10/001 to the following address:

D.S. PURI, DIRECTOR
HCL LIMITED
SIDDHARTH, 8TH FLOOR
96 NEHRU PLACE
NEW DELHI - 110 019

HCL LIMITED

Kamar Petro-Chemicals & Plastics Ltd.

We are a joint sector company promoted by United Breweries and TIDCO for the manufacture of Polyols and Propylene Glycols at Manali, Madras. We expect to go into commercial production by early 1990 for which the project work has commenced.

We require :

GENERAL MANAGER – WORKS

The incumbent will be responsible for the management of manufacturing operations and will also lead the transition from project to operational stage smoothly. Candidate should be minimum a graduate in Chemical Engineering with a track record in Projects and Manufacturing with atleast 5 years at a senior level in Petrochemicals/Fertilizers/Continuous Process Industry.

Age : Around 40 years.

PRODUCT/MARKETING MANAGER

The incumbent will be responsible for developing the market for the company products and should also be able to create an efficient marketing infrastructure. Candidate should preferably be a Graduate in Chemical Engineering with extensive experience and track record in marketing speciality chemicals and Polymers including Polyurethanes. Location: Madras/Bombay.

Age : Around 35 years.

The company offers excellent remuneration package and prospects for career growth. Please apply in strict confidence with detailed bio-data super-scribing the envelope with the post applied for, within 10 days to :

The Chief Executive
Kamar Petrochemicals & Plastics Ltd
McDowell House
3 Second Line Beach
MADRAS – 600 001

VENKATESHWARA HATCHERIES GROUP OF COMPANIES

VH group of Companies are known for Innovation, Technical Excellence, Customer orientation and progressive vision. The group enjoys market leadership in the poultry sector. The group is well integrated for producing quality chicks, vaccines, pharmaceuticals, animal feed, processed food and fast food. Ofcourse, all backed up well with R & D supported by the collaborators ISA BABCOCK, COBB VANTRESS AND SPAFAS INC., U.S.A.

VENKATESHWARA HATCHERIES LIMITED entered into collaboration with JAMESWAY COMPANY OF MARMON HOLDING OF CANADA INC., and diversified into manufacturing and fabrication of poultry productivity machineries and equipments and we are looking for the following presonnel for the new unit at POONA.

1. GENERAL MANAGER:

The incumbent will be responsible for the entire unit encompassing all the functional areas and will be reporting to the Chairman and Managing Director of the group.

The applicant should be a graduate in Mechanical or Production or Electrical Engineering with post graduate qualification in Industrial Engineering or Management from an institute of repute. He should have atleast 15 years experience with the exposure to different functional areas. Independent management of a profit centre will be an added advantage. Age: Around 40 years.

2. PRODUCTION MANAGER:

The incumbent will be responsible for the management of the entire production Unit The incumbent should be a graduate in Mechanical or Production Engineering with not less than 10 years experience in the shop floor environment. Good conceptual and analytical abilities, quality and innovation and a good team leadership are the prerequisites we are looking for. Age: Around 35 years.

3. PRODUCTION ENGINEER:

The incumbent should be degree or diploma holder in Mechanical/Electrical/ Production Engineering with not less than 5 years experience in the case of graduates and 10 years in the case of diploma holders. Age: Around 30 years.

Package will not be a constraint for good candidates. Besides Salary, perks include Super Annuation, LTC, Medical benefits CPF etc.

Please apply in strict confidence within 15 days, with C.V. in detail and marking the envelope with job title to:

MANAGER (PERSONNEL)
VH GROUP OF COMPANIES
VENKATESHWARA HOUSE, S.No 114/A/2, Pune Sinhagad Road, POONA 411030

Venkads-090

LEADERSHIP THROUGH INNOVATION

PUNJAB AGRO NEWSPRINTS LIMITED

(a wholly owned subsidiary of Punjab Agro Industries Corporation)

is looking for the following senior executives for its 200 TPD Bagasse based Newsprint and Printing & Writing Paper Project being implemented at a total capital cost of about Rs. 240 crores at Goindwal Sahib.

PROJECT MANAGER

The incumbent will report to the Managing Director and will be overall incharge of project execution. He will closely liaise with the participating sugar mills, consultants and suppliers of technology/plant and machinery, interact with top levels in government and financial institutions and monitor implementation of the project. The candidate should be a Chemical/Mechanical engineer with a minimum experience of 10-15 years, of which 5 years should be at a senior level in a large paper mill of atleast 100 TPD. Age should be around 45.

FINANCIAL CONTROLLER

The incumbent will take charge of entire financial and management control functions and will report to the Managing Director. His responsibilities would include effective management of term loans and working capital, tax planning, funds management, budgetary control, MIS and computer applications. The selected candidate will be a Chartered Accountant with 10-15 years of experience, of which atleast 5 years should be at a senior level in a manufacturing company of repute. Age should be around 45

COMPANY SECRETARY

The incumbent will report to the Managing Director and will be in overall charge of all legal and secretarial matters including central excise, customs, company law and other commercial laws applicable to the industry. The candidate should be a qualified Company Secretary with a minimum of 10 years experience in a responsible position in a manufacturing company of repute. Age should be around 45.

COMPENSATION PACKAGE SHALL BE VERY ATTRACTIVE AND COMPARABLE TO EQUIVALENT POSITIONS IN SIMILAR INDUSTRY.

Applications along with detailed bio-data must reach by October 31, 1988 to:

The Joint Managing Director,

Punjab Agro Industries Corporation Ltd.

SCO No 315-316, Sector 35-B, Chandigarh.

All applications will be treated in strict confidence.

PAIC where getting things done fast counts.

VENKATESHWARA HATCHERIES GROUP OF COMPANIES

VH group of Companies are known for Innovation, Technical Excellence, Customer orientation and progressive vision. The group enjoys market leadership in the poultry sector. The group is well integrated for producing quality chicks, vaccines, pharmaceuticals, animal feed, processed food and fast food. Ofcourse, all backed up well with R & D.

VH group has the technical collaboration with ISA BABCOCK, COBB – VANTRESS AND SPAFAS INC., U.S.A. The group turnover is around Rs. 50 crores and is growing rapidly.

VENKATESHWARA HATCHERIES LIMITED, the parent company is looking for the following Personnel for the corporate Office at PUNE.

MARKETING MANAGER :

The incumbent will be responsible for marketing of parent chicks to franchisees in India and abroad. Basically, it is a function of problem solving, planning and motivation of the franchisee network which is well developed. Higher skills of diplomacy, good communication abilities, extroversion and ofcourse, conceptual and analytical abilities are the prerequisites envisaged for this vital position. The incumbent will be reporting to the General Manager (Marketing).

The applicants should be Graduates in Science with 7 to 10 year's experience in medium/large organisations handling the marketing function. Post Graduates in Management from reputed institutions are preferable. Exposure to Agro based industries will be an added advantage.

Preferred Age : Around 35 years.

Package will not be a constraint for good candidates. Besides salary, perks include Super Annuation, LTC, Medical benefits CPF etc.

Please apply in strict confidence within 15 days, with C.V. in detail and marking the envelope with job title to :

MANAGER (PERSONNEL),
VENKATESHWARA HATCHERIES LIMITED,
VENKATESHWARA HOUSE, S NO 114/A/2, PUNE-SINHAGAD ROAD, POONA – 411 030.

Venkads-089

Leadership through Innovation.

VADILAL
ICE CREAM

Our clients, Vadilal Enterprises Ltd., the suppliers of Vadilal Ice Cream, are a rapidly growing company with a current turnover of about Rs. 20 crores. The company has ambitious expansion plans, which include the franchising of a new factory in Bombay in the current year.

DIVISIONAL SALES MANAGER

AHMEDABAD **AROUND RS. 1 LAKH GROSS**

The company is looking for a Divisional Sales Manager to handle the output of its Ahmedabad factory.

The job involves taking responsibility for the distribution and sales of the company's products in existing markets, as well as opening up new markets.

The ideal candidate would be around 30 years old, with a proven track record in selling fast-moving consumer products through a dealer network as well as to institutional/bulk buyers. A MBA from a reputed institute is essential.

This is a senior position, reporting to the head of the company's marketing function.

AREA SALES MANAGERS

AHMEDABAD **AROUND RS. 50,000 GROSS**

The company also requires Area Sales Managers to assist the Divisional Sales Manager. Postings will be at the Ahmedabad Head Office and the selected candidate will be responsible for sales in his territory.

The ideal candidate should be around 28 years with a MBA from a reputed business school. Experience in dealing with fast moving consumer products is essential.

Remuneration will not be a constraint for the right candidate.

Apply within 10 days by superscribing 'DSM'/'ASM' on the envelope to:

PERSONNEL SEARCH SERVICES

(A division of Lobo Business Services Pvt. Ltd)
3rd Floor, Sambava Chambers, Sir P.M. Road, Fort, Bombay-400 001.
Tel: 2862660, 295963

Freedom to work

We offer you and environment where you can stretch your skills as far as you can. More so, we help you do it with specialised training at our collaborators Works in West Germany.

We are a fast growing Engineering Company manufacturing high precision and high quality wire cloth used mainly by the paper Industry. We have many new projects on hand with overseas technical collaborations. We are presently market leaders in India and export 25% of our production.

We are looking for people who take problems as challenges.

WORKS MANAGER

Age : 32-40 **Salary** : Commensurate with ability.

Candidate must possess an Industrial Engineering degree preferably from NITIE and minimum 6 years managerial experience in an Engineering Industry. Will be responsible for overall works management including production, quality and industrial relations. This is a very senior position and applicant will report directly to the Chief Executive & Managing Director.

QUALITY CONTROL ENGINEER

Age : 28-35

Salary : Commensurate with ability.

Minimum 3 years experience in a smililar capacity is essential. Industrial Engineering Qualification with Textile Technology back-ground will have high preference. Ability is SQC and TQC in necessary.

We have a well equipped lab with sophisticated and computerised testing instruments Candidate shall be mainly responsible:

- To set up SQC systems for all processes and departments.
- To coordinate all QC activities with production and sales.

TEXTILE ENGINEER New Product Development.

Age : 28-35

Salary : Commensurate with ability.

Practical experience in Weaving Section with exposure to latest weaving machines is essential. Should have an aptitude for fabric analysis and design & development of new industrial fabrics for special applications. Must possess Textile Engineering Degree preferably from IIT.

People desiring excellent opportunities for growth, should apply within 15 days giving details of qualification & experience, highlighting 3 major achievements in their working career, indicating salary drawn and expected with a recent passport size photograph to :

The Chief Executive,
Wires & Fabriks (S.A.) Ltd.,
Industrial Area, Jhotwara, Jaipur-302 012.

PINKCITY

wires & fabriks

WIRES & FABRIKS 1963 1988 25 YEARS

Wire Cloth for the Paper Industry in technical collaboration with Villforth, West Gemany.

WE HAVE BEEN RETAINED BY A PROFIT MAKING, PROGRESSIVE COMPANY BASED IN MADRAS MANUFACTURING AND MARKETING WELL ESTABLISHED BRAND OF STAINLESS STEEL, HOUSEHOLD CONSUMER DURABLES FOR RECRUITMENT OF THE FOLLOWING PERSONNEL:

Works Manager

The Candidate should assume overall responsibility for the entire operational activities of the Plant. The Candidate should be a Mechanical Engineer with minimum experience of 10-15 years. He should have a thorough working knowledge of production control, budgeting and execution. He should be competent to inspire and guide his team. Knowledge of deep drawing and vacuumising is preferable.

Production Engineer

The Candidate should be a Mechanical Engineer from a reputed Institute with minimum 7 years experience in the Production Line.

Finance Manager Cum Secretary

The Candidate will have overall responsibility for Financial Management, Accounting, Budgeting, Planning, Taxation, Company Law Matters and Secretarial Functions of the Company. He should be able to liaison with Banks and Financial Institutions. Applicant should be a qualified Chartered Accountant and Company Secretary with minimum 10 years experience. Exposure to EDP preferable.

Marketing Manager

The Candidate shall be responsible for marketing the products throughout India. Important aspects of the assignment include organising effective sales promotion campaigns, effective coordination with dealers, building up a strong dealer network. The Candidate should be a Management graduate with specialisation in Marketing with minimum 10 years experience in marketing consumer durables out of which atleast 4 years as the Head of Marketing Division of a Company.

The above positions are all based at Madras and call for Candidates with proven track record. Salary and Perks will be attractive and depend on the qualification and experience. Please apply in strict confidence within 15 days marking the envelope with job title to:

Placements Division
CANBANK
FINANCIAL SERVICES LTD.
563/1, Anna Salai, Teynampet,
Madras 600 018.

UNIT TRUST OF INDIA

Wishes to recruit

MANAGER/DEPUTY MANAGER (LEGAL)

The incumbents will assist the legal department in matters relating to corporate law and taxation, scrutiny and investigation of titles and documentation pertaining to creation of securities and finalisation of debenture trust deeds. The responsibilities will also include representation before labour courts and other quasi-judicial authorities and preparation of instructions for Counsel. The position is based in Bombay. All managerial personnel are, however, transferable.

For both the positions, applicants should be first/high second class law graduates preferably with a Master's degree in law. First/high second class qualification would not be essential for SC/ST candidates.

For Manager, applicants must possess 9 – 11 years (7 years in case of SC/ST candidates) relevant supervisory experience in industry/banking/financial institutions. Preferred age: 33 – 40 years. (Upper age limit will be relaxed by 5 years in case of SC/ST candidates).

For Deputy Manager, applicants must have 5 – 8 years (3 years in case of SC/ST candidates) relevant supervisory experience in industry/banking/financial institution. Preferred age: 28 – 35 years. (Upper age limit will be relaxed by 5 years in case of SC/ST candidates).

Starting salary and allowances will be Rs. 58,800 p.a. for Manager and Rs. 45,300 p.a. for Deputy Manager. In addition to the salary, benefits of leave fare concession, group medical insurance, provident fund and gratuity would be provided. Housing, as per rules, may be considered.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked "Ref MS/4960".

UNIT TRUST OF INDIA

wishes to recruit

MANAGER/DEPUTY MANAGER (SYSTEMS)

The Trust has a large, decentralised, in-house data processing set up with mini-computers and PCs, and also uses EDP bureau services. The incumbent will assist the EDP department in the development and implementation of application software in new areas, introducing systems at various offices and maintaining and upgrading existing systems. The job calls for interaction with data bureaux, consultants, in-house staff and various users at Head Office and regional offices, as regards systems study and design, supervision of programmers, user training and implementation. In addition there will be responsibility for day-to-day operations. The positions are based in Bombay. All managerial personnel are, however, transferable.

For both positions candidates should have post-graduate qualifications in Science/ Engineering/Business Administration/Mathematics. Exposure to fourth generation computers and high level languages would be a distinct advantage.

For Manager, applicants must possess at least 7-10 years (5 years in case of SC/ST candidates) relevant supervisory experience in medium/large organisations using mini/main frame computers. Preferred age: 35-40 years. Upper age limit will be relaxed by 5 years in case of SC/ST candidates.

For Deputy Manager, applicants must possess at least 5 years (3 years in case of SC/ST candidates) relevant supervisory experience in medium/large organisations using mini/main frame computers. Preferred age: 28-35 years. Upper age limit will be relaxed by 5 years in case of SC/ST candidates.

The starting salary and allowances will be Rs. 58,800 p.a. for Manager and Rs. 45,300 p.a. for Deputy Manager. In addition to the salary mentioned above, benefits of leave fare concession, group medical insurance, provident fund and gratuity would be provided. Housing, as per rules, may be considered.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked "Ref. MS/4963"

UNIT TRUST OF INDIA

Wishes to recruit the following personnel to be based in Bombay. All managerial personnel are, however, transferable.

MANAGER/DEPUTY MANAGER (PERSONNEL)

(MS/4961)

The incumbents will be responsible for formulating and implementing the personnel and human resources development policies of the Trust in the areas of industrial relations, recruitment, induction, training and development and salary administration.

Candidates should have post graduate degree in social science/personnel management/industrial relations/labour laws from a recognised university or institution preferably with a degree in law.

For Manager, applicants must possess 9-11 years (7 years in case of SC/ST candidates) relevant supervisory experience in industry/banking/financial institutions. Preferred age: 33-40 years. (Upper age limit will be relaxed by 5 years in case of SC/ST candidates).

For Deputy Manager, applicants must have 5-8 years (3 years in case of SC/ST candidates) relevant supervisory experience in industry/banking/financial institution. Preferred age: 28-35 years. (Upper age limit will be relaxed by 5 years in case of SC/ST candidates).

Starting salary and allowances will be Rs. 58,800 p.a. for Manager and Rs. 45,300 p.a. for Deputy Manager. In addition to the salary, benefits of leave fare concession, group medical insurance, provident fund and gratuity would be provided. Housing, as per rules, may be considered.

STAFF OFFICER GRADE 'A' (PERSONNEL)

(MS/4962)

The incumbents will assist the Personnel and Administration Department in implementing the personnel policies of the Trust

Applicants should be graduates with an additional qualification in personnel management/industrial relations/labour laws. Around 2 years experience in industry/banking/financial institutions is desirable but not essential. Preferred age. upto 30 years. The upper age limit will be relaxed by 5 years in case of SC/ST candidates.

Starting salary and allowances will be around Rs. 38,000 per annum. In addition to the salary, benefits of leave fare concession, group medical insurance, provident fund and gratuity would be provided. Housing, as per rules, may be considered

Please apply in strict confidence within 10 days to

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

...itions, experience and salaries drawn. Applications and envelopes should be marked with the relevant MS numbers

VIDEOCON

We are Organisation having leading Japanese Collaboration and committed to high growth. Our activities encompass the manufacturing, marketing, and distribution of wide range of home entertainment products, some of which include TV/VCR, B & W TV, Hi-Fi Music System, Two-in-Ones, Washing Machines. The wide acceptance of these products is a testimonial of their quality and reliability. The estimated Group Turnover is Rs. 175.00 Crores.

Now we are setting up a large capacity plant for manufacturing Washing Machines with leading Japanese collaboration – M/s. Matsushita Electric Corporation, Japan, including manufacturing of vital components of Washing Machines, electric motors for washing machine and other home appliances.

at AURANGABAD

SENIOR MANAGER – ELECTRICAL MOTOR MANUFACTURING

He will be responsible for the manufacturing division of electric motors for domestic appliances. He will also be responsible for other manufacutring functions for this division including production, maintenance industrial relations, industrial engineering, process improvement, material management, technology upgradation etc. He must have a good commercial orientation and understanding of financial aspects of the manufacturing function. Ability to function autonomously, execute the task in an innovative manner, enforce productivity standards, manage a large work-force and provide effective leadership are essential pre-requisites. He will report to the Chief General Manager of the Plant.

The incumbent should be a First Class Engineering Graduate having about 15 years experience of which atleast 5 years experience should be in a responsible managerial post at a similar electronic motor manufacturing industry.

Preferred Age : Around 40-45 years.

MANAGER – VENDOR DEVELOPMENT WASHING MACHINE DIVISION

Applicant should have a Degree in Mechanical/Electrical Engineering from a reputed Institute.

He should have experience of 7 to 10 years in a similar field in a reputed Organisation. Experience of Machining, Milling, Pressing, Welding Die-casting and other engineering processes is a must.

He will be responsible for the development of components at Vendors place as per the specification and the sample. He will be responsible for getting the components developed in time.

Preferred Age : Around 35 to 40 Years.

The Company has liberal compensation policies and attractive remuneration. Besides attractive salary, the company offers housing, conveyance, telephone, entertainment, medical etc.

Please apply to : Box No. AA/277/LM/5, **Business India,** Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

Please superscribe on the envelope the post applied for

Our client, a multicrore Industrial House, has set up a prestigious,totally computerised magnetic media plant at an important location in Central India. The Company is poised to become India's premier magnetic medium producer. The positions to be filled are:

MANAGER PERSONNEL & I.R. Code: CM/MP/101

The incumbent should be a post Graduate in Personnel Management from an institute of repute or an MSW, preferably with a Law background and a minimum of 6-7 years experience in Personnel Management & Industrial relations. He/she will report to the Vice President - Operations and would be overall responsible for Personnel policies,Recruitment, Training, Industrial Relations, disciplinary matters, grievance handling, ensuring compliance of statutory requirements, Liaison with Govt. officials, & Welfare activities. He should be fully conversant with modern techniques in Personnel Management & Industrial Relations and should possess excellent interpersonal skills.

DY. MANAGER FINANCE-CUM-COMPANY SECRETARY
Code: CM/MFC/102

The incumbent will report to the Vice President-Finance and must be a qualified Chartered Accountant-cum-Company Secretary with 4-7 years experience in Project Finance,Preparation & evaluation of Finance Packages, Institutional Finance, Budgetary Control, Tax Planning and all related Accounting, Secretarial & Finance functions in a Public Limited Company. The position calls for a person with a high degree of enthusiasm, drive and strong interpersonal skills.

The salary & perquisites shall match the best in the Industry and shall not be a constraint for the right candidate.

Apply in strict confidence, within 10 days, superscribing the envelope with relevant code no. to:

CM

Career Makers & Marketing Services

Personnel Selection Division
241, Defence Colony Flyover Market
(Jangpura Side)
New Delhi 110 024
Phone: 623359

You are an Assistant Director, a terrific Production Controller and an excellent Programme Evaluator. All in one.

You are between 30 and 40 years with at least 5 years in TV/Video production, sponsored programmes, etc., in a production company. Or in an advertising agency. Or at Doordarshan.

GVC

GARWARE requires a PROGRAMME MANAGER
with the energy of a Dev Anand,
the business acumen of an Iacocca and
the creative judgement of a Cecil B. DeMille.

Garware Video Cassette

E-180

As a Programme Manager, you will be responsible for developing and tapping sources both in India and abroad, for high quality video programmes. In any genre. From family dramas and children's serials to comedies and whatever else you can think of.

Garware, as you know, are the largest manufacturers of blank cassettes in the country. And the largest duplicators as well. Producing 15,000 cassettes a day.

Now Garware have set their sights on being the largest distributors of pre-recorded cassettes as well. Which is where you come in.

We promise you the job won't be easy. There'll be hypertension, sleepless nights, grey hair but, at the same time, lots of money and loads of fun.

So if you are a Dev Anand, an Iacocca and a Cecil B. DeMille, all in one, don't keep us waiting. We'd love to hear from you fast. Grab a pen and dash off your resume to:

Garware
HOME VIDEO

The Vice President (Marketing),
Garware Home Video Division,
50-A, Swami Nityanand Marg,
Vile Parle (E),
BOMBAY-400 057.

CD TVS

SUNDARAM-CLAYTON LIMITED

Sundaram Clayton Ltd is a member of the TVS group,manufacturing air assisted automotive braking systems for commercial vehicles and braking and signalling systems for the railways.

The company has the following vacancies at its automotive brakes division.

Madras **Attractive salary + benefits**

R & D Engineers

You will be a mechanical engineer with a knowledge of FMEA, MTBF, reliability studies, FEM analysis and familiarity with CAD/CAM applications. You will have at least 5 years' relevant experience.

Industrial Engineers

You will be familiar with work study, plant layout, materials handling, etc.

You will be a mechanical engineer with post-graduation in industrial engineering with at least 5 years' relevant experience.

Metallurgist

You will have a knowledge of materials, fracture mechanics, surface protection, heat treatment, aluminium alloys used in gravity and pressure die-casting. You will be a mechanical engineer with at least 5 years' relevant experience.

Tool Design Engineers

You will be conversant with the design of Jigs, Fixtures and Tools. Knowledge of SMED and CAD/CAM preferred.

You will be a mechanical engineer with a post-graduate diploma in tool design with at least 5 years' relevant experience.

Process Planning Engineers

You will be familiar with the latest manufacturing methods with particular reference to low cost automation and productivity improvements.

You will be a mechanical engineer with at least 5 years' relevant experience.

Superintendent — Tool Room

You will be a mechanical engineer with at least 5 years relevant experience in Tool room. Exposure to hydraulics and pneumatics will be preferred.

The positions offer excellent opportunities for growth. Salary will not be a constraint.
Send in your resume on A4 size paper within 10 days to :

Senior Manager (Personnel)
Sundaram-Clayton Limited
Padi, Madras 600 050

CDTVS.961.88 A

*AFBC FLUIDIZED BED BOILERS

Modern State-of-the-Art Technology now brought to India by

ISGEC JOHN THOMPSON

In Technical Collaboration with, and under licence from

OUTOKUMPU OY of FINLAND

A fully Government owned Company

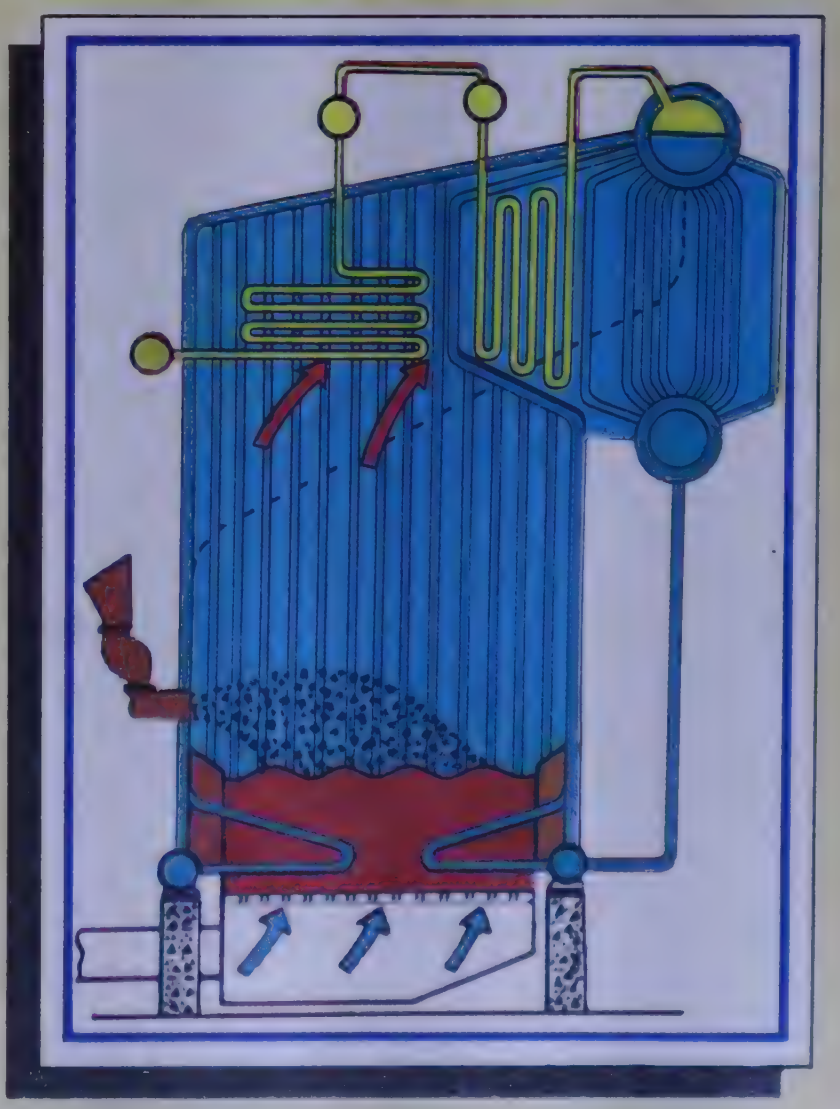
ISGEC JOHN THOMPSON now offers to Indian Industry the modern and fully-developed Bubbling Bed *ATMOSPHERIC FLUIDIZED BED COMBUSTION TECHNOLOGY for use with high ash, low calorific value coals, high moisture lignites and agro-waste fuels. This has been possible through a Government approved Collaboration Agreement for the manufacture of *AFBC Boilers.

While IJT have been working on the Fluid Bed technique for several years and have to their credit 3 Indian patents No. 154079, 154520 & 155593, the technical collaboration route was selected for speedy implementation of the process for commercial applications. After a world-wide search for this technology in various countries like UK, USA, West Germany, Austria, Sweden and Finland, IJT chose OUTOKUMPU OY of Finland. Outstanding features, proven design and years of actual operating experience of Outokumpu is hence available to boiler users in India

Outokumpu have been using this technology for several decades in their Mining Division. Suitability of this process for the purpose of steam generation was technically proved by Outokumpu several years ago with a number of commercial installations to their credit.

The main advantages of IJT-OUTOKUMPU *AFBC Boilers are

- High combustion efficiency
- Emission control capability
- Simplified fuel feed systems
- Multi-fuel capability
- Lower auxiliary power consumption
- Natural circulation
- Adaptability to conversions & retrofits
- Proven experience of Collaborator
- Manufacture at well-experienced Boiler Works
- Top class quality
- Prompt service



For details and enquiries write to or contact

ISGEC JOHN THOMPSON

(Division of The Saraswati Industrial Syndicate Ltd. Yamunanagar, Haryana.)

33A Jawaharlal Nehru Road Calcutta 700071

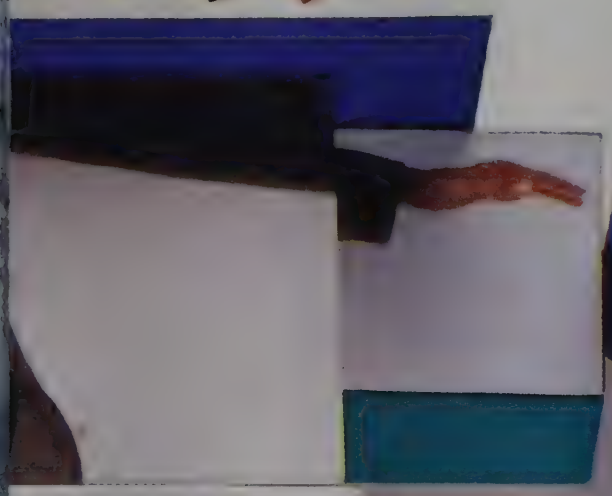
Telephone : 29-5220/5282/8220/8499 Telex : CALCUTTA 7777

Gram : "WATERTUBE" BRANCHES : *Bombay *Delhi *Madras

React/IJT/054/88

PARK AVENUE PUTS YOU TOGE

HER...PIECE BY STYLISH PIECE



The Park Avenue Collection.
Readymade for you:

Suits. Jackets & Blazers
Safaris
Trousers
Shirts
Kurtas
Jeans
T-shirts
Woollen Knitwear
Ties
Scarves & Cravats
Handkerchieves
Socks
Belts & Leather Articles
Men's Toiletries

Style...
it never goes out of fashion.

Ever since Vedic times, colour has held a very special place in India.

Scholars and sages studied the psychological and physiological effects of colour on human life. Recent scientific findings indicate a closeness in thought to the colour symbolism studies of the great rishis.

Red.

Think red.
And you'll think anger.
Think red again.
And you'll think something else.
Courage.
Passion.
Pure natural emotions.
In fact each time you think red, you'll encounter different images.

Danger.
Drama.
Fire.
Vitality.
Will-to-win.
Vital force.
Desire.
Selfishness.
Sensuality.
But the most important thing is that red is all powerful in the world of colour.

Colour Chem **Where chemistry takes many hues.**

Colour-Chem Limited, 194, Churchgate Reclamation, Bombay-400 020.

CCL 1513

MODI XEROX

MODI XEROX Invites High Calibre Professionals to join its Team

Modi Xerox is India's leading manufacturer of photocopiers. With a turnover exceeding Rs. 80 crores in the third year of commercial operations, the Company is poised for remarkable growth.

We are now looking for the following professionals to join our Manufacturing & Technical Operations at our highly sophisticated factory at Rampur (U.P.).

DESIGN ENGINEER : Should be BE/B.Tech. (Mechanical) with 4-5 years'experience in mechanical system design and development in either office automation or light engineering industry. Familiarity with vibration isolators, test rings, etc is essential and exposure to plastics would be an added advantage.

PLANNING ENGINEER : Should either be a Graduate Engineer from a reputed institute or a Diploma Engineer with 3-4 years' or 6-8 years'experience respectively in the Engineering Industry. Qualification in Materials Management will be an added advantage. Responsibilities include planning and scheduling of various product lines through computerised MRP system as well as light inventory control. Must possess good analytical ability, interative skills and the ability to get jobs done.

SENIOR ELECTRONICS ENGINEER : Should be a an Engineer with 6-8 years of hands-on-experience in digital and micro-computer hardware. Responsibilities include sourcing, installation and maintenance of electronic and mechanical equipment and tools used in the production of copiers and consumables. The candidate will also be expected to execute diverse electronics and communication projects. Ability to rapidly absorb a variety of technologies and to apply them to products undertaken is essential.

MATERIALS QUALITY ENGINEER : Should be a BE/B.Tech. in Mechanical Engg. with 3-4 years'experience in the Inspection Department of reputed Engg. company. Exposure to metrology lab experience would be an added advantage. Responsibilities include measuring data feedback through statistical tools and problem analysis, etc.

ASSEMBLY QUALITY ENGINEER : Should be a BE/B.Tech. in Electronics with 3-4 years'experience in Quality Engg. in a reputed Engineering company. Responsibilities include providing Quality Engg. support to the Assembly Quality function through planning and defect prevention.

SENIOR INDUSTRIAL ENGINEER : Should be a first class Graduate Engineer in Mechanical or Industrial Engg. with 6-8 years'experience in the Light Precision Engineering Industry. A post-graduate degree in Industrial Engg. will be an added advantage. Responsibilities include planning of manpower, space, plant and machinery requirements. Ability to design a balanced production line, conduct productivity studies, improve facilities and achieve cost reduction through value engineering and other studies is essential.

MANUFACTURING ENGINEER : Should be a First Class Graduate Engineer in Mechanical or Industrial Engg. with 3-5 years'experience in production of light precision electro-mechanical products. Must have some exposure to MIS/System Engineering. Responsibilities include machine configuration, reviewing engineering changes and maintaining manufacturing bill of material by introducing new parts as required.

SENIOR ENGINEER (PRODUCTION) : Should be a BE/B.Tech. in Mechanical/Chemical Engg. with 6-8 years'experience of machine tool, toolings/fixtures, machine shop/vacuum technology. Responsibilities include achieving target yield of photoreceptors, looking after toolings (e.g. diamond toolings), maintaining the effluent treatment plant and managing a team of skilled technicians. Good communication ability and excellent management skills will be an asset.

MANAGER COSTING : Should be ICWA or MBA in Finance from a premier Institute, with 4-6 years' experience in Costing in an Engineering Industry. The candidate must have handled this function independently. Responsibilities cover the complete costing function including material accounting and variance analysis for the manufacturing activity.

Our site at Rampur is a fairly self-sufficient colony, complete with amenities such as housing, school, club, social and recreational activities. It offers a stimulating work atmosphere and challenging opportunities for dedicated professionals.

At Modi Xerox, we take pride in recognising and rewarding high performers and offer one of the best training and development opportunities in the country. Compensation package for all these jobs are comparable to the best in the Industry.

Apply within 10 days with details of your bio-data to :

Manager (Personnel & Admn.)
Modi Xerox Limited
Modipur
RAMPUR-244 901 (U.P.)

OBMX254

Cheran Group of Companies

CHIEF EXECUTIVE

Cheran Leasing Ltd., a professionally managed company of the Cheran Group, is engaged in Leasing, Financing and Hire Purchase. The company desires to appoint a top-flight and mature professional as CHIEF EXECUTIVE.

The incumbent will be fully responsible for administration of branches, mobilisation of deposits, legal matters and other related activities. He must possess the ability to interact effectively with Bankers, Commercial & Financial Institutions etc.

Outstanding Chartered Accountants/Cost Accountants from reputed educational institutions with minimum 15 years experience, of which atleast 5 years in Senior management position, in Bank /Financial Service Organisations, only need apply.

The position calls for a person with high degree of drive and initiative with excellent communication skills.

The incumbent will report to the Managing Director.

The remunerative package is attractive and will include all senior management benefits such as car and housing.

Please send your detailed resume within 15 days with recent passport size photograph to :

The Managing Director
Cheran Leasing Limited
Selvam Buildings, 3rd Floor
988, Thadagam Road
Coimbatore - 641 040

SPEL SPEL SPEL SPEL

SPEL

SPEL, promoted by SPIC, the first private sector unit engaged in manufacturing wide range of ICs, Computer Tapes and Floppy Diskettes, is looking for their factory at Maraimalai Nagar near Madras

A TECHNICAL DIRECTOR

The incumbent should possess Master's Degree in Electronics and Communication Engg. A Ph.D in Electronics would be an added advantage. Should be conversant with the latest technologies and have proven record of experience of over 20 years in planning and managing an electronic unit.

Age : Around 45 years

Salary : Will be commensurate with qualification and experience.

General : The incumbent will have a bright future, as the Company has concrete plans for substantial expansion of its hi-tech area for manufacture of ICs, besides absorption of foreign technology for manufacture of Magnetic Media products with the assistance of their collaborator M/s. Computer Resources Inc., USA.

Candidates fulfilling the above requirements may apply in confidence within 7 days with complete Bio-data and a passport size photograph to :

Managing Director
SPIC Electronics and Systems Ltd.
Maraimalai Nagar
Chingleput - 603 209 Tamilnadu

PROFAD/SPEL/218/88

SPEL SPEL SPEL SPEL

JOINT DIRECTOR/FACULTY POSITIONS AT MANAGEMENT INSTITUTE

Bharatiya Vidya Bhavan's
S P Jain Institute of Management and Research, Munshi Nagar, Andheri (West), Bombay-400 058.
Since 1981, the Institute is conducting the MMS Programme of the Bombay University. Six batches of students are well placed in industry.

Ambitious and time-bound development plans covering improvements in existing programme, launching of innovative programmes, upgradation of training and consulting activity, carrying out applied research and setting up of a computer centre have been drawn up.

To implement the above plans, we wish to enlarge our faculty base in **Finance; Production and Computer Areas.**
We are looking for persons possessing conceptual strength, administrative flair and ability and interest in working as a team member.

The candidate must possess a Doctoral or Master's Degree in management subjects with about 5 years of teaching/training/consulting or other relevant experience

We are evolving an attractive and flexible compensation scheme. HOUSING ON THE CAMPUS CAN BE PROVIDED AMIDST PLEASANT SURROUNDINGS.

Write in confidence to the Director at the above address.

We are one of the leading export houses in India engaged in diverse activities with a turnover crossing Rs.125 crores.

We have ambitious plans for diversifying into the areas of hitech electronic goods, consumer durables, food processing, chemicals etc. which would find application at home and abroad. We are looking for a dynamic professional who can generate innovative, viable, feasible and efficacious project ideas, in the investment range of Rs.5 crores to Rs.15 crores.

The candidate should be an enterprising individual with a proven track record and a flair for challenging projects. He should be prepared to work deligently & with commitment to implement the project successfully. In addition to a six figure salary the incumbent will also be involved on an equity basis.

Please contact
The Director
P.B.No. AA/277/EG/4,
Business India,
Flat No.5-B-1 JP Tower, 5th floor,
7/2 Nungambakkam High Road,
Madras 600 034.

akshara M 114

Vam Organic Chemicals Ltd

New Delhi Attractive Salary + Perquisites

Vam Organic Chemicals Limited, a growth oriented high technology Company with its plant at Gajraula, District Moradabad, U.P. and with ambitious plans for expansion/ diversification requires for its Corporate Office at New Delhi:

COMPANY SECRETARY

The incumbent should be a qualified Company Secretary aged around 35 years, possessing 7-10 years of relevant work experience in the Secretarial and Legal functions of a Large/Medium sized Organisation. Formal legal qualifications though desirable are not an essential prerequisite of the job.

The selected candidate shall head the Secretarial, Share and Legal Department and shall report to the Vice President (Finance) of the Company.

Interested candidates should apply in confidence within ten days, giving full details, to :

The Manager Corporate Personnel,
VAM—HRD Centre, 2 Western Avenue,
Maharani Bagh, New Delhi 110 065.

IPC 6825 A

ARC

Associated Road Carriers Limited

We are among the top goods transport undertakings with an all - India network of 157 branches and a turnover exceeding Rs. 27 crores.

We require:

COMPANY SECRETARY-CUM-FINANCE MANAGER:

For our H.O at Secunderabad (AP)

The candidate should have ACS and ACA or ICWA qualifications, be around 30 years of age, with 3-5 years relevant experience in a large organisation.

The incumbent will be responsible for Secretarial, Finance, Accounts and Legal functions. Key responsibilities will include Company Law matters, raising of finance, close liaison with banks and financial institutions, finalisation of accounts and taxation matters.

Salary and perquisites will be commensurate with experience and will not be a constraint for the right candidate.

Apply in confidence, with complete bio-data and passport size photo, within 15 days to:

The Managing Director,
Post Box No: 1661,
Secunderabad - 500 003, A.P.

PLUS POINT

GM MARKETING
CONSUMER PRODUCTS

NEAR POONA **LIBERAL TERMS**

Our client is a progressive company on the move, with the distinguished record of pioneering and being one of the world's largest manufacturers of a range of well-known consumer durable products. The company's products enjoy an excellent brand-image and are MARKET LEADERS. Growth and profitability records have been consistently excellent over the years, and the current turnover of around Rs. 35 crores will substantially increase in view of the ambitious expansion and diversification plans underway.

This is a key position reporting to the Director, and entails overall responsibility for the entire gamut of Marketing and Sales functions, on an All-India basis. The incumbent will provide an impetus to the company's targeted growth plans by consolidating gains and building on the existing marketing strengths. Evolving and implementing innovative strategies and providing leadership to a highly talented team headed by an All-India Sales Manager, will be prime functions. Effective monitoring of advertising and sales promotion programmes and further expanding an extensive All-India distribution network will merit his close involvement.

We are looking for a seasoned Marketing professional having over 15 years experience in marketing consumer durables,of which at least 4/5 years should be in a comparable position. He should have a good university degree, preferably with post graduate qualifications in Marketing. A keen insight into the finer aspects of consumer durable marketing and distribution channels, and good leadership qualities are essential pre-requisites. Age Group 40-45.

This is a top management appointment entailing active participation in management decision making covering various facets of the company's business. Terms, therefore, will be very liberal and include all senior management perks.

Please write SOONEST quoting Ref.No. KM/A-1238 to:

DATAMATICS STAFFING SERVICES
Post Box No. 106 G.P.O. Bombay-400 001.

Diason

A highly reputed and well-established Group of Companies engaged in Food Processing Industries, with a high brand image, offers challenging opportunities for:

GENERAL MANAGER

SALES MANAGER

WORKS MANAGER

DISTRIBUTION SERVICES MANAGER

MATERIALS MANAGER

Possible locations: BOMBAY, DELHI, PUNE & AHMEDABAD.

We are looking for ambitious, hard working people who want challenging responsibilities, matching compensation and benefits. They must be appropriately qualified with 10 years' result-oriented experience in the respective fields. Age no bar.

Please send full particulars, indicating position applied for and preferred location, to: Box No. AA/277/MI/6, **Business India,** Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001.

REGIONAL MANAGERS

Bangalore/Cochin/ Hyderabad/Madras

Attractive salary and perks

We have been retained by the Oscar TV group of companies, a leading consumer electronics manufacturer with 7 manufacturing facilities located all over the country. The organisation has an excellent growth record and ambitious expansion and diversification plans. It wishes to recruit 4 regional managers to strengthen its existing marketing network in South India. The Group which employes around 800 personnel and has an annual sales turnover of around Rs. 50 crores, offers excellent growth opportunities and career prospects to result oriented professionals.

The incumbent will look after all marketing and branch administration related activities of the company in his region. His responsibilities will include appointment of new dealers, collection of payments, distribution of company's products, and branch administration. Reporting to the General Manager (Marketing), he will be assisted by a team of motivated sales, service and administrative personnel.

Candidates should be dynamic, result oriented professionals with at least 5-8 years relevant experience in marketing consumer durable products in a competitive environment. Engineers/MBAs/candidates having experience of marketing Televisions will have an added advantage. Preferred age : 30-35 years.

Compensation would be in line with the best offered in the electronics industry and will not be a constraint for the right candidates

Please apply in strict confidence giving details of age qualifications experience, salary drawn within 10 days to

A.F. Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi-110001

Applications and envelopes should be marked Ref : MS/4840.

Lead by personal example

At ICS — Innovators, pioneers and industry leaders in the field of Computer Education & Training. With a nationwide resource base of 19 offices, 300 plus professionals, 1000 plus computers — all in 5 years. ICS seeks to further strengthen hands, and move forward in its insatiable quest for excellence and growth.

For its locations at Delhi, Bombay, Calcutta, Madras, Lucknow, Chandigarh and Bhopal, it requires

REGIONAL MANAGERS

Outstanding, dynamic, result oriented professionals — effectively combining strong Marketing and Administrative skills. This is a senior management position, and involves direct responsibility for Regional operations, standards and organisation building.

Excellent leadership qualities, communication skills, ability and motivation to achieve extraordinary targets are imperatives.

A proven record of over 5 years in Marketing and Management is essential.

Write in confidence within 7 days to:

Manager — Personnel
Informatics Computer Systems
C - 19, SDA Commercial Centre
New Delhi - 110 016

ICS

SUPERCAT

SCM

ELECTRIC FANS

WORKS MANAGER

Rs. 60,000 p.a. + House & Other Perks

We are a fast-growing Company engaged in the manufacture of all kinds of Electric Fans. We have ambitious growth plans of increasing our production with special emphasis on quality. For this we need a dedicated and result-oriented young technocrat to take over-all charge of the Works. He will lead and guide our team of Managers, Engineers and work-force with a dynamic professionalism to fulfil the Company's objectives.

The incumbent should be a B.E. (ELEC./MECH./PROD./INDUSTRIAL). Having at least 10 years' experience at the middle and senior level Managerial Cadre in a reputed Industry, preferably engaged in the mass production of Consumer Electricals. His exposure to mass production, design development, industrial engineering and quality assurance shall be taken as relevant. He will be responsible for all Technical/ Commercial functions of the Works, right from design development to production with a high degree of quality control at every stage of operation.

Attractive emoluments and perks together with bright future prospects await the deserving candidate.

Please apply in confidence within 10 days, to:

The Managing Director
Som Electro Mechanical Industries Ltd.
Som House, 96-B, Udyog Nagar,
Kanpur 208 022.

Impressions D 2795

V.I.P INDUSTRIES LTD.

We are the pioneers and market leaders in the moulded and soft luggage business in the country. Manufacturing facilities are located at Nasik, Jalgaon and Nagpur yielding a combined turnover of around Rs.80 crores per annum.

We need a dynamic manager for the following position at our Bombay Office:

MANAGER — LEGAL & EXCISE

The incumbent would preferably be qualified as a company secretary with an impeccable background in legal and excise matters. He should have a commercial orientation and first-hand experience in dealing with excise matters. Age around 30 years.

This is a middle management position with good prospects for career advancement.

The compensation package is comparable with the best in the industry.

Please write within 10 days giving full details of age, qualifications, past experience, current employment and emoluments etc., superscribing the envelope with the position to:

V.I.P INDUSTRIES LTD.
Post Box No.9120, Bombay 400025

New Commercial Advtg

MANAGER– PURCHASE & STORES

FERTILISER PLANT
Andhra Pradesh

Attractive salary, Allowances, Car, House, Pension plan etc.

A well reputed, professionally managed, private sector company requires a Manager—Purchase & Stores, for its fertiliser plant located in Andhra Pradesh.

The job entails independent handling of the purchase and stores function, reporting to the General Manager of the plant. Functions include procurement of indigenous and imported goods; obtaining and operating import licenses; arranging for payments to foreign suppliers; insurance and customs clearance; administering the receipt/storage and issue of materials. Will be accountable for effective inventory management within optimal cost parameters.

Candidates, preferably graduates in Engineering, must have substantial experience in this function at responsible levels in large plants. Additional qualifications in materials/stores management would be an advantage. Apart from professional competence the Company gives weightage to managerial abilities and leadership qualities.

The position carries an attractive remuneration package including free furnished house, car with driver and various other allowances. The Company offers excellent retiral benefits including a pension scheme.

Candidates fulfilling the job requirements may apply within 15 days to

Box No: AA/277/KF/3, B-2, Ashiana Apartments, Old Lancer Lines, Sarojini Devi Road, Behind Sangeet Theatre, Secunderabad-500 025.

ALPHA DRUG INDIA LIMITED

The Company forms a part of a well known group in North India having interest in fertiliser, speciality Chemicals and construction. The group is now diversifying into the manufacture of import substitute drug intermediates. For its project, to be set up with Foreign Technology, near Chandigarh, The Company require the following Senior Personnel :

MANAGER FINANCE-CUM-SECRETARY

The incumbent should be a Chartered Accountant preferably a qualified Company Secretary with atleast 2-3 years experience in various aspects of Management of funds. The person is expected to have full understanding of project financing, dealing with Financial Institutions etc. Exposure to Computer Systems would be of advantage.

Preferred Age 25-28 years

PROCESS ENGINEERS (2)

The incumbent should be P.hd/M.Sc. (Organic Chemistry) or Chemical Engineers with 3-5 years experience in the manufacturing of fine chemical products with strong background in chemistry, analytical techniques and exposure to assimilation and adoption of high technology. Persons who have interacted with foreign parties and have experience of implementing projects would be more suitable.

Preferred Age is 28 years.

Professionals with proven abilities are likely to find the assignment considerably challenging and good opportunities for continued growth. The Company has a generous compensation package in mind for the right candidate.

Please apply in strict confidence with complete details of experience within 10 days to :

The Personnel Department,

Alpha Drug India Limited
SCO 18, Sector 26, Madhya Marg,
Chandigarh

Interads/Ch

WEBEL NICCO TV

WEBEL NICCO Electronics Limited

We are a joint sector company of the Nicco Group in association with WBEIDC. WEBEL NICCO Electronics Limited, a member of this widely diversified Group with a turnover exceeding Rs 100 crores, is marketing a wide range of televisions in Eastern India, and is amongst the market leaders. With major expansion plans on the anvil, the Company requires a suitable candidate for the following post:

PRODUCT MANAGER

The candidate should be a MBA from a leading management institute with 3/4 years' experience in consumer durable marketing. He will be responsible for all marketing activities including advertising and sales promotion. He will deal directly with the Company's Chief Executive and All India Sales Manager. Growth prospects are excellent for the right candidate.

Please apply within 10 days with detailed bio-data, superscribing on the envelope the post applied for, to:

THE DEPUTY MANAGER
(Personnel & Administration)
WEBEL NICCO Electronics Limited
P-1 Taratolla Road
Calcutta 700 088

SARABHAI CHEMICALS

A Division of

ase

Ambalal Sarabhai Enterprises Limited

PRODUCT MANAGERS

(**SQUIBB** Products Division)

We are looking for dynamic professionals to take up these challenging positions in this newly formed Division. Product Managers shall be responsible for promoting highly specialised products in Cardiovascular, Anti-infective and Anti-inflammatory fields of therapy. The products are the result of a continuing commitment of Squibb Institute of Medical Research, U.S.A. for the last 50 years.

Candidates should have a degree in Science/Pharmacy and a post-graduate qualification in Business Management with specialisation in Marketing. They should posses two years' experience in Product Management function, preferably in pharmaceutical products. A high degree of conceptual planning and analytical skills for formulating creative marketing strategies and ability to communicate effectively are critical requirements for the job.

The positions are based at Baroda and offer attractive remuneration package and opportunities for career growth. Please send your application within 15 days giving detailed resume and present & expected remuneratation to:

Chief-Personnel Development.
Post Box No. 31, Wadi Wadi.
Baroda 390 007.

Shilpi SC 1/8P

PRODUCTION CHEMIST

One of our clients is setting up a 100% Export Oriented Unit in the Madras Export Processing Zone, to manufacture Latex Gloves.

They require a Polymer Chemist to take charge of Quality Control of incoming raw materials and finished products. The successful candidate will have atleast five years experience in a similar production unit, in addition to first class academic qualifications in the subject.

He will report to the Chief Executive. Salary will be commensurate with qualifications and experience.

Apply within 15 days to:

The Managing Director
Arjay Management Private Limited
Arjay-Apex Centre,
24 College Road,
Madras 600 006.

We have been retained by a **LARGE INDUSTRIAL HOUSE** to select a dynamic

SENIOR FINANCE EXECUTIVE/ FINANCE MANAGER

AGE : AROUND 40 YRS.
LOCATION : BOMBAY

The incumbent should be a Chartered Accountant or ICWA or MBA with minimum 7-8 years' exposure. He must be excellent in Project Financing, and his main task would be liaison with Financial Institutions.

We are looking for a highly analytical "go-getter" having flair for dealing with Govt. Agencies and accomplishing targeted goals. He will also be overviewing the Branch Accounting, MIS and Feed-Back to Head Office.

THE APPLICANTS MUST HAVE THEIR OWN HOUSE AND TELEPHONE IN BOMBAY.

EMOLUMENTS WILL NOT BE A CONSTRAINT FOR THE RIGHT CANDIDATE.

Only those who can accept such a challenging assignment need apply within 7 days to :

RESOURCES MANAGEMENT ASSOCIATES
GF-12A, "Meghdoot",
94-Nehru Place,
New Delhi-110 019.

RECRUITMENT AND SELECTION PERSONNEL

PERSONNEL TRAINING AND DEVELOPMENT

DESIGN ENGINEERS.

PUMPS AND MOTORS

Coimbatore **Around Rs. 4,000/p.m.**

Our client is one of the largest manufacturers of pumps and motors in India. Equipped with modern machinery and advanced testing facilities, they are poised to embark on an ambitious expansion programme. They are pioneers in the manufacture of pumps and motors and through an extensive dealer network, command a sizable market share in both domestic and export sale.

The man :

Pump division :

The incumbent must be a mechanical engineer with specialisation in design and development and be able to design centrifugal, centripetal, submersible pumps , jet, domestic, chemical and industrial pumps. He should have about 5 years experience in a similar capacity and have a proven flair for design and development.

Motor division :

The incumbent must be a electrical engineer able to design single/three phase motors, monoblocks. and submersible motors He must have atleast 7 years of experience in a similar capacity and have thorough knowledge of BIS - specifications and testing procedures.

The job :

The job involves designing and developing new products and also improving the present range of pumps/motors. Experience in costing/purchase will be an added advantage. The candidate must be familiar with testing of pumps/motors as per BIS - standards and in maintaining the relevant records. This is a senior R&D position reporting directly to the Managing Directors The company offers excellent long term growth prospects for the right candidate.

Please apply in confidence within 15 days and superscribe the envelope PM - 001 to

POTENTIAL
HUMAN RESOURCES (P) LIMITED
Management Consultancy Services
P.O. BOX 1170, COIMBATORE 641 002

PERSONNEL AUDIT

Adwise.

HEAD OF DRILLING OPERATIONS and HEAD OF OIL & GAS PIPELAYING

A large professionally managed company servicing the Oil & Gas Industry, requires outstanding professionals in the above fields.

Persons selected will independently head respective profit centres, with all responsibilities that go with it. Candidates should preferably have a degree in Engineering, and have at least 10-15 years' experience of which at least 3/5 years should be at a senior level in the relevant field. Age 40-50 years.

The remuneration package is negotiable and will not be a constraint for the right candidate. Please write in strictest confidence to

Box No: AA/277/LS/1
Business India
Krishna Villa
100 Park Street
Calcutta 700 017

CHIEF EXECUTIVE

ENGINEERING INDUSTRY

Hyderabad **Attractive remuneration + perquisites.**

A large manufacturer of engineering products proposes to re-start production. As the rehabilitation measures will have to be implemented, it is the desire of both the management and the financial institutions that such package be formulated in consultation and collaboration with the Chief Executive who would be spearheading the operations of the organisation. The Chief Executive would also be required to formulate strategies in marketing, production, finance, materials and other functions for turn around of the unit.

The candidate could be a Chartered Accountant, Engineer or Management Graduate having successfully managed a large sized company. He should have rich experience in management, good commercial orientation, innovative skills and sound business acumen. This is an attractive opportunity for candidates willing to take up a challenging assignment.

Preferred age: 40 — 50 years.

The remuneration package is very attractive and includes housing and other usual senior management perquisites.

Please apply in strict confidence within 10 days to: **A. F. Ferguson Associates, Post Box 1786, Bombay 400 001,** giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked 'Ref. MS/4957'. Candidates not contacted within three months of applications, may assume that they are not being considered.

CHIEF EXECUTIVE

AHMEDABAD EXCELLENT TERMS

Qualitron Components Ltd., a Public Limited Company jointly promoted by **CROWN TV** and **SALORA TV** Group of Industries, have set up an ambitious project for manufacturing of Black & White Picture Tubes near AHMEDABAD with an approximate investment of Rs. 10 crores. The company has excellent plans for Expansion & Diversification in near future and will eventually have a turnover of more than Rs. 50 crores.

The candidate should be Qualified Engineer preferably in Electronics with an overall experience of about 15/20 years out of which atleast for 5 years should have held, independent Senior level position with a proven track record.

The company is looking for such person, who will head the Picture Tube Division & will be responsible for all operations of the works.

Age : No bar.
Remuneration : Commensurate with experience and merits of individual. Company will also provide, in addition to attractive salary, a furnished house, car, etc.

Please write in confidence to :

Director.
Qualitron Components Ltd.,
57, GIDC Industrial Township, Naroda - 382 330 Ahmedabad

VICE PRESIDENT (FINANCE)

Bangalore **Top Management Terms**

Ours is a medium sized heavy engineering industry of repute having its factories at Bangalore and Mysore with a current turnover of about 15 crores. We are looking for a dynamic and accomplished Finance Professional to be over-all in charge of the entire corporate Finance function.

He will be responsible for monitoring implementing computer systems in all areas, financial management, cost and budgetory controls and MIS. He will report to the Managing Director.

Candidate must be a Chartered Accountant with experience at a Senior Management/Head of Finance level in a reputed manufacturing Organisation. This being a very senior position remuneration package will not be a constraint for the right candidate.

Apply in strict confidence with a detailed Bio-Data and a recent passport photograph to:

Post Office Box No.544
G.P.O. Bombay-400 001.

CHIEF ADVISOR LEGAL

DELHI **ATTRACTIVE TERMS**

Our client, a well known industrial house of the country, needs a Chief Advisor-Legal for their corporate office in Delhi. The group has diversified interests in a number of industries and an excellent corporate image.

The incumbent would be advising the top management in various legal matters, covering civil, taxation, MRTP, Company Law, Technical Collaboration etc. He would be required to interpret the laws and brief the management on appropriate course of action to be followed from time to time in respect of various cases. Briefing advocates on important cases would also be an essential part of the job. He should be professionally well qualified with proven record in practicing/ interpreting laws connected with corporate affairs. Sound knowledge of relevant laws and well respected professional status are considered important requirements for the job.
Age : 40-50 years.

The assignment is highly satisfying and is in the senior management cadre of the group. IN ADDITION TO ATTRACTIVE SALARY PACKAGE, THE JOB CARRIES PERQUISITES OF COMPANY LEASED ACCOMMODATION, SUBSIDISED CAR, RETIREMENT BENEFITS ETC. Please apply in strict confidence with full details of experience within 10 days marking the envelope and enclosures with job title and code : 8835.

PERSONNEL SELECTION DIVISION
MANTEC CONSULTANTS P LTD
(Management & Technical Services)
Post Bag No. 33, New Delhi-110019.
Tel. No.: 632435, 637023.

Now undertaking world wide assignments in association with MSL INTERNATIONAL, Subsidiary of SAATCHI & SAATCHI, U.K.

REQUIRED

GENERAL MANAGER

For tyre manufacturing Unit situated at LUDHIANA having yearly Turn over of over Rs.24 Crores and work force of around 1000 persons.

The incumbent will be totally responsible for the total manufacturing, administrative as well as Commercial activities of the Unit at Ludhiana and will lead a team of Managers handling various departments like Personnel, Production, Watch & Ward, Stores, Liaison, Sales etc. In short, he will be totally responsible for running the Unit as a Profit Centre.

He will also have to personally handle top level liaison with local civil Administration, Government and Semi Government Bodies. He will be reporting to the Directors of the Company.

The person should be suitably qualified and should have adequate experience and maturity to lead the Organisation to prosperity and profitably.

Salary and perks will not be the limiting factor for a promising candidate. Please apply in your own handwriting giving full details to:

Box No. AA/277/LP/2, **Business India,**
Wadia Building, 17/19 Dalal Street,
Fort, Bombay 400 001.

ABC's major specialisations include Corporate Consultancy

GENERAL MANAGER

Capital Projects

New Delhi **Excellent Terms**

Our clients are a professionally managed, rapidly expanding Engineering Company with specialisation in **TURNKEY CONTRACTS** for Pumping Stations, Electrical Substations, Long Distance Pipelines, Marine Projects, etc. For their expanding operations, they now require a General Manager. Current order book is worth Rs 20 Crores.

He will be responsible for all facets of project management like business development, registration, pre & post tendering, order negotiations, monitoring & control, settlement of bills & claims, etc. Should be Electrical/Mechanical Engineer with 15 20 years of similar experience preferably in **Large Pumping Stations.** Must be commercially astute and very hard working. Age Group 35-45.

Our clients are looking for **High Performer** and will be willing to negotiate handsome emoluments. Exceptional performance will be rewarded through **Performance Bonus.** Please write in strict confidence within 10 days to **T Sengupta, Manager** and mark the envelope & enclosures with job title & code GMP/CAL/2495.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones : 47 3688 (5 Lines)

SWOT Analysis • Systems & Procedure • MIS

O & M • Technology Transfer • Project Reports

Data Processing • Computer Software Packages • Materials Management

REGIONAL SALES MANAGERS

NORTH/SOUTH

Delhi/Hyderabad **Around Rs. 1,00,000 p.a.**

A rapidly growing consumer products company wishes to recruit aggressive marketing professionals as Regional Sales Managers. The current turnover of the company is around Rs.60 crores and its products are well established.

The Regional Sales Managers will be independently responsible for leading a team of sales personnel to achieve sales and contribution targets as well as strengthening and expanding the company's distribution and dealer development activities. He will report to the General Sales Manager.

Applicants must be preferably management graduates with at least 7 to 10 years experience in sales of consumer/consumer durable products in competitive markets. Preferred age: 30 to 35 years.

The remuneration will be negotiable around Rs. 1,00,000 p.a. inclusive of all benefits. Growth prospects are good.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked "Ref: MS/4956".

Bharat Forge

REQUIRES

MANAGER (DIE DESIGN)

Ours is a large Engineering Company with an annual turnover in the region of Rs. 1600 million, engaged in the manufacture of Steel Forgings and Machined Components for diverse Industrial and Defence applications. We have set in operation ambitious long–range plans for modernisation, growth and diversification.

We have the biggest forging plant in the country and have excellent facilities for manufacturing closed/open die forgings.

The candidate should be a Graduate in Mech. Engg. with 12 to 15 years' relevant industrial experience. He should have worked at the managerial level for at least 3 years in a reputed forging/automobile company. He should be thoroughly conversant with forging technology. He will be responsible for the design and development of dies, preparation of tooling drawings, selection of ideal manufacturing techniques and for conducting trials. A candidate with post–graduate qualification and specialised training in CAD/CAM will be given preference.

We offer attractive emoluments and perks, an excellent working environment and good opportunities for personal growth.

Interested candidates may please send their bio-data within 10 days to—

MANAGER : HRD
BHARAT FORGE LIMITED
Mundhwa, Pune Cantonment, Pune-411 036

53 593

"People must be told about available schemes"

Eduardo Faleiro *took over as the minister of state for banking and economic affairs in April this year. The spotlight has been on him to see how he lives down the excesses of his predecessor, Janardhana Poojary, and how he can give the nationalised banks and financial institutions a meaningful direction. Faleiro spoke to Keya Sarkar of* Business India *in his home state Goa*

You come to Goa at least once a month. How often do you visit other states?
In the last few months I have managed to visit 14 states. There is a pattern in the way in which I cover the states. I meet the MPs, both Lok Sabha and Rajya Sabha, to get primary feedback on the status of implementation of different financial schemes. I meet bankers, state government officials and of course the chief ministers to sort out pending matters. There is a lot of emphasis on the weaker sections because they feel marginalised. No scheme can be implemented without dialogue with the state governments.

Besides this I have had direct meetings with *gram sabhas* in Tamil Nadu and Maharashtra, *gram pradhans* in Rajasthan, young entrepreneurs in Bombay, rural voluntary agencies in Gujarat and now fishermen from all over India in Goa. This has given me a very different feedback — it puts you in touch with the direct beneficiaries of various schemes.

In the months that you have held this portfolio, what has struck you as the most crucial issues facing the banks?
There is a lack of awareness of the schemes among potential beneficiaries, not only of the schemes of the banks but also other financial institutions like insurance companies. We have to make people aware of the existing schemes. I feel that credit camps are an excellent means towards this end.

Besides this, I feel the banks are doing a wonderful job. Since nationalisation there has no doubt been a quantitative explosion for the banking industry, but there have also been tremendous qualitative changes too and banks have been doing an excellent job.

What is the government's current thought on bank restructuring along state lines or functional lines?
I do not think there is any need to restructure now. The system seems to be all right now. There are suggestions however for specialised branches for agriculture or small industries. But every bank has a culture of its own, its own momentum of growth, which will be destroyed if there is a restructuring. Rather we should work with what exists and adjust to circumstances

Would you say there has been a dilution of management in banks in favour of the unions — that they are having an increasing say in computerisation, transporters, etc?
No. I do not think there has been any dilution at all. The management has been dealing with the issue very well. The recently inaugurated SBINET, for example, is an excellent example of union co-operation with the management.

Looking at the bipartite agreements with IBA, would you not say that the unions are dictating terms in the banking sector today?
I haven't looked at the agreements, so I would not like to make any comments. However, I would say that strikes and bandhs are terrible things to resort to. The unions should remember that by striking they are harming the people, the customers, much more than they are affecting the management.

Why are the appointments of bank chairmen, executive directors, etc so delayed? Is it not possible to have some kind of succession plan so that there is not so much suspense after one man finishes his tenure and the next person comes in?
We have confirmed most of the pending appointments now — the managing director of State Bank, for example — and we are looking at the remaining ones soon. It is just that so many matters come to the ministry that we need to prioritise our concerns. Also, appointments of the top management are not easy decisions. Many of the nationalised banks are also functioning without a full board for a long time now. We are in the process of finalising the board appointments now.

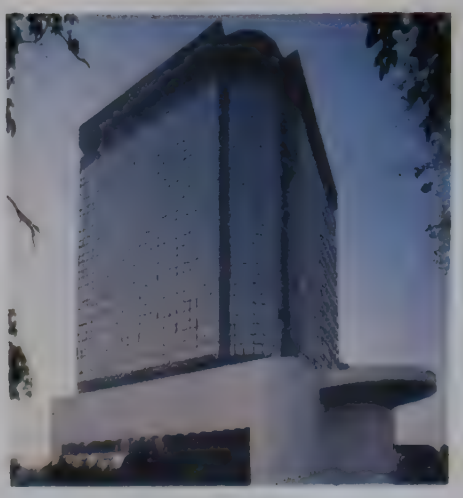
What do you feel about the present competitive spirit within the banks? Certain nationalised banks are now tying up with foreign banks to offer a variety of services. What is the government's view on this?
I think the competitive spirit is good in the sense that it benefits the customers. As far as joining hands with foreign banks are concerned, I think both the RBI and the government evaluate such alliances to see whether they are in the interest of the country. That is the only consideration.

Three months ago at a press conference in Bombay you had said that the banks are in the process of finalising an action plan for the recovery of sick accounts. What is the status of that?
Yes we are working on that. I personally take a keen interest in the recovery position. At the different state level bankers' committee meetings I always stress on recovery — and it is not only talk — bankers are given specific targets, and questions are asked if they have not been able to fulfil them.

Le MERIDIEN

The very soul of France. In the very heart of New Delhi.

At last there is a luxury hotel close to the business centre of New Delhi—Le Meridien.
A unique blend of continental luxury and Indian hospitality.
Splendid ambience. Inviting rooms and suites.
Creative cuisine. Impeccable service.
Le Meridien—a tribute to
gracious living.



Le
MERIDIEN
NEW DELHI

1, Windsor Place, New Delhi-110 001, India
Tel : 383960 Tlx : 031-63076, 031-65312 FAX : (91)-11-384220

Reservations : Bombay : Tel 221281 Tlx 011-5533 : Calcutta : Tel : 201911/200670/201203/207004 Tlx 021-2105 :
Madras : Tel : 43-2791/3 Tlx 0414425: Bangalore : Tel 73638 Tlx 2448

HEADSTART/MER/1002

RN 35850/78

REG. No. MH – E
SOUTH 65

Rafeeq Ellias & Associates

To discover the most vital ingredient on this page, you would need a large magnifying glass.

The vital ingredient is an arrangement of several million 'dots' of microscopic size in four colours* — generated by Jasras with computerised precision.

Delivering the finest reproduction is only a small part of our capabilities. Jasras have a whole menu full of surprises. Like we could add a sunset to a landscape. Or substract a telegraph pole. Or combine several pictures and multiply their impact. And more.

Using up-to-the-minute technology (on our new generation electronic scanners) and good old-fashioned human ingenuity.

Our recipe is simple. Take equal parts of imaginatio and creativity. Add Jasras watch your ideas reach ou and touch people.

In vibrant, living colou

Jasra Graphics Pvt. Ltd.
Unit 1, Prabhadevi Industrial Esta
Veer Savarkar Marg, Bombay 400
Tel: 430-6669/430-5872

We care for your image.

JASRAS

(U·6)

Business India

magazine of the corporate world

October 31 to November 13, 1988 Rs. 6

UNIT

AVIATION SAFETY: LET'S FACE THE TRUTH

IMSIDE

MT REGAINING LUSTRE

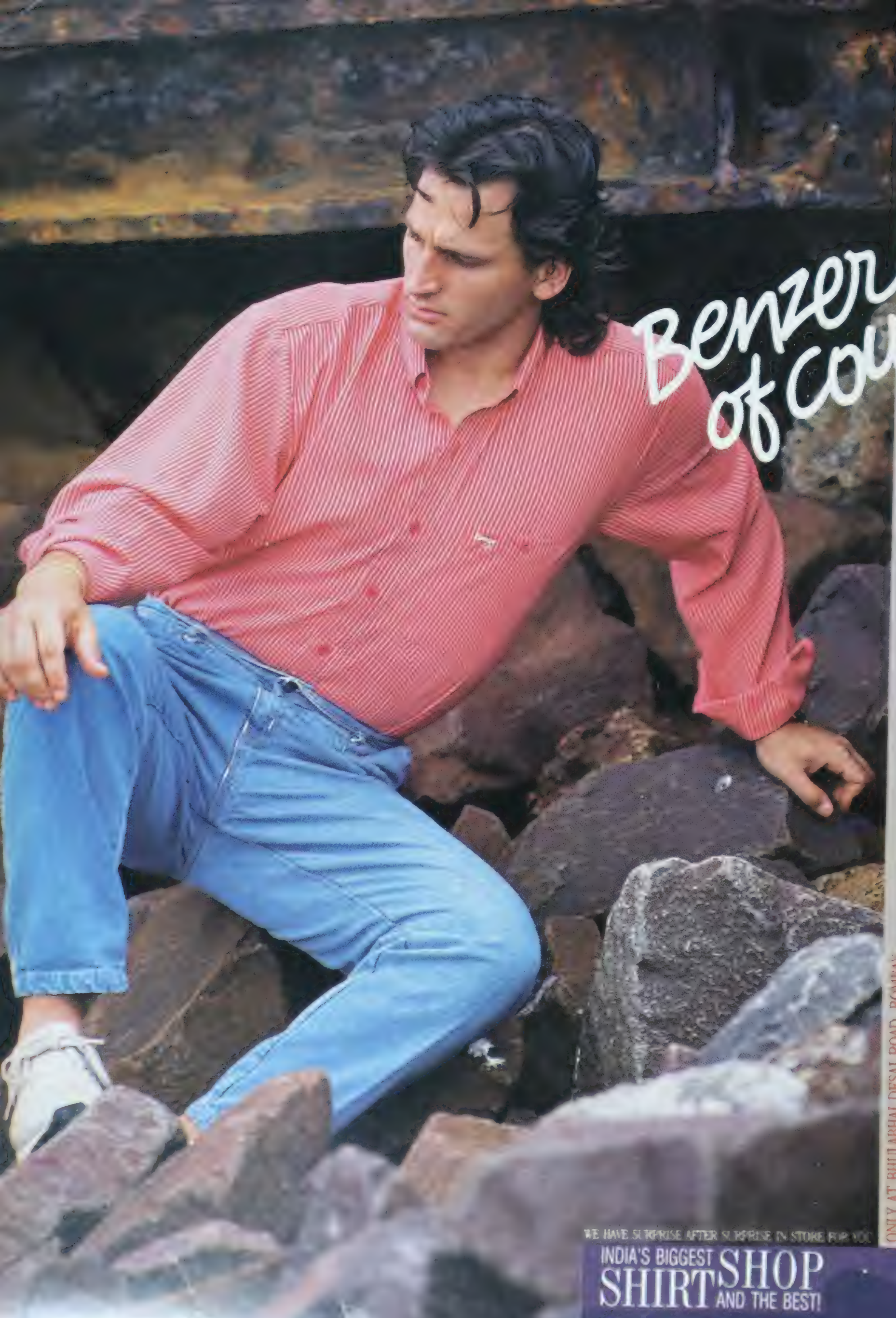
UNIVERSAL LUGGAGE?

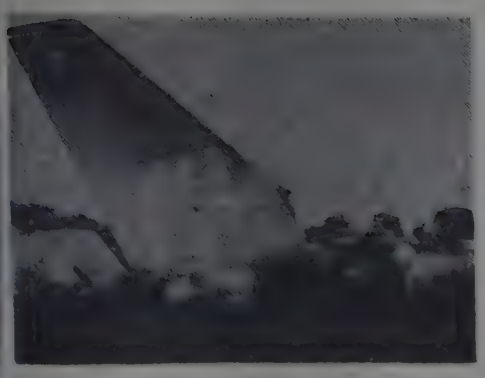
IM THE PIRAMAL FOLD

EZDI RUNS OUT OF GAS

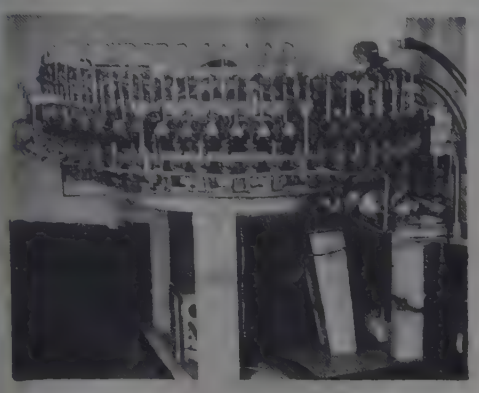
WORKERS MANAGE

KAMANI TUBES


Benzer of course?
NOW A
WHOLE
FLOOR
FOR M
UPSTA
WE HAVE SURPRISE AFTER SURPRISE IN STORE FOR YOU
INDIA'S BIGGEST SHIRT SHOP AND THE BEST!
ONLY AT BHULABHAI DESAI ROAD, BOMBAY



COVER FEATURE
60 **Aviation safety**
Let's face the truth
The crash of Indian Airlines flight 113 at Ahmedabad last fortnight was only waiting to happen. It comes after a series of mishaps and near misses in the last two years
N. RADHAKRISHNAN



CORPORATE REPORTS
71 **HMT**
New sparkle for a waning star
In the last two years HMT has made a go at regaining lost ground in machine tools, consolidating its position in watches and other areas. And the results are showing
SUSHILA RAVINDRANATH

81 **Kamani Tubes**
Tightrope walk ahead for workers
Having emerged as victors in a three-year long battle for control of the sick Kamani Tubes Ltd, the company's 700-odd workers are now readying to restart production
ALOYSIUS FERNANDEZ and SHANKAR P.

87 **Universal Luggage**
In the Piramal fold
The takeover of the company last fortnight by Dilip Piramal, along with the Jatias, should end the price war in the luggage market
SHANKAR P.

91 **Ideal Jawa**
Out of gas
A favourite with youngsters till a few years ago, Ideal Jawa's Yezdi seems to have come to the end of the road
DEVAPRASAD PUROKAYASTHA

INDUSTRY REPORT
76 **VCR industry**
Will it take off?
Four manufacturers have finally received government permission to manufacture VCRs in the country
DILIP MAITRA

57 **Talking to Moeen Qureshi**
Moeen Qureshi, senior vice-president (operations), World Bank, was in Bombay last week. He spoke to *Business India* on a number of issues

25 BUSINESS NOTES
Defex 88, Fruit drinks, IAF Congress, TN, Industrial investment

39 CENTRE
The farmers are coming
Straws in the wind
DILIP CHERIAN

41 GOVERNMENT
Liberty
JASWANT SINGH

43 GUEST COLUMN
Bangla floods: nightmare continues
BRUCE PALLING

47 MANAGEMENT
From India with love
ANAND MAHINDRA

51 FEATURE
Jamnalal Bajaj Centenary
A legacy of honesty
SHEKHAR GHOSH

103 MARKETING
Franchising Mickey Mouse
The party has just begun
SHIV TANEJA

109 EXPORTS
Basmati rice
Looming threats
ANOOP SAXENA

111 LABOUR
Towards greater productivity
E. A. RAMASWAMY

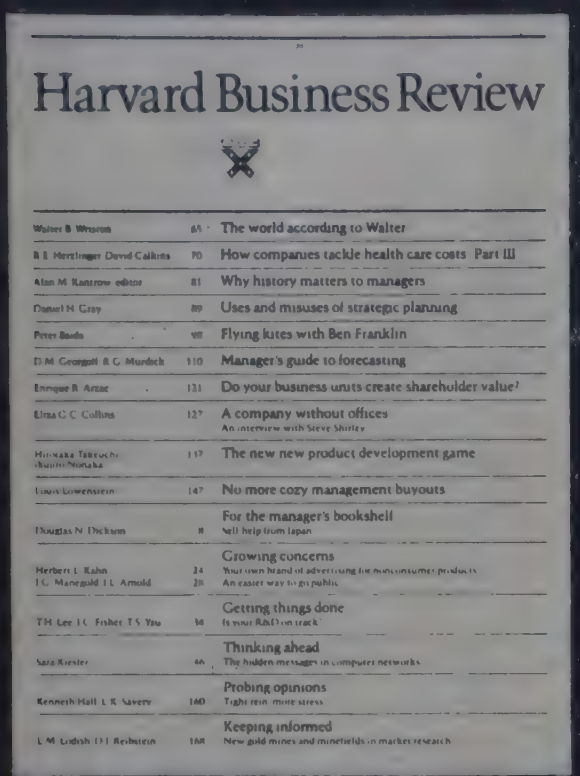
119 INTERNATIONAL
BCCI
Drug bust?
EAPEN THOMAS

200 INTERVIEW
S.S. Nadkarni, chairman, IDBI
DILIP CHERIAN

153 Books
25 Business Notes
22 Businessmen in the News
39 Centre
121 Corporate Affairs International
123 Corporate Monitor
71 Corporate Report 1
81 Corporate Report 2
87 Corporate Report 3
91 Corporate Report 4
60 Cover Feature
143 Debentures
138 Diary of a Merchant Banker
37 Economic Indices
35 Economic Outlook
159 Executive Ladder
109 Exports
51 Feature
117 Foreign Exchange
8 For Your Information
41 Government
43 Guest Column
96 Industry Report
119 International
200 Interview
144 Investor Contest
157 Jobwatch
111 Labour
3 Letter from the Publisher
5 Letters to the Editor
13 Listening Post
47 Management
133 Market News
103 Marketing
162 National Executive Appointments
14 News and Events
151 People
149 Professional Profile
161 Reader Service
136 Stockmarkets
57 Talking to Moeen Qureshi

Published and printed by A.H. Advani of BUSINESS INDIA Wadia Building 17/19 Dalal Street, Bombay 400 001, at the Tata Press Limited, Bombay 400 025 & Phototypeset by Business India Photosetters

Subscribe To Excellence



Harvard Business Review

Walter B Wriston	65	The world according to Walter
R E Hertzinger David Calkins	70	How companies tackle health care costs Part III
Alan M Kantrow editor	81	Why history matters to managers
Daniel H Gray	89	Uses and misuses of strategic planning
Peter Banda	98	Flying kites with Ben Franklin
D M Georgoff & G Murdick	110	Manager's guide to forecasting
Enrique R Arzac	131	Do your business units create shareholder value?
Elna C C Collins	127	A company without offices An interview with Steve Shirley
Hirotaka Takeuchi Ikujiro Nonaka	137	The new new product development game
Louis Lowenstein	147	No more cozy management buyouts
Douglas N Dickson	8	For the manager's bookshelf Self help from Japan
Herbert L Kahn J C Manegold J L Arnold	24 28	Growing concerns Your own brand of advertising for non-consumer products An easier way to go public
T M Lee J C Fisher T S Yu	34	Getting things done Is your R&D on track
Sara Kiesler	44	Thinking ahead The hidden messages in computer networks
Kenneth Hall L R Savery	140	Probing opinions Tight rein, more stress
L M Lodish D J Reibstein	168	Keeping informed New gold mines and minefields in market research

A magazine written for decision makers worldwide. Published by Harvard Business School.

50 Recent Articles from the Harvard Business Review...

Read them and consider: a single article—if it's the right article—could make all the difference in your business and your career!

CORPORATE STRATEGY

Get Leverage from Logistics
Line Staff Is Obsolete
Management in The 1980s
The Risky Business of Diversification
Task Teams for Rapid Growth
How to Acquire a Company
Management of Objectives

GENERAL MANAGEMENT

Patterns of Delegation
Making Sense of Management Theory
Power and the Ambitious Executive
The Effective Decision
Problems of a New Executive
How to Meet the Press
Thriving in a Recession

PRODUCTION & OPERATIONS

Simple Truths of Japanese Manufacturing
Every Factory Has a Life Cycle
Sweeping Changes in Distribution
Demand Better Results—And Get Them
Guides to Inventory Pricing
Productivity Management
What Happens When Our Oil and Gas Run Out?

FINANCE

New Balance Sheet for Managing Liquidity and Growth
The Folly of Stock Market Timing
Cashing in on the Checkless Society
The Psychology of Pricing
Using Your Hidden Cash Resources
Investment Policies That Pay Off
Using Credit for Profit Making

MARKETING & SALES

After the Sale Is Over...
Get More Out of Your Trade Shows
How to Segment Industrial Markets
Making Your Marketing Strategy Work
Squeezing the Waste Out of Advertising
Clues for Advertising Strategists
What Makes Advertising Effective?
Making the Major Sale

PLANNING & CONTROL

How to Get a Better Forecast
Making Cost Controls Work
Steps in Long Range Planning
Zero Base Budgeting
Sharpen Your Number Sense
Improve Your Profits Day by Day
Make Overhead Cuts That Last

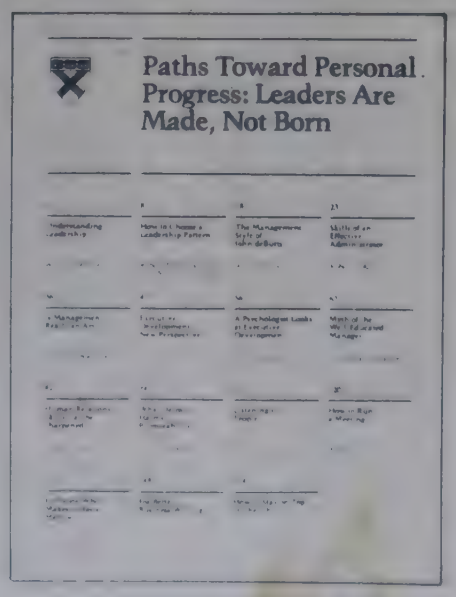
INTERNATIONAL

You're the Best Judge of Foreign Risks
Be Prepared for Political Changes Abroad
Doorstep for Free Trade
Succeeding in Saudi Arabia
Negotiating with 3rd World Governments
Critical Factors in Worldwide Purchasing
Managing the Risks of International Exchange

...And Receive A Free Gift!

PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN is yours free as soon as your subscription order is received!

Skills of an Effective Administrator
Is Management Really an Art?
Myth of the Well-Educated Manager
What Helps or Harms Promotability
Listening to People
How to Run a Meeting
Everyone Who Makes it Has a Mentor
For Better Business Writing
How to Stay on Top of The Job
A Psychologist Looks at Executive Development



Paths Toward Personal Progress: Leaders Are Made, Not Born

SUBSCRIPTION INVITATION

Send my free copy of PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN, start my 1-year subscription (6 issues) to Harvard Business Review and bill me for only Rs. 1,350/-

(Please add Rs. 15.00 for outstation cheques)

NAME _____
POSITION _____
COMPANY _____
STREET _____
CITY _____ PIN _____

ADVANCED MANAGEMENT SERVICES
410, Jolly Bhavan No. 1
New Marine Lines, Bombay 400 020
Tel: 252998
Telex: 11 5132 HRVD IN

Harvard Business Review YES

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Editor	Rusi Engineer
Deputy Editors	Dilip Cherian (Delhi) Vijayan Kannampilly (Bombay) Mukarram Bhagat (Bombay)
Assistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Sr. Correspondent	S. N. Vasuki
Correspondents	Shankar P. (Bombay) K. G. Kumar (Trivandrum) N. Radhakrishnan (Bombay) Dilip Maitra (Bombay) Eapen Thomas (Bombay) Keya Sarkar (Bombay)
Staff Writers	Madhumita Bose (Calcutta) Dharani K. Pani (Madras)
Chief Sub-editor *Sub-editors*	F. S. Pinto, Gouri Dange, Tushar K. Das
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Cama 2041974/2253
Asst. Advt. Manager (Madras)	Vimal Shivdasani 474964
Sr. Advt. Executives	
(Bombay)	Ferzine Esmail 2041974/2253
(Calcutta)	P. L. Baluja 448455
(Hyderabad)	Minal Jagtiani
Advt. Executives	
(Bombay)	Elizabeth Jason, Himanshu Chitnis 2041974/2253
(Delhi)	Prabha Nair, Archana Pillai 350135/350253
(Madras)	Annapurna Vancheswaran 474964
(Bangalore)	Purnima Shah 74149
Marketing Manager Sales & Planning	Pheroza Sutaria 2041974/2253
Subscription Manager	Anita Mehta 274161
Regional Sales Representatives	
(Bombay)	S. Ravi N. Iyer 274161
(Delhi)	Sumati Bedi 350135/350253
(Madras)	S. Kannan 474964
(Hyderabad)	Minal Jagtiani
(Bangalore)	Purnima Shah 74149
Design	Trilokesh Mukherjee
Layout *Artists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
Madras Office	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

SUBSCRIPTION RATES

INDIA: ANNUAL SUBSCRIPTION Rs. 125
Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)
Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58, West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of ***Business India***
Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage

LETTER FROM THE PUBLISHER

In India we have an almost uncanny ability to refuse to face the real issues.

The tragic air crashes at Ahmedabad and Guwahati last fortnight were the inevitable outcome of the steady deterioration of air services in India. Anywhere else in the world tragedies of this magnitude would have caused an uproar and led to deep soul searching. Unfortunately in India we have the amazing spectacle of an attempt to cover up the whole issue. The minister of civil aviation ought to hang his head in shame — instead he refuses to communicate with the media and orders all in the ministry and the airlines to do the same. Similarly the managing director of Indian Airlines refuses to say a word. Of course, pious declarations of sorrow are made by the politicians and airline functionaries, who believe that the tragedies will soon fade in public memory.

The air services in India were nationalised and made a public sector monopoly ostensibly to secure three main advantages. First, it was argued that the highest standards of safety would be maintained by the airlines. There would be no compromise on safety for short-term profits. Second, it was argued that only government would make adequate investments in modern aircraft and supporting equipment. Third, it was believed that enlightened government management would mean the best personnel policies and dedicated service by the staff.

On all three counts our airlines, particularly the domestic airlines, have failed badly. It is quite clear that there has been a steady deterioration in the maintenance of our aircraft. There is inadequate planning and inadequate infrastructure to support the growth of air services. There have been short term patch-work steps taken. The result is that both men and materials are constantly stretched and it was only a matter of time before a tragedy occurred. The airlines have also failed to make adequate investments in modern aircraft in keeping with the growth in demand and our national needs. The result is that existing aircraft are pushed to the limit without adequate engineering and infrastructural support mentioned earlier.

And the biggest problem is that the management of our air services has become hopelessly politicised. The result is that there is an almost complete breakdown in personnel management. There is inadequate training; the normal periodic checks have slipped badly; and there is virtually no attempt at building a team in what is essentially a service business. It is then not surprising that the staff are demotivated and quarrelsome.

It is time we re-examined many of our old paradigms. We must have completely autonomous exportations — public sector or private sector. And government should only be concerned on a day to day basis with safety and regulatory issues. World over everyone goes that this is the only sensible way.

It is time that we face the real issues.

Ashok H. Advani

Lazard Brothers & Co., Limited

21 Moorfields
London EC2P 2HT

has entered into joint venture with
and acquired 25% equity of

CREDITCAPITAL
FINANCE CORPORATION LTD.

Head Office
Apollo Street
Bombay 400 023

New Delhi
D 946 New Friends Colony
New Delhi 110 065

Madras
150/87 Montieth Road
Madras 600 008

Calcutta
31 Chittaranjan Avenue
Calcutta 700 012

October 1988

C.F.T.R.I., MYSORE

• Rationalising terrorism

Your cover story on Punjab (3 October) was long-overdue. The article shows how business in the state has managed to survive, in spite of periodic bandhs, non-availability of labour and top executives, and government apathy.

The word 'terrorism' has become the standard excuse for everything and hides the actual problems faced by industry in Punjab. Yet it is a tribute to the hardworking Punjabi that things are kept going in the face of all sorts of hardships.

It is sad that the government thinks that Punjab can be made prosperous by handing out lollipops such as the Pepsi project. There is, I fear, a failure to face the problems directly and political considerations force the government to either go in for soft options or for such acts that get maximum publicity.

On their part, the Sikhs too must do some hard thinking and find ways of saving the state. Terrorism is serving neither their religion nor their image and the sooner people actively oppose it, the better it will be for industry. To rationalise terrorism by pointing to unemployment figures is both dangerous and irrational. Evidently, some hard thinking is required by all concerned to save Punjab and the country.

DINESH KUMAR
Chandigarh

• Missed details

Your article on Godrej & Boyce (3 October) was incomplete in parts. My firm B.K. Trading Syndicate has been dealing in Godrej products in the city of Bombay since 1968 till end June 1988.

The article does not mention another excise show-cause notice issued by excise authorities in 1983 or 1984 for evasion of excise duty because of the so-called 'optional service contract' charge. This was also stayed by the Bombay High Court. The article does not also mention that the advocate of the excise department did not put up any resistance in the High Court at the time of the admission of the writ.

Also, a factual error has crept in the article. The stay order by the High Court was issued in July this year and not last year. The writ petition which was ready for filing in June 1988 was ultimately filed in July that year, after a revamping of the sales pattern on a so-called uniform basis.

BASUDEO SONTHALIA
Bombay

• Off the mark

Though the article on ELCOT (3 October) reported facts and my comments fairly there were two errors. You have quoted me as saying that ELCOT will wipe out accumulated losses by the end of the Seventh Plan. This is not correct. I had said that the accumulated losses will be wiped out in the course of the Eighth Plan. As you yourself have quoted earlier ELCOT hopes to make 1988-89 a no-loss year and that leaves only 1989-90 as the last year of the Seventh Plan. It would be obvious that the accumulated losses of the past many years cannot be wiped out in the first year after reaching the position of no loss in 1988-89. Also, many new projects are just coming up and will not be in a position to declare dividends by 1989-90.

While listing a number of new projects for various products under consideration, only SIETEX a local SSI success is referred to as the collaborator. While SIETEX is a likely collaborator for one of the products, the other projects will be in collaboration with a number of other private promoters.

S. SATYABHAMA
Chairperson & Managing Director
ELCOT
Madras

• Inspiring leadership

Congratulations on bringing out the inspiring write-up on the Menons of Kolhapur (3 October). However, I feel the group deserved a more in-depth study.

As a former employee of Menon Pistons, I know that a key factor has been their people orientation and the company's success in developing a well-knit team of capable managerial and technical personnel.

The fact that Menon Pistons has not had a single day's work stoppage due to labour problems in the last six years speaks volumes for their labour relations and personnel policies.

I hope one can now look forward to your carrying more such 'success stories' in the small and medium scale sectors.

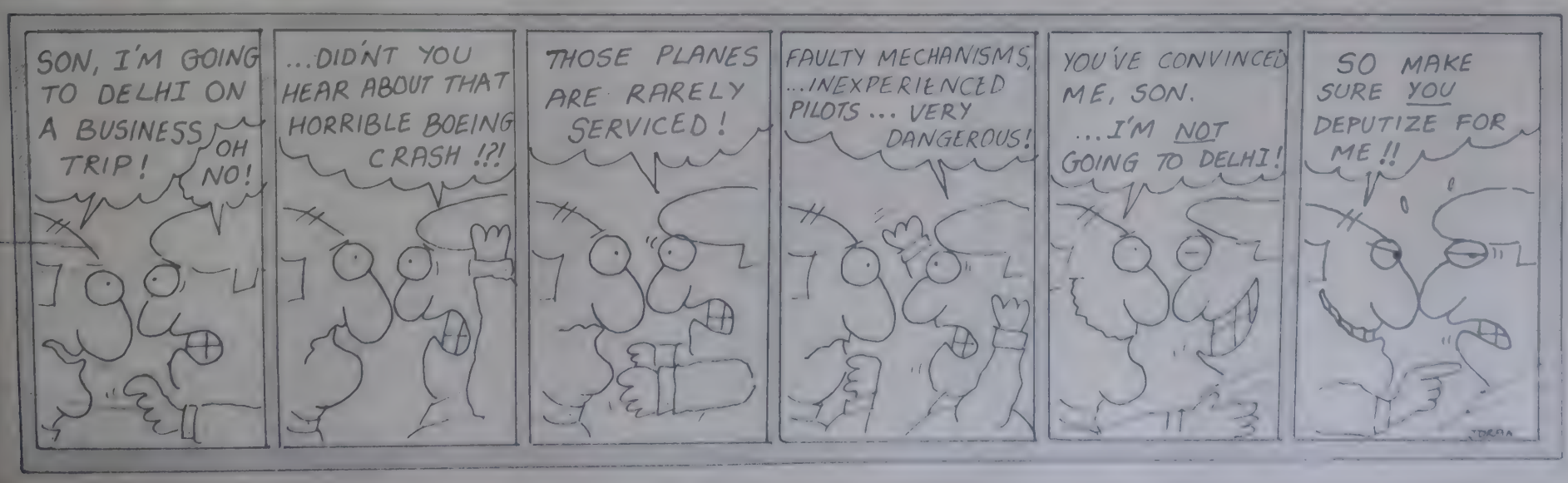
ANIL TANDON
New Delhi

• Derogatory terms

This refers to your cover feature 'Business in Punjab' (3 October). I am very sorry to note that you have permitted the use of words like "bhaiya" referring to a particular section of society. You must be aware

LIKE FATHER, UNLIKE SON

by Joran


SON, I'M GOING TO DELHI ON A BUSINESS TRIP!
OH NO!
...DIDN'T YOU HEAR ABOUT THAT HORRIBLE BOEING CRASH !?!
THOSE PLANES ARE RARELY SERVICED!
FAULTY MECHANISMS, ...INEXPERIENCED PILOTS ... VERY DANGEROUS!
YOU'VE CONVINCED ME, SON. ...I'M NOT GOING TO DELHI!
SO MAKE SURE YOU DEPUTIZE FOR ME!!

that the word bhaiya is used in a derogatory sense in Bombay. It is similar to words like "ghatis" and "annas" which refer to certain other segments of society.

These days there is a great deal of talk about national integration and nationalism; but it seems that you have not got the message.

ARVIND SINGH
Bombay

• Catch 22

In her special report on bank computerisation (19 September), Keya Sarkar has not been able to suggest an approach to effective bank computerisation. The article could apply to almost every computerisation effort in the country, whether in the public or private sectors. They are all guided by principles established in the sixties with second generation and early third generation systems.

The Rangarajan Committee's aim was "better customer service, housekeeping and MIS". The end result was, in some cases, better housekeeping and MIS but the same or worse service. Customers and bank employees are the victims of the wrong use of technology by bank managements, from the Reserve Bank downwards.

R.P. COELHO
Bangalore

• Unworthy accusations

This refers to the article, 'Telco shows the way, but can Rajiv follow?' by Mohan Guruswamy (19 September). The author, who was educated at Harvard and taught at a Boston university, seems to be ignorant of Indian conditions. He is talking like Rajiv Gandhi, promising to take India to the 21st Century when he first came to power.

Tatas have been thorough professional managers with their ears and eyes wide open to developments within the country and outside the country. It is unworthy on the part of the author to call them clannish managers, oligopolists, corrupt businessmen. etc.

Tatas have done well even in direct competition with Japanese LCVs and their vehicles have been completely indigenously developed

R.J. RAJI
[illegible]

• The idol worshippers

Jaswant Singh's article "The sociology of grovelling" (8 August), apart from being very thought-provoking, was also topical.

It is perhaps generally agreed that we Indians are idol worshippers in more senses than one. (Incidentally, this trait is no prerogative of any particular community in our country). What is not commonly agreed, however, is that this idol worship, this trait of abject obsequiousness and servility, is on the rise.

The author has rightly noted that this attitude is not confined to the ruling party but is also found in social circles. One should also add that it is not unknown in business establishments, where promotions are often based on the so-called loyalty index

The footage given to the prime minister on the national hook-up is a favourite subject of media critics and opposition parties alike. Yet, it is doubtful whether the coverage would be much less even if Doordarshan were made autonomous and independent of the government. If proof is needed, one has only to examine the news content of most of our dailies and periodicals where coverage on politics gets the lion's share. This in turn is often personality — rather than issue-oriented.

Opposition parties in India may be in a comparatively happier position in this respect only because their leaders do not have much patronage to distribute. In fact, one reason that different parties find it difficult to come together on one platform to form a united opposition may be that party politics is based not on issues but on personalities

A.G. PATHAK
Madras

• Centres of excellence

The study on brain drain, carried out by the IIT professors at Bombay made interesting reading (22 August). Dinesh Mohan's value judgement on the basis of this study is a reflection of his anguish at the selfish upper classes, rather than an attempt to assess whether the IITs are performing their primary role as centres of excellence.

"Brain drain", with its physical connotation of loss of an asset, is an appealing term. However, assets are only as good as the use they are put t Lamenting the search for success of a very hardworking and ambitious grou of young men is no substitute for asking where opportunities exist for utilising their talents.

The key factors for success in India must be reviewed to ascertain how many technically excellent men and women have been successful in displaying their abilities and professional approach. The accent on continuously borrowing technology in the march to 2001, must necessarily shift the scene of advanced technological action to foreign countries. While a C-DoT or an ISRO offers solace once in a while by providing challenging work, there are innumerable organisations where any kind of enterprise or innovation threatens the status quo.

The spirit of excellence needs to be nurtured with deliberate care in every sphere of activity. The seeds of the country's independent survival in the long term will be well sown in this effort to encourage meritorious performance with opportunity.

I view the successful performance of the IITs in producing internationally acclaimed technologists as a good first step. Engaging the 60 per cent who remain in nation building, by putting their professional expertise to use in challenging tasks is the vital next step

S. NANDAKUMAR
Madras

• Geep is doing OK

While your article on the drycells industry (5 September) highlighted its sorry plight, an error has crept into th article, which is prejudicial to the interests of Geep.

Geep has never invested in button cell production capacity as pointed out in your article, and so has not suffered the fate of a shut down. In fact, Geep has reported the highest rate of growth in production in 1987 and continues to do so in 1988.

Technical Advisor
Geep Industrial Syndicate Ltd
Allahabad

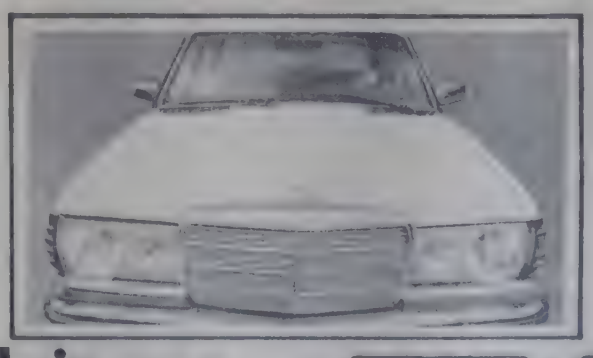
• Correction

V. Atal, who was incorrectly described as general manager, State Bank of India (Executive Ladder, 3 October), is the new managing director of SBI. The error is regretted — *Editor.*

The world awaits your coming.
Make sure you arrive in style.

Hire a limo from Auto Hirers.

Bombay's widest fleet of luxuriously airconditioned limousines awaits your discovery at Auto Hirers.
From Mercedes to Datsuns to Toyotas to Chevrolets to Fords to Ambassadors.
Backed by an array of plush coaches, both airconditioned and non-airconditioned.
All, nobly complemented by an army of superbly trained chauffeurs, at your service day and night.
You can hire the cars on a daily, weekly, monthly or yearly basis.
Drop in or give us a ring at our centrally located office in Bombay.



auto hirers

The Sleek Fleet.

- **For details contact: Tel: 4927196, 4948203**
- 7, Commerce Centre, Tardeo, Bombay 400 034 Telex: 11-76231 AUTO IN Cable:SEDANHIRE
- NIPT Phase IIB (Arrival) (Air India Module) Sahar Airport Bombay 400 099
- Airport Tel: 6320700 Extn.: 233/234

Member

We accept and **Contralcard**

The real thing!

A global tender recently floated by an Indian company asked for the "supply, installation and commissioning of IBM PC compatible systems (100 nos) along with accessories as per specifications" with "deviations from tender specifications".

It so happened that IBM itself responded to the tender. At the end of the audio-visual, a slide came up which read, "Deviations from tender specifications". And the IBM marketing respresentative who made the presentation said, "Gentlemen, I'm sorry, but we cannot offer IBM compatible systems as required by you. We can only offer IBM systems!"

P.B. GURUDUTT, *Bangalore*

Firm sent to prison!

Thousands of judgements ar delivered every day against and in favour of companies all over the world. But an unusual judgement has recently been delivered by a federal judge in Norfolk, Virginia. He sentenced the Allegheny Bottling Company to three years in prison and fined one million dollars on the charge of illegal price fixing. The allegation was that Allegheny, and its competitor, The Mid-Atlanti Coco Cola Bottling Co, had engaged in illegal price fixing between 1982 to 1985. Executives of the firm, for their part, have been sentenced to prison terms of six months.

SREENIVASAN NAIR, *Vadodara*

TV refund

Over 90,000 colour television owners who bought televisions in 1983 and 1984 could be in for a windfall if they paid more than Rs.7,500 for a set with a turret tuner and Rs.8,000 for a set with an electronic tuner.

It turns out that manufacturers had given an undertaking to the government that they would not charge prices above those figures.

But like many other buyers when Y. Satyavani of Kakinada bought a CTV, manufactured by Bharat TV Ltd, Bangalore, from Shri Raja Agencies, Kakinada, she paid Rs.9,150.

Unlike other buyers she took her case to the Monopolies and Restrictive Trade Practices Commission (MRTPC). The Commission found that the price fixed at the time of giving the undertaking included a reasonable margin of profit and Satyavani was entitled to a refund of Rs.1,650.

Breaking the ice, a hundred years ago!

A few years ago, someone suggested towing icebergs from Antarctica to Saudi Arabia to provide water to the desert land. At that time, many people laughed at the idea. But it was not really such an outlandish plan. Just a hundred years ago, there was a flourishing 'ice trade' between Bombay and Boston.

Ice was "harvested" in New England. After ponds froze over completely in the winter, they were cut into blocks and then these were transported by ship to Bombay. The first consignment apparently came to Bombay by accident but it demonstrated the possibility of transportation. From 1836, Jehangir Wadia and Co began importing ice on a regular basis. It was only after an ice plant was built in the 1880s in Bombay that the supply of ice was assured locally.

Eggscellence

In 1982, India was nowhere near the top ten egg producing countries in the world. Those were China, US, USSR, Japan, West Germany, France, UK, Brazil, Spain and Italy. Today, India is the sixth largest producer of eggs in the world, after the USSR, US, China, Japan and France. It has also become a full fledged member — the twenty third — of the International Egg Commission.

L.N. MURTHY, *Bhilai*

Executives and ladders

A veteran personnel manager, when asked about the executive levels or positions, made the following classifications.

Category 1: executives who mastermind the growth of the organisation;
Category 2: those who contribute and grow with the organisation;
Category 3: those who have been grown by other organisations;
Category 4: those who grow enough to quit and continue in other organisations;
Category 5: those who never grow, irrespective of the growth of the organisation; and Category 6: those who survive and might even grow at the cost of the organisation!

C. VARADARAJAN, *Madras*

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Taking advantage of monopoly

The bald fact is that the Mahanagar Telephone Nigam Ltd (MTNL) is making money at the expense of the consumer. It has been charging an advance rent of Rs.1,950 for new telephones. This is expected to cover a year's advance. The customer has no choice but to pay the money, and has no right to any interest on it; as MTNL puts it, this is only advance rent.

With the number of new telephone connections being made and many, many more to come, one can imagine the amount that MTNL will collect through these forced deposits.

R. WADHAWANI. *New Delhi*

TVs of the future

The NHK Japan Broadcasting Corporation introduced its new HDTV (high definition TV) during the Seoul Olympiad. There were public demonstrations of HDTVs all over Japan and South Korea using special cameras, video equipment and broadcasting techniques. It was the first major international telecast using the new technology.

HDTV displays colours that are very close to the original RGB (red-green-blue) spectrum. The picture is so clear that it produces what looks almost like a 3-D image. The new technology is the result of 15 years spent on engineering efforts and $200 million on research.

Coincidentally, the 1964 Tokyo Games were used to popularise colour TV. But the problems which existed then have surfaced again: a lack of an international agreement on HDTV specifications. All such standards are agreed upon through the Comit Consultatif International de Radiodiffusion (CCIR). In the CCIR assembly of 1966 in Oslo, a single colour standard could not be agreed upon. This resulted in the emergence of three different systems, namely, NTSC (national television system committee), PAL (phase alternate line) and Secam (sequential colour and memory). The HDTV also appears to be destin d for a similar fate.

West European countrie however, are not going to l the Japanese make inroads into their flourishing consumer electronics industries so easily by accepting a system developed by the Japanese as an international standard. Thus, the Europeans are making an attempt to develop their own HDTV which would be compatible with existing 50 and 60 Hz systems. To 'evolve' its own HDTV, a 19-country association is undertaking a four year research project, called Eureka, under Phillips NV of Holland. The cost: $186 million.

Present indications are that HDTV by NHK will not be accepted as a standard, mainly because of the stiff resistance. The next official CCIR assembly is scheduled only after 1990, only after that will the shape of the TVs to come be established.

JITENDRA KUMAR. *New Delhi*

Short on devotion

As always, Bombayites celebrated Ganeshotsav with the usual devotion and gaiety. For the Lord's official vehicle, the rat, however, they had little reverence to spare. If sales data for zinc phosphide, a very effective rat killer, is any indication, suburbanites had obviously gone on an orgy of rat killing. While the rodent's seasonal infestation is unfortunate — coinciding as it does with the festive season — one wonders how the devotees reconcile themselves with the killing?

C.R. VIJAYKUMAR, *Rasayani*

The 5-star phone call

Patrons of 5-star hotels are quite used to being charged exhorbitantly for every little thing. Even so, hotels have surprises that will shock even the most hardened 5-star hopper. Like a certain gentleman who made an 11-minute phone call to London from the Taj Intercontinental, Bombay, and was presented with a bill of Rs.1,041. Not even the smiles and sugary tones that accompanied the bill took the sting out of it; the gentleman demanded a breakdown.

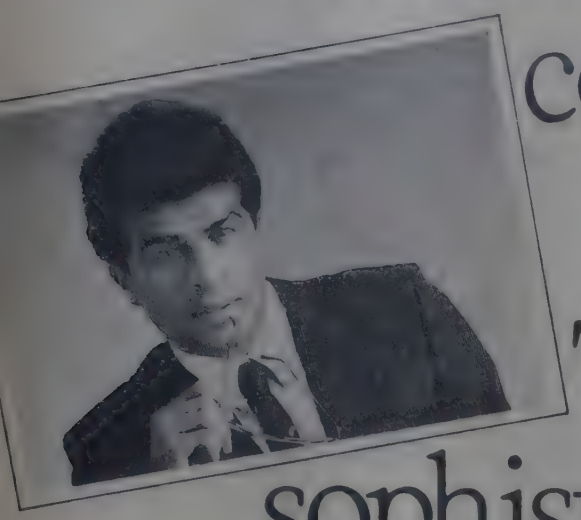
Apparently the bill

included P&T charges of Rs.528, administrative charges of Rs.418 (whatever that is) and expenditure tax, at the rate of 10 per cent, of Rs.95 (the government wishes it, so be it). That was that. The gentleman paid the Rs.1,041, swearing never to stay at 5-star hotels again and especially never to make 11-minute phone calls to the UK from one.

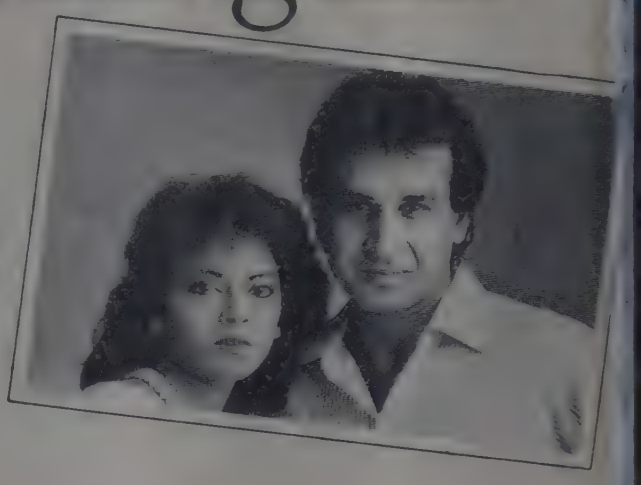
And international calls are not the only bad news. Even a local call can put you back a pretty penny in a 5-star. Consider the following rates charged in Bombay;
The Oberoi, Bombay: Rs.6.00
Taj Intercontinental, Bombay: Rs.6.60 Ramada Inn, Bombay: Rs.5.00 Holiday Inn, Bombay: Rs.5.00.

For someone who can afford a 5-star hotel, Rs.5 or Rs.6 may not make much of a difference, but when the P&T department charges 80 paise for a call, one can't help but wonder at the huge difference.

You are a manufacturer or retailer of high quality consumer or consumer-durable products.

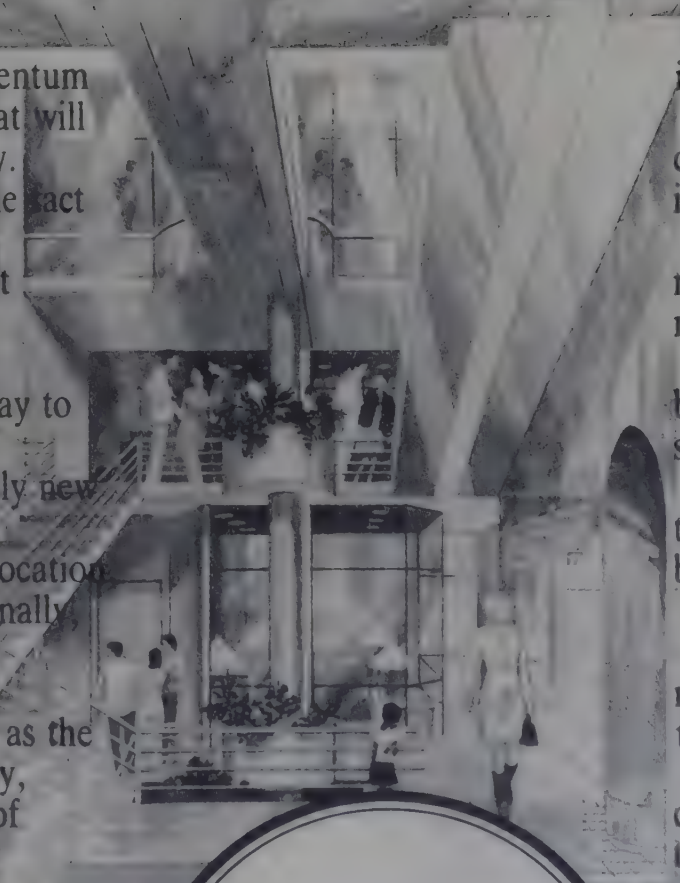


These are typical, educated, sophisticated, discriminating and affluent consumers living in one of India's metro cities.



A few weeks from now, a revolutionary retailing phenomenon could bring you face to face with them.

This is an invitation from Inter-Plaza to join the revolution.



Subtle at first, but gathering momentum apidly, a revolution is taking place that will hange the concept of retailing entirely.

At the core of this revolution is the fact hat today's affluent consumers are qualitatively different from the affluent consumers of a few years ago.

They have raised their levels of expectation. And they are willing to pay to have those expectations met.

What they're looking for is a totally new shopping experience.

An experience that encompasses location outlet ambience, service quality and finally, outlet prestige.

The Inter-Plaza solution.

To the affluent consumers as well as the retailer or manufacturer of high quality, premium-priced products, the arrival of nter-Plaza in India, is a revolutionary etailing phenomenon.

It satisfies both their needs.

For the consumers in search of a new shopping experience, it's a solution they are quite familiar with from their jaunts abroad: Harrods, Marks & Spencer, Macy's and Bloomingdale's.

To the retailers, Inter-Plaza is a solution to all their problems, too.

They get to lease or purchase an outlet at a prime location at Kemp's Corner in Bombay, Vasant Vihar in Delhi, Bashirbagh in Hyderabad and equally prestigious locations in Calcutta, Bangalore and Madras.

They get to use it, with full area for display and sales, designed to suit their individual needs.

They get the space without the overheads normally associated with acquiring and running the property.

They get a number of financial options by which they can lease or purchase the space.

And best of all, they get the assurance that the consumer traffic into Inter-Plaza will be of a high and consistent quality.

Profits. Before Inter-Plaza opens.

Inter-Plaza in Bombay and Delhi will be ready by late 1988 and in other cities during the first half of 1989.

We invite enquiries from manufacturing companies and retailers who are dealing in textiles, garments, cosmetics, jewellery, toiletries, watches, leather goods, furnishings and furniture, household appliances, electronics and electrical goods, food, confectionery, sports equipment, toys, beauty parlours, travel, stationery and almost any other consumer merchandise.

And, of course, from estate agents, to whom it is fully commissionable.

If you believe your product or service can exploit this opportunity, write to us with your space requirement and tell us the cities in which you'd like a presence.

We'll get back with a detailed proposal.

INTER PLAZA

THE RETAILING REVOLUTION

Inter-Plaza, Head Office, A-16 Naraina Industrial Area, Phase II, New Delhi-110 028. Phone: 571 8496, 572 4177

From The House Of Intercraft

Enterprise/IS/231A

CRUICKSHANK & COMPANY LIMITED

4, Bankshall Street, Calcutta-700 001.

It is hereby notified for the information of the public that Cruickshank & Company Limited proposes to make an application to Central Government in the Department of Company Affairs, New Delhi under sub-section (4) of Section 23 of the Monopolies and Restrictive Trade Practices Act, 1969 for approval to the take over of the whole or part of Shaw Wallace Aoki and Company Limited.

Brief particulars of the proposal are as under —

(i) Name and address of the applicant
Cruickshank & Company Limited
4, Bankshall Street
Calcutta-700 001.

(ii) Name and address of the undertaking the whole or part of which is proposed to be taken over and the manner of take over i.e. by acquisition of shares, acquisition of control or management, whether by the acquisition of the ownership of the undertaking or under any mortgage, lease or licence or under any agreement or other arrangement:
Shaw Wallace Aoki and Company Limited (SWACL)
154, Thambu Chetty Street,
Madras - 600 001.
The applicant proposes to acquire by subscription upto 60% of the Equity Capital of SWACL.

(iii) Management structure of the applicant:
Mr. K.R. Chhabria, Mr. T.S. Venkatesan, Mr. A.S. Malik, Mr. J. Bhargava and Mr. A. De.

(iv) Capital structure of
a) the applicant

Share Capital	
Authorised	Rs. '000
20,00,000 ordinary shares of Rs 10 each	2,00,00
Issued, Subscribed and Called Up	
16,00,000 ordinary shares of Rs 10 each fully paid up	1,60,00

b) the undertaking proposed to be taken over: The Capital structure of Shaw Wallace Aoki and Company Limited is as follows:

Share Capital	Rs. '000
Authorised:	
10,00,000 Equity Shares of Rs 10 each	1,00,00
	1,00,00
Issued, Subscribed and Called Up	
7 Equity Shares of Rs 10 each fully paid up	—

(v) Line(s) of business of the undertaking which will or is likely to emerge as a result of the proposed take over:
SWACL will commence manufacture of rubber components and allied products after the applicant and Aoki Rubber Industrial Co. Ltd., Tokyo, the foreign collaborator, invest in 60% and 40% respectively of the Equity capital of SWACL.

(vi) Consideration for the take over:
Subsequent to the investment to be made by the applicant Aoki Rubber Industrial Co. Ltd., Tokyo will invest in 40% of the Equity of SWACL as per terms of the Foreign Collaboration Agreement.

(vii) Scheme of finance indicating the source(s) of finance for the proposed take over:
The proposed investment will be financed by the Company's internal resources.

Any person interested in the matter may make a representation to Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, Dr. Rajendra Prasad Road, New Delhi, within 14 days from the date of publication of this notice intimating his views on the proposal and indicating the nature of his interest therein.

6th October, 1988.

T.S. VENKATESAN
DIRECTOR

No questions asked

With it becoming increasingly clear that there will be a degree of liberalisation in the financial sector too, CRISIL (Credit Rating and Information Services of India Ltd) is likely to gather momentum. The Indian corporate sector has started giving India's first credit rating agency more than a passing look.

Reportedly several leasing and finance companies are amongst those that see a clear advantage in a good rating. But what happens if the rating is not quite what you expect? Certainly one major finance company recently faced this situtation.

Quite simply, one pays CRISIL's rating fee, and then withdraws gracefully, no questions asked.

One more NRI

If the NRI-merchant banking grapevine is to be believed, S.K. Birla, of Cimmco, Mysore Cements and more recently Chloride India, is on his way to acquiring the coveted label of "non-resident Indian". In that event, he would then be the third leading Indian businessman to do so in recent times — after Rasesh Mafatlal and Vijay Mallya.

Naturally, speculation is rife as to why SK has decided to turn NRI. One theory doing the rounds is that he wants to take formal charge of Chloride Eastern, Singapore — the company which holds 51 per cent equity of Chloride India. Birla had bought into Chloride Eastern last year (estimates of his stake vary from 10 to 49.99 per cent) through his overseas companies. Kent Price of Chloride plc, UK who is currently chairman of Chloride Eastern is expected to hand over the reins to S.K. after he becomes an NRI.

North prevails over south?

The Thapars are believed to be close to clinching a deal with the financial institutions for taking over the management of the Madras-based engineering company, Best & Crompton. For months, the institutions, which own 58 per cent of the equity, could not decide whom they should back to run this ailing company. This was despite the fact that the company was headless after the exit of M.K. Kumar and badly strapped for cash.

The other serious contender was M.V. Arunachalam of the TI group which is believed to have acquired 8 per cent of Best & Crompton's equity.

Apart from bringing management the new owner is also required to pump in Rs.5 crores in working capital. Apparently, the decision as to who should be given control of the company got delayed because of concerted lobbying in New Delhi. Virtually every major South Indian house put in a bid. So did the Chhabrias as usual. Finance secretary S. Venkitaramanan is said to have favoured a "sons of the soil" policy towards the takeover of the company.

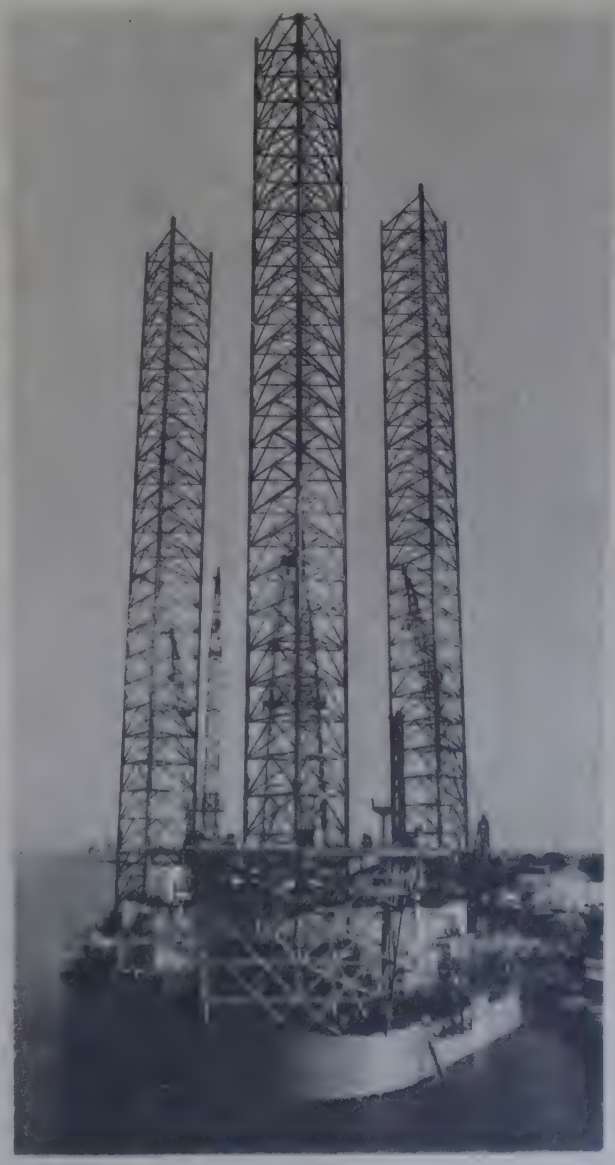
At any rate, Best & Crompton offers yet another example of the non-competitive, secretive manner in which New Delhi decides who should take over which company.

United we stand

What do you do if you have only one customer? And that too a rich and powerful one like ONGC.

Several Indian contract drilling companies have decided that from time to time have all been unfairly squeezed by ONGC. One complaint is that while rates for drilling are firming up overseas, here ONGC is pressing for lower rates. At a recent conclave in Bombay, apparently several leading contract drillers decided that the time has come to put up a united front in dealings with ONGC.

Will ONGC be able to resist this new consortium — even if it's the only customers around.



ONGC: unfair deals?

Market tussle

Even though the Ambanis have clearly won control of L&T (see *Business India* 17 October 88) there are still some steps that need to be taken to transfer the shares to their names.

Reportedly the three major financial institutions in Bombay have agreed to transfer a small percentage each to the Ambanis — but at the prevailing market price.

In the meantime shrewd market operators have been holding up the price of L&T.

At the slightest sign of a drop in price the speculators move in to buy, knowing that the institutions will then be committed to maintaining the market price.

Interesting, these tussles in the market.

Now greenfields too

Manu Chhabria has acquired a reputation for being an avid takeover artist.

Reportedly he is anxious to show that he can not only take over companies but also start greenfield projects from scratch. He is close to signing a deal with the Gujarat Industrial Investment Corporation to put up two projects, one of which will be a major project.

Corporate observers are watching closely how quickly he will succeed in these new ventures.

A man to watch

Even without MGR, the Madras based businessman, Udiyar, continues to make news. Earlier, his rise to prominence was ascribed to the full support and backing of MGR.

He is planning a series of new ventures which include a big glass bottle factory which will be a useful supplier of beer bottles to his brewery. His Binny Engineering is also planning to diversify into windmills and it is well known that he is planning a series of hotel and real estate ventures in the south.

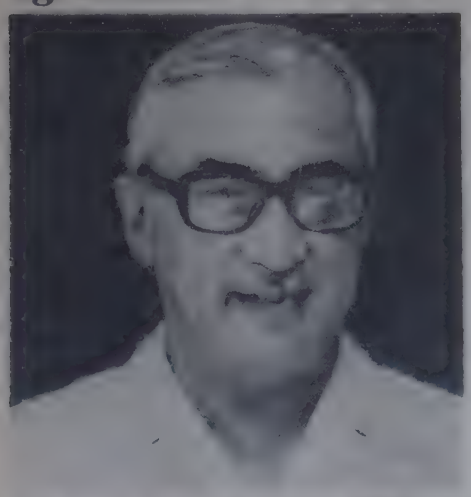
Clearly, he is a man to watch.

Growth rate for 8th plan highest

A consensus on the growth rate issue was arrived at at a full meeting of the Planning Commission presided over by the prime minister, Rajiv Gandhi. India's Eighth Plan is to have a growth rate of 6 per cent, the highest ever growth rate envisaged since planning commenced in 1950.

It is believed that the Commission has estimated an investment of Rs.6,49,926 crores for this level of growth. Regarding the need to raise savings for achieving the higher growth rate, it was felt that the government was moving in the wrong direction as expenditure is in excess of receipts on current revenues. By the end of the Eighth Plan, this gap is expected to be closed. In his remarks, Rajiv Gandhi said that in determining growth two things were important; one, ensuring social justice without which it was difficult to undertake elimination of poverty in a short time; two, he said, a higher growth rate is essential if India was to keep its stock high in the comity of nations.

FICCI-Assocham agreement on JBCs



Thapar: broadbasing JBCs

In a historic move, the two premier organisations representing industry and trade, announced an agreement on the organisation of various joint business councils (JBCs). L.M Thapar, president of Assocham, joined Raunaq Singh, FICCI vice president, in making the announcement. This move will help broadbase the JBCs, enlist the widest possible participation in international business meetings and thereby promote technology transfers, investment and trade. The immediate goals would be to achieve a balance in the country's external trade position and upgrade the level of technology of domestic industry. Each of the JBCs, in respect of which the co-operation agreement has been signed, will have a chairman and a co-chairman. The chairmanship will be for two years, alternating between FICCI and Assocham.

Export target hiked

The government has now realised that for industry to make a meaningful contribution to the balance of trade situation, it should realise Rs.22,100 crores. In view of the falling value of the rupee vis-a-vis the dollar, the new target is higher by Rs.1,424.5 crores than the earlier target fixed during August at Rs.18,785 crores.

The government is likely to announce a special package for the leading 100 export/trading houses to induce others to step up exports. The targets of export/trading houses are being revised. The number of such houses has gone up mainly because in the new exim policy, exporters of commodities like jute, tea, cotton, textiles, tobacco etc would also qualify as export/trading houses.

MoU to cover six more state units

From the next financial year, six enterprises (in addition to the earlier 11) will have to sign MoUs with their respective administrative ministries. These are Indian Petrochemicals Corporation Ltd (IPCL), Bharat Earth Movers Ltd (BEML), Bharat Yantra Nigam Ltd (BYNL), Coal India Ltd (CIL), Rashtriya Chemicals and Fertilizers (RCF) and Indian Oil Corporation (IOC). The objective is to try the MoU experiment in the public sector units operating in new areas. The concept of a Memorandum of Understanding (MoU) to be signed by public sector units and their concerned ministries was evolved a few years ago with a view to imparting greater autonomy in the functioning of the public sector units.

The government has also decided to evolve new performance evaluation criteria for each of the units brought under the purview of the MoU. The Bureau of Public Enterprises (BPE), which is the administrative department for MoUs, has already evolved model performance criteria.

Incentive package to boost software exports approved

The union government has approved a package of incentives to boost software exports. These include the import of computer systems at concessional duty rates for the development of software. Under the package, the government has decided to allow import of the computer systems at a concessional duty rate of 20 per cent under the loan/returnable scheme. The General Insurance Corporation (GIC) has been asked to provide cover to the user against professional lapses and malpractices.

The government has also decided to remove all restrictions on large houses if they want to come into the export sector. The government has also decided to grant visas for one year at a time to foreign nationals involved in the software industry. They are hopeful that the target of Rs.300 crores will be achieved by the terminal year of the Seventh Plan.

High level panel on electronics

A 29-member working group headed by the Secretary in the Department of Electronics (DoE), has been appointed by the government to recommend targets of capacity and production for the different sub-sectors of the industry year-wise up to 1994-95 with an indication of the perspective up to the year 2000, taking into account the domestic requirements and its export potential.

To make sure that the objectives are achieved, the group will work out year-wise foreign exchange requirements for import of capital goods components and raw materials for the industry during the plan period. It will also review the status of and estimate the investments required to be made in the public and private sectors in the context of the targets projected for the plan period.

Besides the DoE secretary as the chairman, the other members of the working group include N. Seshagiri, director general, National Information Centre (NIC), V. Rajaraman, Indian Institute of Science, Bangalore, and E.C. Subba Rao, Tata Research Company, Pune.

Rs.600 crores worth of cotton to be bought

The Cotton Corporation of India (CCI) has planned to buy more than 2 million bales of cotton valued at over Rs.600 crores under the price support operations. To protect the growers' interest for the current 1988-89 season when the cotton harvest is expected to be a bumper one (11 million bales) the CCI plans to open all the 227 purchase centres all over the country. "The glut in cotton production this year is likely to bring the market price of cotton at par with the support price, hence the massive procurement spree," M.B. Lal, chairman-cum-managing director of CCI revealed.

Unviable PSUs to be closed down

In a paper on the policy implications of a higher growth rate for the next plan, the Planning Commission has proposed that

loss making public sector units (PSUs) with no hope of revival be closed down.

The paper recommends gradual denial of budgetary support for enterprises in the non-core sector which are perpetually in the red. It also suggests rehabilitational efforts and merger of such units with profitable ventures. However, failing to achieve either, the commission feels, such units should be closed after taking care of the workers' interest. The significance of this policy measure is to attain a 6 per cent growth rate during the Eighth Plan.

Big spender ministries to be monitored

The government has constituted a high level group headed by a cabinet secretary to monitor the budgets of the five ministries incurring the heaviest expenditure. The group will include the expenditure, finance and planning secretaries. Intensive analysis of the four or five ministries would be undertaken by the group. The entire exercise will be completed before next year's budget.

Iron ore exports up

Iron ore exports have reached a new peak in the first six months of 1988-89. The Minerals and Metals Trading Corporation has exported 8.3 million tonnes of iron ore valued at Rs.180 crores in the first six months. This is the highest amount exported in the first half of a financial year. The total target for 1988-89 is 17 million tonnes valued at Rs.320 crores.

BEL-Keonics tie-up

Bharat Electronics Ltd has signed an agreement with Keonics for the transfer of technology for the assembly of discrete silicon semiconductor devices. Keonics plans to form a new joint sector company for the operation

Keonics has planned to set up an assembly plant to manufacture 35 million devices a year at a total investment of Rs.2.5 crores. BEL will, however, ensure the quality of production by their own inspection arrangement.

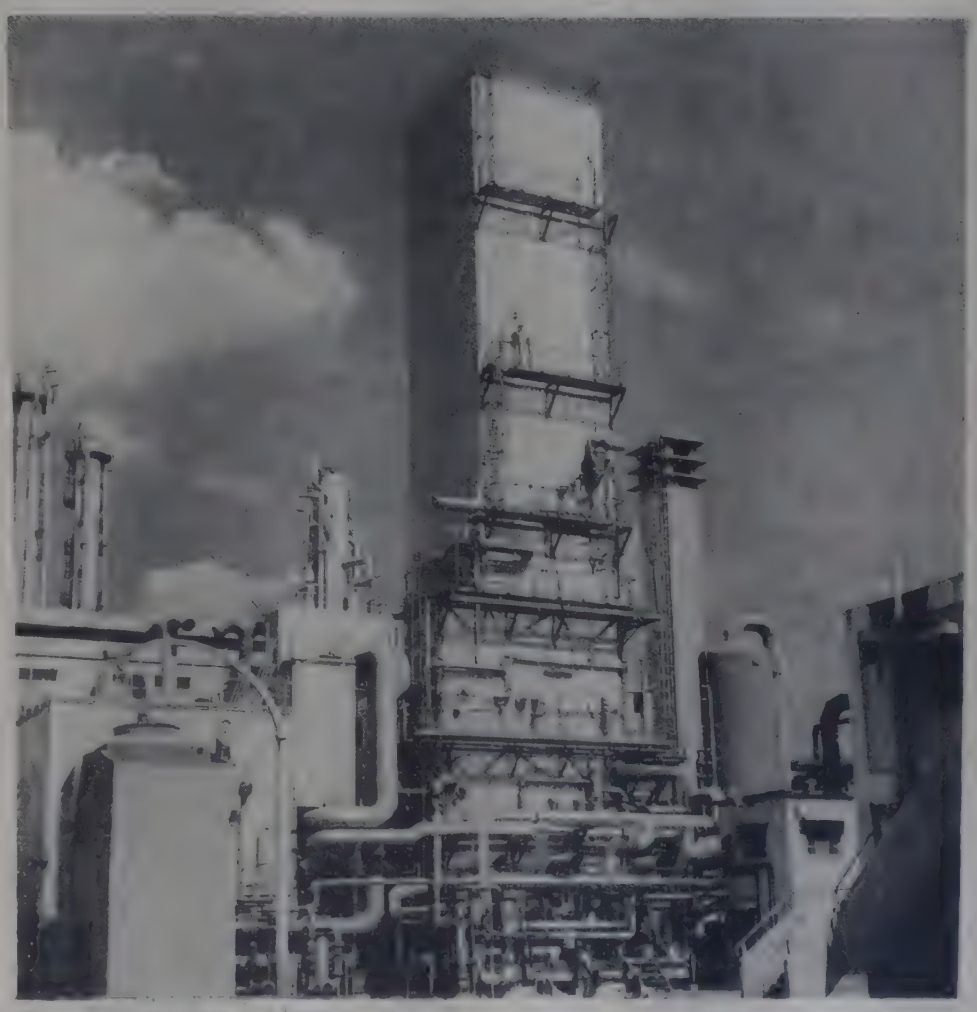
Centre allows import of four polymers

Four major polymers — low density polyethylene, high density polyethylene, PVC resin, and polystyrene — all of which were under open general licence (OGL) can now be imported under "stock and trade". The main objective of the government in allowing import of the polymers under "stock and trade" is to reduce raw material costs for the processing sector.

Many medium and large processing units, particularly those making PVC and HDPE products, can now import directly and thus save excise and sales tax. However, most of the units making LDPE, PVC and polystyrene products would still have to depend on large importers as most are small units.

UTI plans unit scheme for housing and construction

The government has approved a newly formulated fund of the Unit Trust of India, known as the Housing and Construction Unit Scheme, according to the Union finance minister, S.B. Chavan. The fund, the first of its kind in the country, will enable the small savers to participate in the housing and construction sectors. The Housing Development Finance Corporation will be advisers to the fund.



Chavan: cleared HCUS

The idea of the housing fund evolved from the mutual fund concept where savings are canalised into the capital market.

Global meet on jute promotion

Delegates from 25 countries will meet in India shortly to discuss a strategy to promote jute in the international market and renegotiate the international jute agreement.

The inter-government group on jute of the Food and Agriculture Organisation (FAO) will meet here from 2 to 4 November and the International Jute Council will meet from 6 to 8 November.

There will be discussions on research and development projects to discover more end uses for jute and manufacture new items to suit the requirements of consuming countries.

20 per cent rise in fertiliser offtake forecast

This year's good monsoon has made possible a 20 per cent increase in fertiliser consumption. The industry is looking forward to record sales of ten million tonnes during the year. Kharif fertilser sales have gone up to 4.6 million tonnes. Sales would have been much better but for the torrential non-stop rains which made application of the second dose of nitrogenous fertilizers to standing crops impossible in several areas. Fertiliser sales during the rabi season last year amounted to 4.8 million tonnes. This year sales are expected to be at least 5.7 million tonnes taking total sales to a record 10 million tonnes. The only jarring note is inadequate availability of improved and hybrid seeds for wheat, pulses and some other crops.

Despite this rosy scenario industry sources are sceptical about old fertiliser stocks being wiped out by the year-end. According to industry's calculations, even at the end of the year the excess stock will be about 2.5 million tonnes. The glut will disappear only by mid-1989, provided rains next year are good and imports cease.

Fiscal sops for food processing industries

To give a boost to food processing units the states have been asked to take a series of measures, including generation of reliable data on raw material availability, cropped areas and level of production. They have also been asked to reduce local

sales tax and octroi and simplify the multiplicity of laws. At a meeting of the parliamentary consultative committee on food processing, Jagdish Tytler said he was very keen to permit any project which would better utilise resources in a state and thereby contribute to its development.

The emphasis of the food processing ministry would be on the promotion of cottage and small-scale industries as well as rural co-operatives in a bid to augment rural incomes and employment. The agro food industry would be given incentives to encourage joint ventures abroad. These ventures could be in exporting Indian semi-processed food for further processing abroad. Permission would be granted to import state-of-the-art technology for capital equipment. An "open sky" policy would be followed to enable processed food exports to enjoy concessional freight structure.

Foreign companies keen on fisheries projects

Various foreign companies primarily from Yugoslavia, Malaysia and Mexico are keen on investing in integrated fisheries projects in India. Companies from these countries have conveyed their interest in participating in joint ventures in fishing and fish processing to the Shipping Credit and Investment Company of India (SCICI).

Apart from assisting in identifying the partners and providing term loans the SCICI will also contribute 20 per cent of the project cost as equity. It will also provide a maximum of Rs.25,000 as subsidy for carrying out project viability studies. According to N.C. Singhal, managing director of SCICI, Yugoslavian firms are willing to participate in joint ventures in India with 100 per cent buy-back arrangements.

SCICI has earmarked Rs.75 crores for the fishing sector during the current year. Of this Rs.20 crores have been disbursed so far to about 30 companies.

Alcohol-petrol mixture for cars

A high-level official committee has been constituted to examine the possibilities of mixing alcohol and petrol for use in cars. The committee includes representatives from the departments of food and civil supplies, petroleum and chemicals, and the sugar and distillery industries.

The committee which held its first meeting recently noted that an ad-mixture of alcohol in the range of 5 to 10 per cent did not require any changes in the engines of vehicles and has been successfully used in many foreign countries. In Brazil, many cars run exclusively on alcohol.

The petroleum ministry however, is understood to have emphasised the need for a steady supply of alcohol. The country will have to step up production by another 400 million litres.

Fisheries overseas support

All-India Tasty Bite launch soon

Tasty Bite Eatables Ltd has commenced production of ready-to-serve food and frozen vegetables. The company's ready-to-serve foods, first of their kind in India, have a 12 month shelf life without refrigeration.

The first commercial launch in Bombay received good response from consumers. Encouraged by this, the company has set a turnover target of about Rs.5.00 crores by March 1989. The product will soon be launched all over India, including in semi-urban areas.

Eighth Plan panel stresses expenditure cut

In a policy paper on strategies to improve efficiency in various sectors, the planning commission has called for a drastic curtailment of expenditure to meet the huge investment target.

It has also recommended that district level planning be made the focal point for co-ordination of all central and state governments.

The Commission has further suggested that Seventh Plan centrally-sponsored schemes should be subjected to zero-based analysis.

Tea gardens need mechanisation

With manual labour no longer freely available, the tea industry has begun to feel the need for mechanisation of certain operations to maximise yields in the peak season. Planters complain that they often have to skip sections of the estate while harvesting the leaf because of non-availability of seasonal labour. A tea garden can lose upto 200 kg of crop per hectare during the peak season. It is felt that if mechanical harvesters, stalk removers and pruning equipment can be used during the peak season, production can be maximised without affecting employment.

Superturf from Modi Carpets

Modi Carpets Ltd and Superturf I.P.T.A. Int have jointly announced the launching of Superturf sports surface in India. Superturf is a synthetic grass surface used for field hockey, soccer, tennis and golf.

The joint venture has a phased programme to manufacture range of Superturf surfaces to meet the various requirements of the sports community.

Mudra billings over Rs.40 crores

Mudra Communications announced the close of their eighth financial year (September 1987 to August 1988) with a capitalised billing of Rs.40.15 crores, a jump of approximately Rs.12 crores over the previous year.

New business gains include Cadbury's, Times of India, BPL, Deepak Fertilisers, Jagatjit Industries, All India Coated Steel Manufacturers Association, Hipolin, Lijjat Papad, J.L. Morrison and Optonica.

The agency has opened new offices in Calcutta, Cochin and Pune over the last year. Also, it has recently announced a partnership with DDB Needham Worldwide.

IF THIS IS HOW YOU FEEL AFTER LONG-HAUL FLYING,

A TRIP WITH AIR CANADA COULD COME AS A RELIEF.

Long-haul flying can be draining no matter how comfortable the seats or how good the in-flight entertainment. The fact is, the longer your flight, the more your biological clock gets out of time with local ones.

The key to flying is to take it easy. And there's no better airline to help you do just that than Air Canada. Relaxation is in our blood.

That's why, although our service is very attentive, you won't be fussed over unless you want to be.

When you want to eat, the food is always first-class.

But, as always, it's not what you do, it's the way that you do it.

And our way is the Canadian way. Relaxed and confident.

A BREATH OF FRESH AIR

AIR CANADA

AC 3/88

"High tech" has become the biggest cliche of the eighties. So where does that leave Hinditron? Once upon a time, 'high-tech' really meant something. But of late, people have been using the phrase rather loosely. Anyone with access to a little modern technology is now called high tech. So where does that leave Hinditron? We represent technologies so specialised, people haven't even heard of them: Image Processing,

Hinditron House, 42, Mahavir Kavan Road, Bombay 400 020. Tel: 220920, 223989 Tlx: 011 4632 HCPL IN Fax: 2871749

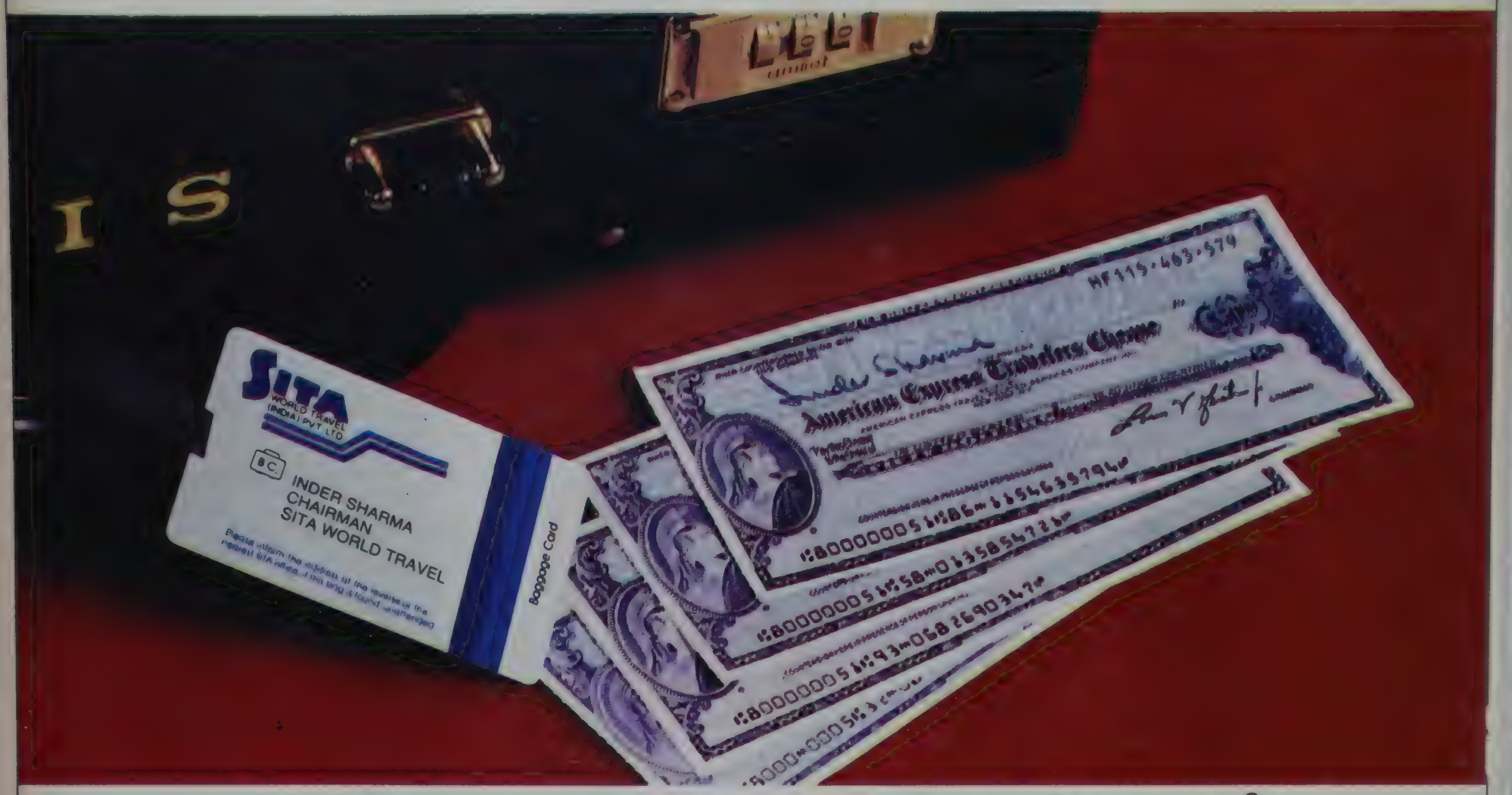
xpert Systems, Enterprise-Wide Networking and Artificial Intelligence.)ur core of technical resources is so rich that, besides setting up joint entures with Digital and Tektronix, we are at work in space research, digital telecommunications, CAD/CAM/CAE, factory automation... A company like Hinditron can no longer be described as just high tech. So we've invented a new word to spell out exactly where we stand.

Hinditron. Beyond high tech, there's supertech.

HINDITRON

Dattaram HE 105.38

India's leading travel agencies exclusively recommend the world's leading travellers cheque



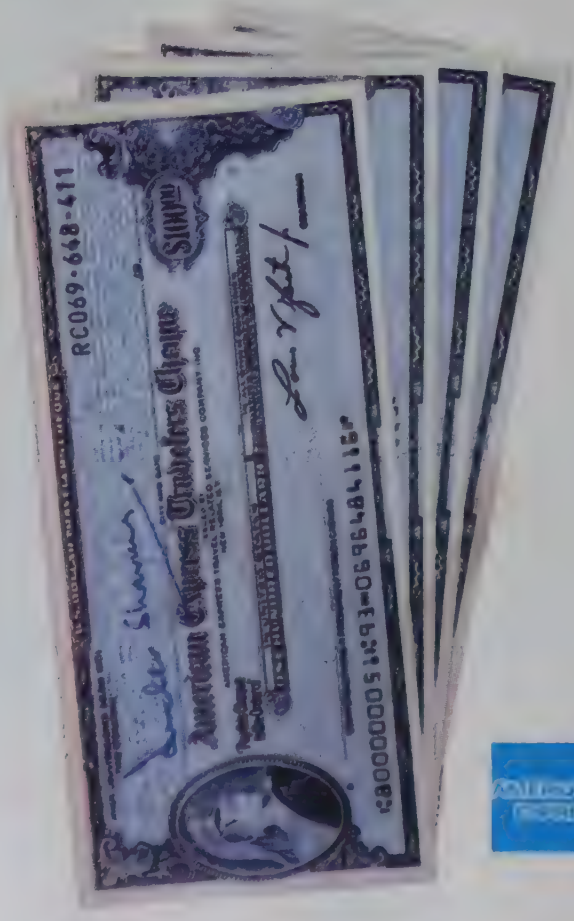
SITA recommends American Express®

Whether it's a business tour, conference or vacation group, SITA meticulously plans everything down to the last detail. Even when it comes to protecting your money. That's why we recommend only American Express Travelers Cheques.

No other travellers cheque offers as much protection. None.

If your American Express Travelers Cheques are lost or stolen you can :

- Get them replaced usually within 24 hours at over 1,20,000 refund locations and over 1400 American Express Travel Service and Representative Offices worldwide.



In addition you can also :

- Get help to alter hotel/airline bookings
- Cable your colleagues anywhere in the world, about your changed plans
- Obtain a temporary identification, if you also lose your passport and other travel documents.

All this at no extra cost.

So when you go abroad don't ask for trouble; ask for American Express Travelers Cheques.

Travelers Cheques

SITA WORLD TRAVEL (INDIA) PVT LTD

OBM/187

India's first PS/2

Zenith Computers Ltd has unveiled what could be India's first IBM-compatible PS/2 (Personal System/2) computer system.

The system, called the Zenith PS/2, is based on Model 30 of IBM and uses the Intel 8086 processor instead of the 8088 used in conventional PCs. The 8086 is as fast as the conventional PC-AT and will run the standard PC disk operating system and the new OS/2 (operating system/2). IBM itself announced the PS/2 on 2 April 1987. The other three makers of the PS/2 clones are Acer Corp, Dell Inc and Tandy Corp, all of the US.

According to Raj Saraf, Zenith's managing director, the system is primarily being targeted for large and medium sized undertakings. "It can be used in a networking environment with real multi-tasking features and will 'talk' to most of the standard mainframes made by IBM, Digital Equipment Corp, Hewlett-Packard, Wang Labs, Unisys and Control Data Corp," he says.

TCL granted approvals

The Madras based Thirumalai Chemicals Ltd (TCL) has received the necessary approvals to commence work on its new maleic anhydride project. The investment is expected to be about Rs.19 crores. The plant will generate power internally from waste heat and will use a high yield catalyst. The new plant is expected to go on stream by January 1990.

KCP awarded sugar plant order

KCP Ltd of Madras has been awarded a turnkey order for a sugar plant by Thiru Arooran Sugars Ltd, who are putting up a new 2,500 tcd sugar factory in Tamil Nadu. KCP will be introducing state-of-the-art technology in sugarcane milling — self setting mills developed by Fives Cail Babcock (FCB) of France. The plant will use high pressure boilers. The factory also proposes to go in for co-generation of power. It is expected that this 2,500 tcd plant will generate 5 MW of surplus power to be fed into the grid.

Awards

Tata Consultancy Services (TCS) has been awarded the "All India Top Exporters' Shield" for 1987-88 by the Engineering Export Promotion Council (EEPC) for top export performance in computer software consultancy. This is the eighth time that TCS has won this award.

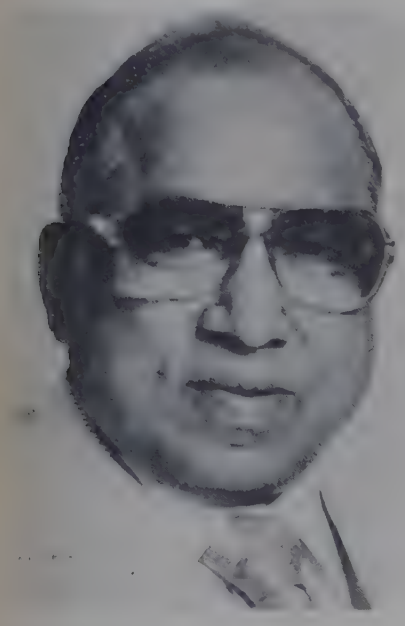
Y.P. Sahni of TCS receiving the award from commerce minister Dinesh Singh

DIARY

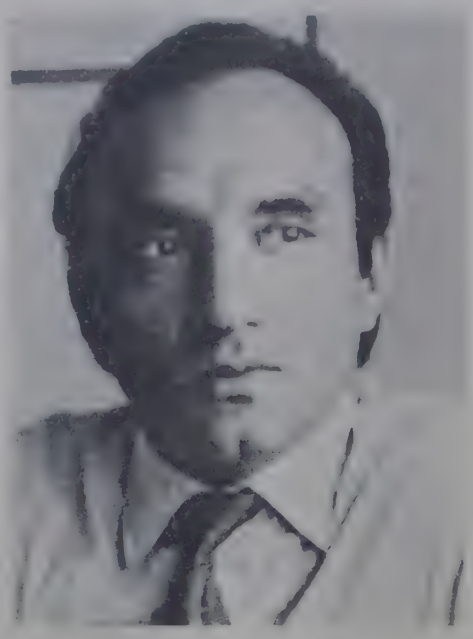
DATE	SUBJECT	ORGANISER	VENUE
2-4 November	**Computerised Maintenance System**	National Productivity Council, Novelty Chambers, Grant Road, Bombay 400 007, Te;: 371322/23	Bombay
4-5 November	**Rights of the Employees**	Creative Communication and Management Centre, 2nd floor, Raja Bahadur Mansion, 8, Ambalal Doshi Marg, Bombay 400 023, Tel: 273006	Hotel Oberoi Towers, Bombay
11-12 November	**7th National Conference on Management of Hospitals & Health Centre: Quality Service at Reasonable Cost**	Calcutta Management Association, 1, Shakespeare Sarani, Calcutta 700 071, Tel: 442815/432073	The Oberoi Grand, Calcutta
12-15 November	**Modern Manufacturing Inspection Systems**	Engineering Staff College of India, Visvesvaraya Bhavan, Kairatabad, Hyderabad 500 004, Tel: 229666/227005	Hotel Chola Sheraton, Madras
13-18 November	**Second International Seminar on Technology Management**	International Management Institute, B-31/B Kailash Colony, New Delhi 110 048, Tel: 6414651/6418653	Hotel Clarks, Jaipur
14-23 November	**Programme on Management of Industrial Relations-9**	Administrative Staff College of India, Bella Vista, Hyderabad 500 049, Tel: 36952/36956	Bella Vista, Hyderabad
18-19 November	**Technology Transfer & Industrial Licensing**	Creative Communication & Management Centre, 2nd floor, Raja Bahadur Mansion, 8, Ambalal Doshi Marg, Bombay 400 023, Tel: 273006	Hotel Claridges, New Delhi

L.P. KRISHNAN NAIR

Leela Penta Hotel, the luxury hotel near Bombay airport owned by Hotel Leela Venture Ltd, will now have a new name — The Leela, Kempinski Bombay. "This came about after an agreement signed by our company with Penta Hotels and Kempinski Hotels," says C.P. Krishnan Nair, chairman of Hotel Leela Venture Ltd.



The hotel has been awarded 5-star deluxe status by the government's Department of Tourisim. "In pursuance of our expansion policy, we are planning a new luxury beach resort at Goa with 180 villas in the first phase," says Krishnan Nair. Located on an area of approximately 40 acres, Krishnan Nair estimates the cost of the Goa venture at Rs.25 crores. "This hotel will cater to the luxury international resort clientele segment and has a high potential for foreign exchange earnings," he says.



VIRENDRA SUD

The Kanthal group of Sweden, which set up Kanthal Hoganas a year ago to manufacture iron powder, is forging ahead with another project. This time it is a Rs.2.7-crore thermal-bimetal strips manufacturing unit at Hosur, Tamil Nadu. Like the iron powder project, the bimetals project is aimed at import substitution, says Virendra Sud, managing director of Kanthal Hoganas. It was Sud and his team who put up and commissioned the Hoganas iron powder plant in a short span of nine months.

According to Sud, Kanthal Bimetals will go for direct sales to the big end users. But the major market is in the small-scale sector. "We will need a very efficient distribution system to penetrate the small scale sector." he says. Bimetal strips are used by electrical equipment manufacturers, domestic appliance manufacturers, etc.

Currently, over Rs.6 crores worth of bimetal strips are imported every year. In the first year of production (ie, 1990), the company expects a sales turnover of Rs.2.2 crores, at 30 per cent capacity utilisation. In December 1988, the company expects to make a public issue of Rs.60 lakhs.

K. SONAWALA

The Hinditron group has decided to enter into technical and financial collaboration with Tektronix Inc of the US, a large electronics company with annual sales of over US $1.4 billion (about Rs.1,900 crores). K. Sonawala, director of the Hinditron group says, "We have been marketing Tek oscilloscopes (electronic measuring instruments) for about two years. Now they will be manufactured at the new facility at Bangalore."

Hinditron Tektronix Instruments Ltd (HTIL) will have 40 and 30 per cent of its Rs.3-crore equity capital from Tektronix and Hinditron respectively. The remaining 30 per cent will be raised through a public issue which the company hopes to make sometime in December this year.

The market for oscilloscopes in India is on the rise, according to Sonawala. HTIL hopes to capture about 35 per cent of the market in due course.

RAGHAVAN SRINIVASAN

"In India 90 per cent of market research consists of *ad hoc* studies which are either client-specific or brand-specific. Syndicated market studies or general research packages constitute a mere 10 per cent, against 70 per cent in the USA and UK," says Raghavan Srinivasan, executive director, Mode Services Private Ltd.

Some interesting studies are already under way. The first is a study whereby companies can find out how the trade evaluates individual companies or brands on trade-related parameters like credit product quality, media support etc. Another study will cover in-shop behaviour in general stores and chemists. It will extend to respondents in Agra, Baroda, Cochin and Jamshedpur in addition to the four metros and will cover 600 general stores and 300 chemists.

Mode is also reviewing its "Product purchase media exposure interlinked panel," which will begin to function again from 1989. Information on market and purchase behaviour will be sent to clients on a monthly, quarterly or annual basis. Also on the cards is a study on the job expectations of graduates from engineering and management institutions.

H. LAKSHMANAN

Harita Grammer Ltd is a joint venture set up to manufacture seats, seat support mechanisms, and related hardware for the automobile industry. The company's focus will be on better design with emphasis on ergonomics, orthopaedic comfort, reliability, safety and aesthetics, says director H. Lakshmanan.

Harita Grammer has already developed seat support mecha-

nisms for leading LCV manufacturers like Telco and Eicher and for two-wheeler manufacturers like TVS Suzuki and Bajaj Auto. It is also negotiating to supply tractor seats to Escorts, Escorts Ford and TAFE. Lakshmanan expects sales of around Rs.7 crores in the first year of full commercial production.

The promoters of the Rs.3.94-crore joint venture are the Harita group (promoted by the Sundaram Clayton branch of the TVS family) and Grammer Sitzsysteme GmbH of West Germany. Both promoters have put up Rs.41.5 lakhs each. There will be a public issue of 600,000 equity shares of Rs.10 each at par.

J.L. NANDA

It's not everyday that a banker gives up his secure job to take on the uncertainties of private enterprise. But J.L. Nanda, ex-

regional manager of New Bank of India, did give up his job to start a security press, of course, with the knowledge that he could "bank on his contacts".

Nanda's new company, United Druckgrapen Ltd, located in a backward area of Chandigarh, will print both MICR and non-MICR cheques, and specialised stationery for schools.

The total project cost for the press is estimated at Rs.2.4 crores. Nanda has managed to contribute, along with friends, Rs.37.50 lakhs. Rs.10 lakhs of seed capital has been contributed by IDBI, a like amount by IFCI and Rs.7.50 lakhs by PSIDC. Being located in a backward area, the project gets a Rs.15 lakh state subsidy, bringing the total equity to Rs.80 lakhs and the debt:equity ratio to 1:2.

Goebel of West Germany will be supplying both machines and knowhow. With the state governments of Punjab, Haryana and Chandigarh already having approved of the press and its products.

C.R. RATHI

Rathi Alloys and Steel Ltd, a mini steel plant in northern India is going in for diversification and modernisation. According to C.R. Rathi, chairman and managing director of the company, the total outlay is going to be over Rs.30 crores. Of this, about Rs.7 crores will come from internal generation and Rs.23 crores from financial institutions. For augmenting the steel capacity, the company has finalised a technical collaboration agreement with Leyhold AG for providing technical knowhow for a 'LD' converter and 'AOD'. The converter will be used for bulk production of stainless steel and hot rolled sheets and coils. Says Rathi, "The country imports hot rolled coils at present and therefore our production will lead to import substitution. Also, demand for such coils is growing." The company is also planning to set up a sponge iron plant. This should help the company to reduce its dependence on imported scrap.

G.C. LUDWIGSON

"We don't attempt to be all things to all people," says G.C. Ludwigson, president of Diners Club International. According to Ludwigson, Diners aims its cards at a relatively narrow segment, the frequent traveller, who needs his card to pay for both travelling and entertainment.

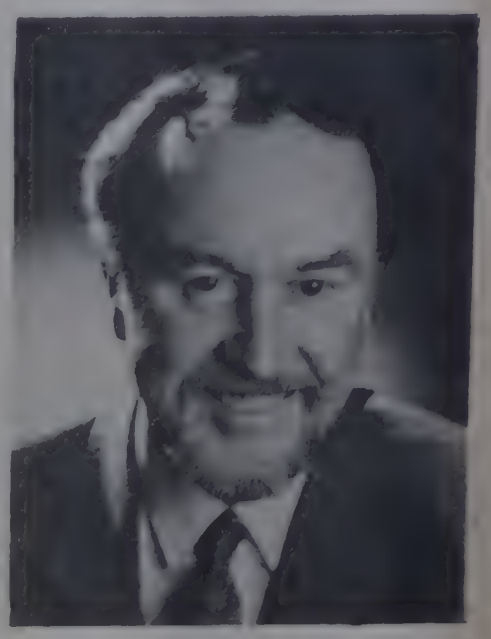
Ludwigson, who was in India to deliver a keynote address at a hotel convention in Delhi, visited the headquarters of Diners Club franchisee in India in Bombay. He refused to state Diners' worldwide turnover exactly — the company is a subsidiary of Citicorp — except that it was several billion dollars.

Commenting on Diners' operations in India, Ludwigson hoped that a relaxation in currency regulations would allow the Diners Card issued in India to be used outside India and Nepal.

ALAN JEFFERSON

"Although India accounts for only 1 per cent of Britain's tourism, it has the second largest number of tourists next to Japan. There are roughly 150,000 visitors from India every year and we would like see this increase," says Alan Jefferson, director (marketing) of the British Tourist Authority (BTA).

Tourism accounts for a quarter of Britain's invisible exports and 5 per cent of its total revenue. A total of 15.4 million visitors pour into the UK every year. According to Jefferson the BTA is "trying to emphasize three different aspects of our country



— the British people, the countryside and our heritage"

Says Jefferson, "We are trying to promote off-season travel because one-third of all tourists arrive during the months of July, August and September. To encourage businessmen, trade fairs and exhibitions are being planned. What we would like to have is counselling facilities for those who arrive in London.

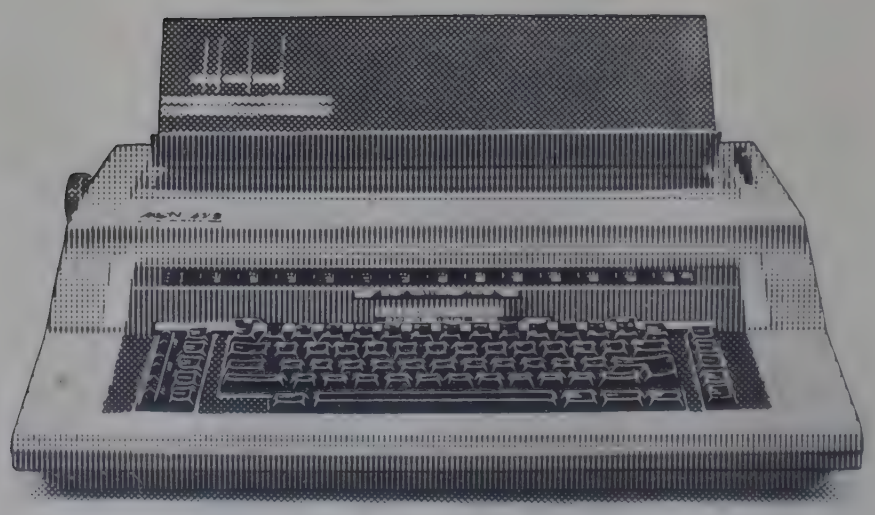
GEORGE PENNY

"I am very impressed with the performance of Indian students," says George Penny, director of National Computing Centre (NCC) UK. Penny was in Bombay recently to give away diplomas to students graduating from Apple Information Technology courses on Computer Studies. NCC and Apple Information Technology have a collaboration on some of Apple's courses, with Apple holding the classes and NCC conducting the exams.

The main function of the the Centre, established 22 years ago by the UK government, is training students. The Apple link was finalised around July 1986 with the first batch of students passing out in December 1987.

Says Penny, "I have found that psychometric (aptitude) tests are a very good indicator of success in these courses." The tests also bring out talents which might not be obvious from school examination results.

20TH CENTURY FOX, AMERICAN EXPRESS AND AIR FRANCE COULD HAVE BOUGHT THE WORLD'S BEST ELECTRONIC TYPEWRITER.



THEY DID.

Right here.

They chose the ACN Electronic Typewriter. Manufactured in India, in technical co-operation with Nakajima All, Japan. And Nakajima All, they well knew, is the largest manufacturer of electronic typewriters in the world. Possessing, undoubtedly, the most advanced technology. Technology behind the phenomenal success of the international best-sellers — Triumph Adler, Smith Corona, Olympia and Sears. The kind of typewriters they could have imported from anywhere in the world.

Quality and technology on par with the best in the world, something more clinched the deal. Professional guidance and service. Prompt, efficient and always at hand. Plus, the Ranutrol Group reassurance. Reassurance of over 18 years in high-technology, in India.

An ACN for all three. Certainly not by coincidence.

ACN
FROM
NAKAJIMA ALL, JAPAN.

RANUTROL GROUP

INTERNATIONALLY, THE BEST.

For further information, contact: Auto Controls Pvt. Ltd., 414, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001. Tel: 331 0137, 331 6464, 683 6001. ☐ Project Office: No. 12, 10th Floor, Embassy Centre, Nariman Point, Bombay – 400 021. Tel: 23 3629, 23 4424. ☐ Sales Office: 114, Ist Floor, A2 Building, Shah & Nahar Ind. Estate, Lower Parel, Bombay – 400 013. Tel: 492 0297, 492 7125. ☐ S-1, Stephen Court, Park Street, Calcutta – 700 016. Tel: 29 1755. ☐ 4, Parsan Menere, 602, Anna Salai, Madras – 600 006. Tel: 47 6723. ☐ Natraj Complex, 9, Residency Road, Bangalore – 560 025. Tel: 57 8846. ☐ 1108, Sector 33C, Chandigarh – 160 001.

Enterprise/D/ACL/152

INDUSTRIAL INVESTMENT

Maharashtra lures NRIs

Maharashtra chief minister Sharad Pawar and his entourage of aides and private industrialists returned last week from what they say was a "successful" 13-day Europe-USA tour to woo non-resident Indians (NRIs). The result, according to Pawar, was proposals for NRI investments aggregating Rs.1,244 crores in projects in the State.

Among the proposals listed in a government press release were those for a Rs.120-crore alcohol-based petrochemicals project and a Rs.250-crore 250 MW thermal power generation unit. The smallest of the proposals listed were those for a Rs.10-crore amusement park and a food processing plant at the same cost.

Concrete proposals. When asked to name the NRIs who had made the proposals, the state's industries secretary, S.G. Kale, said that one Nandu Marketkar of Boston had offered to set up a project for manufacturing computer cards; Kedar Sant, Tushar Kale and Kiran Shah, all of New York, had proposed setting up manufacturing facilities for granite slabs, ticketing machines and personal computers, respectively. A proposal for manufacturing continuous copper rods was also received from the London-based A. Bagri, who is known in the metals industry.

The chief minister's secretary, P.R. Dasgupta, said that a letter of intent had already been issued to another NRI, Vinod Jhunjhunwala, by the Union government for a Rs.15-crore project to manufacture metallised film at Valunj. He also mentioned a casino-cum-floating restaurant to be set up by a London-based NRI at a cost of Rs.10 crores, and a beach resort to be set up by two others at a cost of Rs.50 crores.

The homework for the chief minister's campaign was done by the State Industrial and Investment Corporation of Maharashtra (SICOM), the state's nodal agency for industrial development. SICOM had prepared more than 50 project profiles for the NRIs' consideration. The trip was undertaken in co-ordination with the Indian Investment Centres and the consulate generals in the various countries.

The biggest of the project profiles prepared by SICOM involved the manufacture of offshore platforms for the Oil and Natural Gas Commission (ONGC) at a cost of Rs.34.85 crores, which would yield a turnover of Rs.25 crores a year. The other large project profiled was a Rs.30-crore polystyrene or high impact polystyrene manufacturing unit which would yield a yearly turnover of three and half times the investment. Among the medium-sized projects profiled was a Rs.4-crore rubber chemicals plant which would yield a yearly operating profit equivalent to the project cost.

Predecessor's blessings. On a recent visit to Bombay, former chief minister of Maharashtra S.B. Chavan said that he had refused to go on the foreign tour, as was originally planned by SICOM, because the state was then facing a severe drought. Besides, he said, he was aware that similar trips undertaken by the chief ministers of Andhra Pradesh and Karnataka, in the recent past, had drawn blanks. Chavan, however, hastily added that if Pawar succeeded, he would help out in whatever way he could since the NRIs' proposals would ultimately have to be cleared by the Centre.

"The trips made by the chief ministers serve as a good reminder to the NRIs of the investment opportunities in the country and appeal to ethnic groups from the various states," says C.P. Shah, president of Overseas Indian Jaambo Association, Bombay, and former chairman and managing director of Bank of India. He claims that most of the NRI schemes adopted by the Union government were suggested by his association (which was started in Bombay to help NRIs from East Africa after Idi Amin expelled expatriate Asians from Uganda).

Shah, however, feels that the trip would have been more effective if the delegation included officials from the Central government and the Reserve Bank of India (RBI), which have single window facilities for clearing NRI projects. "The chief ministers often make promises, unaware of the fact that certain NRI schemes may not fit in the overall national plan," says Shah, in an oblique reference to proposals for casinos and thermal power stations which, in the past, have created controversies. Also, he points out that a number of NRIs trying to come back after the Union government put forward its schemes have had to encounter great difficulties and delays.

Fresh enthusiasm. Officials who were part of the tour are very optimistic, though. "The chief minister has created a lot of enthusiasm among the NRIs on this trip," says Anand Bhadkamkar, development commissioner (industries) in the state government, who was part of the delegation. According to him, the presence of prominent industrialists from the state, including S.L. Kirloskar, Chandrakant Garware and Avinash Wardekar, was an advantage since they could give NRIs first hand information about the investment climate in the state.

"We went equipped with a list of plots available in the various MIDC areas and even allotted four of them. Besides, the schemes also envisage financial help for the projects from SICOM," says Bhadkamkar who, until 8 July, was the

Pawar pack: the C.M. flanked by Gopal Krishnan, M.D. of SICOM and Tushar Kothari, a major diamond importer to the USA

It took 4½ years, a team of 20 people and a billing of 4 crores in Delhi to move us.

To a much bigger office.

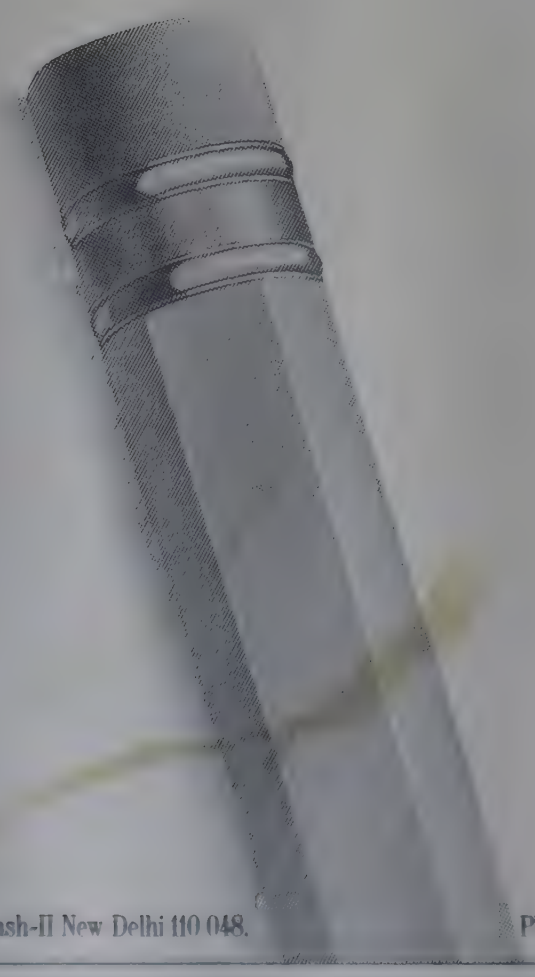
So weeks after Tara Sinha Associates walked out of their office, we walked in.

With 12 clients. And some very successful campaigns like Singer, Sohna Rice, Premier Vinyl.

And ten more people who'll be joining us soon. (Some of the top most agencies in Delhi will soon be announcing vacancies).

Right now we're busy settling down. But for the right advertisers, we have all the time in the world. Besides we'd like you to know we won't move again too soon. Just in case you want to call.

THE ENTIRE SPEER DELHI TEAM OF 20 PEOPLE WITH 12 CLIENTS AND 4 CRORE BILLINGS TAKE OVER THE TARA SINHA ASSOCIATES OFFICE.



SPEER
A FOOTE CONE & BELDING
WORLDWIDE
NETWORK COMPANY.

Advertising.

Marketing
Consultancy.

Public
Relations.

Qualitative
Research.

And

Sales
Promotion.

Speer Communications Pvt. Ltd. M-54 (Market) Greater Kailash-II New Delhi 110 048. Phone : 6430880/6431446 Tlx.: 31-71109 MAAN IN

corporation's chairman and managing director.

Bhadkamkar expects about 20 per cent of the Rs.1,244-crore worth of proposals to fructify. Of these, some like the amusement parks, are expected to be cleared very fast while larger projects could take three or four years.

■ ALOYSIUS FERNANDEZ

T-55 tank at Defex: for good measure

DEFEX 88

Wooing the private sector

Defex 88, an exhibition of defence equipment, was organised by the Army Ordnance Corps (AOC) at Pune from 5 to 14 October this month. The exhibition was held with the idea of wooing the private sector to manufacture defence items that were so far being imported. Spread across five sections inside the Central Armoured Fighting Vehicle Depot, more than 30,000 items relating to defence were on display. A few tanks, armoured vehicles and 155 mm shells for howitzers were added for good measure. The response from industry was encouraging; approximately 2,000 people attended each day.

Large imports. Some defence items are being produced indigenously by the Directorate General of Ordnance Factories (DGOF) and by some large companies — like Telco, Kirloskars and Bharat Forge — who have also been manufacturing certain specified defence goods. But, the bulk of defence items is still being imported, mainly from East European countries. The import of defence items exceeds Rs.3,000 crores a year, according to AOC officials.

Major General N.K. Agarwal explains, "While the import bill for complete vehicles and guns is considerable, that for spare parts and accessories also exceeds Rs 200 crores per year." The figures include only the army's requirements. The items on display at the exhibition for indigenisation were wide ranging: gloves, mountaineering gear, empty shell cases, optical goods, enamels, high-powered engines, hosepipes, screws, nuts, bolts and even hammers and nails.

Every item has been marked with the specifications and requirements of the army to "enable potential manufacturers to get an idea of the work involved," said Agarwal. An interested manufacturer is guided by the advisory cell to register the details with the concerned procurement agencies. "After the exhibition is over, the offers will be processed and orders will follow," explains the major-general. Plans are also afoot to publish a vendor's directory of all the participants in the exhibition. Copies of the directory will subsequently be made available to the different procurement agencies of the defence ministry. Presently, the onus of procuring goods for defence rests with many agencies controlled by the DGOF and the Directorate General of Quality Assurance (DGQA).

Procedural delays. Industrialists, however, are sceptical about the offer. Those who have had previous dealings with the ministry of defence are wary. At the open discussion seminars held every day at the venue, the industrialists spoke of the procedural delays they experienced while registering themselves with several agencies for the production of one item.

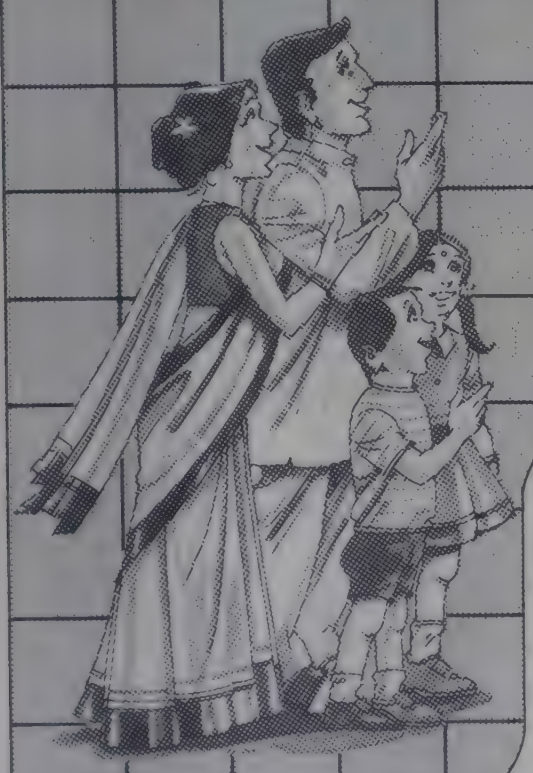
Rajendra Sah of Goodwill Iron Works complained, "It could easily take a year or two just to complete the registration formalities. While there is one registering authority for nuts and bolts there is a different authority for, say, iron pipes, and yet another one for electric parts. So, if a manufacturer is to supply equipment that would require all three parts, he would have to register with three different authorities. Each of these authorities would, in turn, hold quality tests and then register the products."

However, the need for high quality in defence items is understandable. "What is difficult to comprehend," says an entrepreneur," is the size of the orders placed by the army. How can they expect us to make five screws with stringent specifications when there is no assurance of repeat orders?" The non-viability of undertaking projects for defence was a commonly heard complaint at the exhibition.

The defence people, of course, were on the defensive. Admitting that many of the procedures in the army were outdated and redundant, the officers in charge of the exhibition assured the entrepreneurs that they would reduce red-tapism to a great extent. Stressing the need for stringent specifications for defence products, the organisers assured the industrialists of substantial orders as the displayed items belonged to only 18 basic types of equipment. They also promised to "make good" the burden of low orders.

The efforts at indigenisation of defence equipment are laudable. Industry on the other hand is capable of indigenising 60 per cent of the items displayed at the

Bonus to policyholders climbs a higher peak.



1988

Whole Life Policies
★**Rs. 77.50**
Endowment Policies
☆**Rs. 62.00**

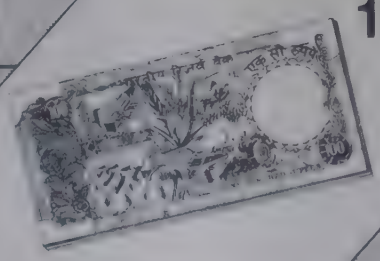
1987

Whole Life Policies
★**Rs. 72.50**
Endowment Policies
☆**Rs. 58.00**

1986

Whole Life Policies
★**Rs. 65.00**
Endowment Policies
☆**Rs. 52.00**

1985



Whole Life Policies
★**Rs. 55.00**
Endowment Policies
☆**Rs. 44.00**

★ ☆ per Rs. 1000 sum assured per year.

The present bonus increase comes over and above the substantial increases in the recent past. Bonus in the last 5 years has grown over 82%.

LIC has been making continuous efforts to improve the return to policyholders. Through more dynamic funds management, conservation of business, reduction in the cost of operations and increase in productivity at all levels.

The new bonus rates, as a result of the valuation as on 31st March 1988, are:

Whole Life Policies:
Rs. 77.50 per Rs. 1000 sum assured per year.

Endowment Policies:
Rs. 62.00 per Rs. 1000 sum assured per year.

And Final (Additional) bonus, too, for eligible policies.

A life insurance policy is now more attractive than ever before.

So, plan your further life insurance today!

Life Insurance Corporation of India
In the service of the people

R K SWAMY-LIC/3738/A

xhibition. That such attempts at import ubstitution were not made earlier is what angers the private sector.

Indeed, foreign exchange worth Rs 200 crores could have been saved each year. Sources in the defence ministry claim that if accessories and maintenance parts hitherto imported are made in this country, the ministry's expenditure could be cut down to Rs 80 crores. "Defex 88 in its nascent stages, may have rough edges," Luietenant-General A.K. Chatterjee, GOC-in-C, Southern Command, says, "but it can only be smoothened by an active interaction between the defence ministry and industry."

■ SHEKHAR GHOSH

FRUIT DRINKS

How fruity are they really?

How much fruit does Frooti, the mango drink manufactured by Parle Beverages, actually contain? This question is being currently debated before the Calcutta High Court, following the filing of a writ petition by the Consumer Unit and Trust Society (CUTS), seeking a direction to the municipal authorities to confiscate packets of Frooti and 'appy (another Parle product) on grounds that they are 'misbranded'.

Parle's pitch. The basic issue raised by CUTS is that both Frooti and 'appy contain very little fruit juice, and hence ought to be labelled and advertised as synthetic. On the contrary, according to CUTS, Parle's marketing pitch throughout has been the emphasis on Frooti and 'appy being a natural substitute for fresh fruit juice. To support its contention, CUTS has cited ruled 11 of the Fruit Products Order (FPO) of 1955 which states that any beverage which does not contain at least 25 per cent of fruit juice in its composition shall not be described as fruit syrup, fruit juice, squash or cordial and shall be described as synthetic syrup. The rule further stipulates that in such a case the drink must contain the word 'synthetic' on the label preceding the name of the product, and should also be of the same size (in lettering). Moreover, in accordance with section (2) of the same rule, there can be no picture of any fruit nor may the term 'fruit' be used on the packet. However, according to Bhanu Vakil, chief executive of Parle, "We are following the FPO specifications for ready to serve fruit beverages. A minimum 10 per cent fruit juice is required in the final product and all our drinks contain substantially more."

Despite allegations being traded freely and charges of 'motivation' allegedly being levelled by Parle (which feels that a rival company is behind the case to sabotage their newly launched orange fruit drink) against CUTS, Pradeep Mehta, general secretary of CUTS, remains undeterred. "There is no question of motivation or being 'paid' by a rival company," says an indignant Mehta, who takes his role as a watchdog of public interest very seriously. "If a particular company is perpetrating what amounts to a fraud on an unsuspecting public by misbranding or mislabelling their product, it is our duty to expose it in the public interest. Levelling allegations only tends to confuse the issue, and right now we want to keep the issue in focus."

Accepted principle. But why single out Parle? What about Lipton and Voltas — the other two manufacturers of tetrapack fruit drinks? Mehta replies, "What is important is that Parle is the market leader, which is why we are focussing on them. If you can nail down the number one company in the field, the others will automatically fall in line. This is an accepted principle everywhere by consumer groups." Besides, he adds, "None of the three leading tetrapack products (Parle's Frooti or 'appy, Lipton's Tree Top or Voltas's Volfruit) really comply with FPO's specifications, and we intend to initiate action against them too." CUTS, has been pursuing this matter since June, when its representatives had written to the commissioner of the Calcutta Municipal Corporation, on the basis of an individual complaint, asking the organisation to investigate whether various tetrapack manufacturers — namely Parle, Lipton and Voltas — were following the provisions of the FPO, and also the Prevention of the Food Adulteration Act of 1955. However, this failed to evoke any response from the concerned authorities, says Mehta.

At the heart of the controversy

Later in July, CUTS requested the Superintendence Company of India (Pvt) Ltd to 'test' the fruit drinks products. The test results showed that Frooti had a pulp/concentrate of only 2.53 per cent and 'appy 3.4 per cent, whereas Tree Top had a pulp/concentrate of over 15 per cent for their mango drink, and Volfruits' Guava showed a pulp content of over 7.5 per cent. Following this, CUTS, had written to Parle asking for a breakup of their composition. Letters, says Mehta, have also subsequently been written to Lipton and Voltas asking for a detailed composition of their fruit drinks. While there has been no reply from Voltas, Lipton has written to CUTS saying they will shortly be furnishing the details. According to Vakil, Parle responded to Mehta's letter clarifying that the company was complying with FPO specifications. However on 5 September, CUTS filed a writ petition in the Calcutta High Court. "They should have clarified the position with the concerned authorities before going to court and wasting everyone's time," says Vakil.

FPO's affidavit. So far Parle's stand has been that the concerned fruit drinks are "ready-to-serve beverages, requiring a minimum of 10 per cent fruit juice". In their letter to CUTS, Parle is said to have stated that "for any drink to be called a fruit drink it must contain a minimum of 10 per cent juice and as far as Frooti and 'appy are concerned, both of them contain substantially higher contents of fruit juice than what is required under the FPO rules". Even FPO has filed an affidavit in the high court listing out the various specifications for fruit drinks and Vakil emphasises that Parle is "well within the law".

CUTS, however, contends that Frooti is using pulp and not fruit juice as claimed, since nowhere on the packet does Frooti

mention the juice content. And the same goes for 'appy and Tree Top. Mehta feels that FPO norms have curiously changed over the years. "Till the early seventies the minimum stipulated juice content in ready-to-serve beverages was as high as 85 per cent. Suddenly we find that there has been an amendment bringing it down from 85 per cent to 10 per cent — an astonishing decrease indeed," he says.

Mehta also questions how Frooti or 'appy could possibly be sold as 'fresh' fruit drinks, when any tetrapack could easily have a shelf life of three to four months. In fact, it was the 'fresh' and 'natural' connotations in the Frooti and 'appy advertisements depicting pictures of fresh mangoes and apples which is 'misleading' the consumer, contends Mehta.

While the Calcutta High Court had initially restrained Parle beverages from advertising their products, an appellate bench later allowed Parle to continue with their advertising. The final outcome of whether Frooti and 'appy will continue to be marketed will be seen after the final hearing, in December.

■ MADHUMITA BOSE.

IAF CONGRESS

Recognising the Third World's role

The 39th International Astronautical Federation (IAF) Congress, held at Bangalore from 10 to 14 October 1988, opened the eyes of international space scientists to the progress made by developing countries in space research. For instance, the advances made by the Indian Space Research Organisation (ISRO) in the sphere of remote sensing were given commendable mention by some delegates from developed countries. In fact, William F. Ballhaus, Jr, a senior NASA official and leader of the American contingent, said, "I think India has made tremendous progress, especially in the area of remote sensing. What is laudable is that remote sensing activities are benefiting society."

More members. Achievements such as this have led the congress to decide to rope in more members from the developing countries; "These will initially be asso ciate members, after which they will be taken in as voting members," said the new IAF president, George Van Reeth. Van

Van Reeth: "always pushed co-operation"

Reeth, who is also director of the European Space Agency, was elected to his current office on 14 October and will hold the office for one year. He was also of the opinion that ISRO had made enormous progress in some areas.

The congress was sponsored by the Department of Space, government of India, and co-sponsored by CSIR, DRDO, ITI, L&T, the National Aeronautical Laboratory, Bangalore, UGC and Walchandnagar Industries. This was the first time it was held in India and coincided with the 25th year of India's space programme. It attracted 875 delegates from 38 member countries, including nearly 200 from India.

While highlighting activities in the fields of space transportation, microgravity, future launchers,the space-plane, commercialisation of space, disposal of space debris, etc, the congress dwelt extensively on the question of international co-operation. Said Van Reeth, "We (IAF) have always tried to push the idea of international co-operation in space programmes. But the problem is that the bigger countries are eternally interested in areas of their own choice; and IAF cannot force them not to do so."

When asked whether developing countries could share the technologies of the developed countries, Van Reeth said, "Technology itself is a different issue, and it has been found difficult to transfer technologies. But it becomes easier if the respective governments initiate efforts in this direction."

Calamity management. Of special interest to India, were the discussions regarding drought and flood management, through developments in the space programme. Van Reeth said the federation had taken a conscious decision to link up the two areas. "However," he said, "we can only give you the information about natural calamities. Implementation is the responsibility of individual governments." The next congress, to be held in Beijing, will have a session on flood management.

Another topic discussed was the proposal made sometime ago by the USSR to help India in building an international space station. Referring to this, Dr Dunayev, chairman of Glavkosmos, the Russian space agency, said, "Initially, we wanted other developed countries to cooperate with us in this programme. But this idea did not work out; and other developing countries have financial problems. So we are face to face with India now. It will not come through in a short period. At the moment, we are examining how much has to be spent and when it will be beneficial."

The congress noted that commercial space activities were "emerging as a potentially important segment of the economy in the western world. However, the high entry costs and the high technological risks are significant impediments to private sector investments in major commercial space segments, such as transportation, microgravity, materials processing and remote sensing." Also, it added, "they need increased access to space, increased time to conduct research in space and increased time to prove concepts and technology."

Spinoffs from space research have provided new technologies and materials for a wide spectrum of industries. NASA, for instance, has developed technologies, or secondary applications as they are known, for areas as varied as health and medicine, public safety, consumer and household goods, recreation, environment and resources management, food and agriculture, energy, construction and transportation, computer programmes, etc.

In his message to the congress, prime minister Rajiv Gandhi said, "Space science and technology have the potentials of providing a new perspective of our own planet, that of a single global village." The 39th Congress of the IAF was a step towards that goal.

■ DEVAPRASAD PUROKAYASTHA

The Gold Standard for Quality

In the 1950's and 1960's when the label "Made in U.S.A." was the gold standard for quality and reliability, an American in his fifties was priming Japan for her quantum jump to quality leadership that was to take place about two decades later.

Japan made that jump.

The gold standard is now made in Japan.

The Quality Pioneer

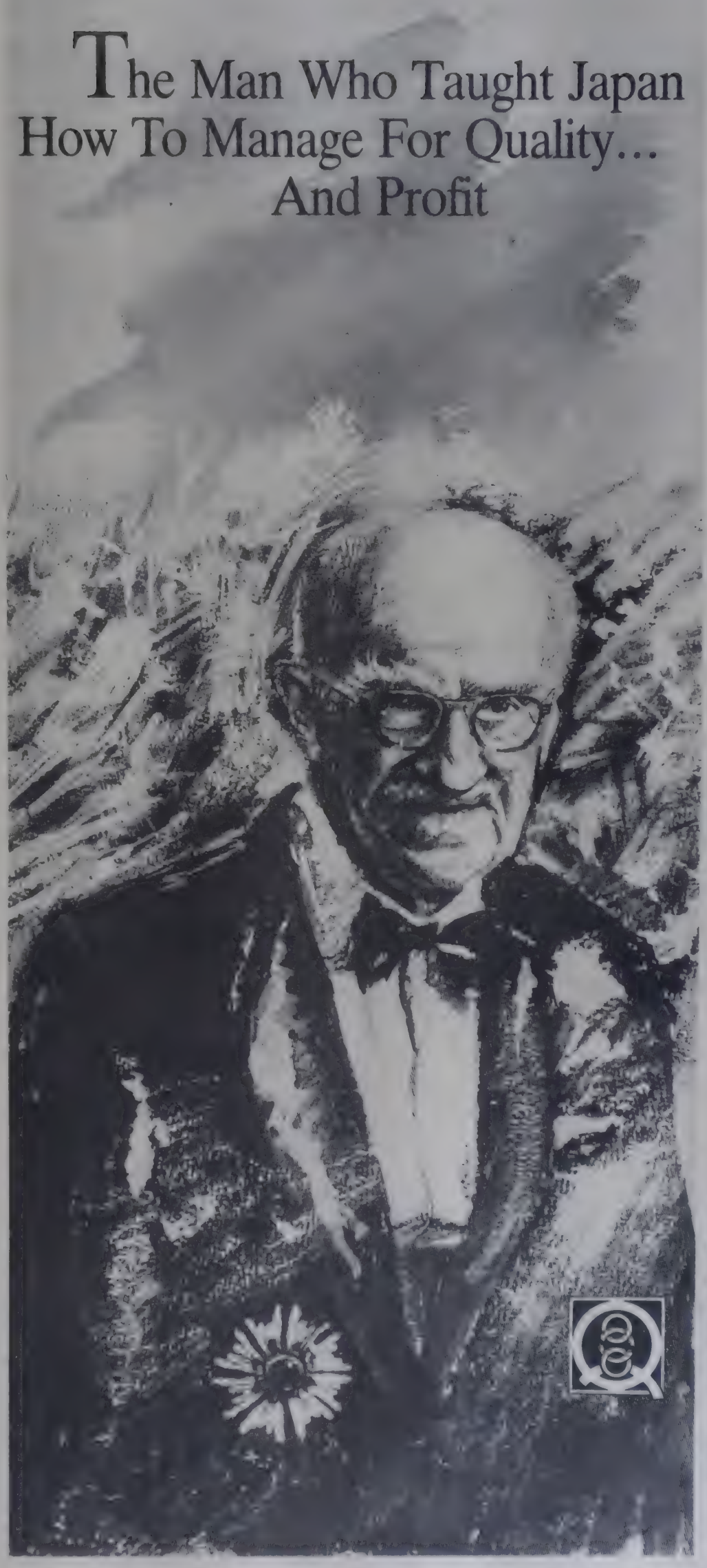
Dr. J. M. JURAN.
The catalyst who brought about a revolutionary rate of quality improvement in Japan's industrial output. Chairman Emeritus, the Juran Institute, Inc. Recepient of the Order of the Sacred Treasure, awarded by the Emperor of Japan for "...the development of Quality Control in Japan...".

Even today, the only quality consultant with a *structured* and proven process which focuses on not only *what* and *who,* but also *how* to manage for quality. When Dr. Juran speaks on Quality Improvement he leaves no room for ambiguity. He views quality as a process of management in perpetual motion. There's an urgency in his message which communicates that while quality costs, poor quality costs more.

His decades of experience now find expression in a range of management-oriented products and services, based on the principle of the JURAN TRILOGY®:
* *Quality Planning*
* *Quality Control*
* *Quality Improvement*

JURAN.

The Man Who Taught Japan How To Manage For Quality... And Profit



Juran on Quality Improvement

Juran on Quality Improvement assures immediate and continuing results that impact favourably on the bottom-line. It has been successfully implemented. By Du Pont, AT&T, IBM, Tata Steel, Volvo, Hindustan Motors and Boeing, to name some.

Let Juran Work for You

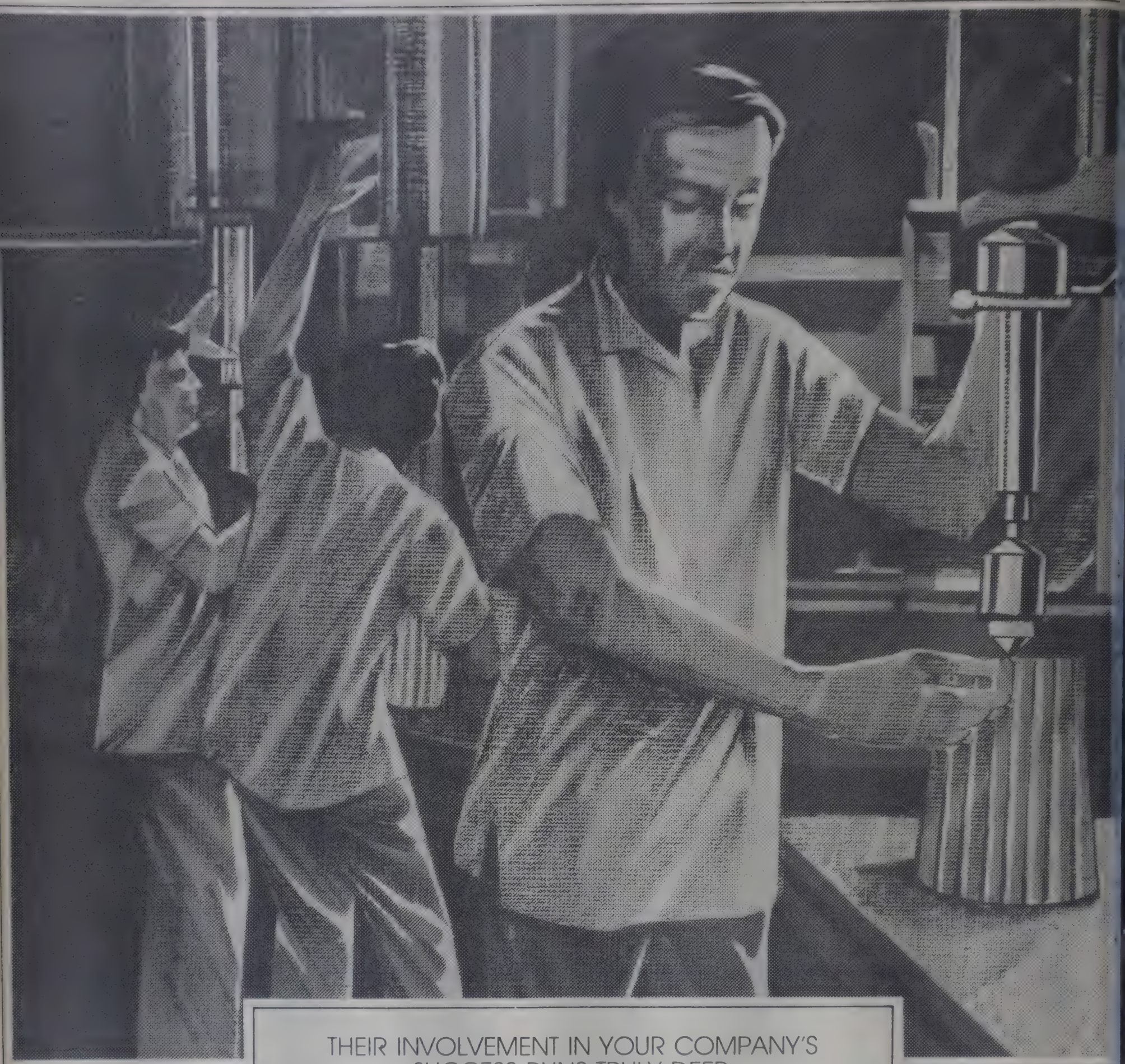
Fourteen international affiliates form the global network of the Juran Institute. Qimpro Consultants Private Limited, Bombay, is part of this network. Through them you can access Dr. Juran's programme on Quality Improvement.

Make Quality Improvement A Way Of Life

Qimpro Consultants Pvt Ltd

(Indian affiliate of the Juran Institute, Inc.)
1-C Sindhu House
Nanabhai Lane, Bombay 400 001
Tel: 204 4421 • 202 3753

Dazzal/QC/01



THEIR INVOLVEMENT IN YOUR COMPANY'S
SUCCESS RUNS TRULY DEEP.

HOW ENLIGHTENED MANAGING DIRECTORS CAN INVEST IN THEIR PEOPLE AND WATCH THEIR ASSETS APPRECIATE FAST.

Now, win your employees over completely.

Gift their wives a Singer Sewing Machine. They'll use it well for the rest of their lives. To be the best dressed family in the neighbourhood. Without spending any extra on their clothes. In fact saving quite a bit on tailoring bills. They'll even earn a tidy sum of money, sewing clothes for neighbours, friends and contacts. Just give our Marketing Director a call and he'll work out an attractive deal for your company.

Call him today on 6443045 Delhi. Or drop him a note now. Or our representative would love to visit you and explain the scheme. Just fill in this coupon and mail it to us today. And start growing your assets faster than ever before.

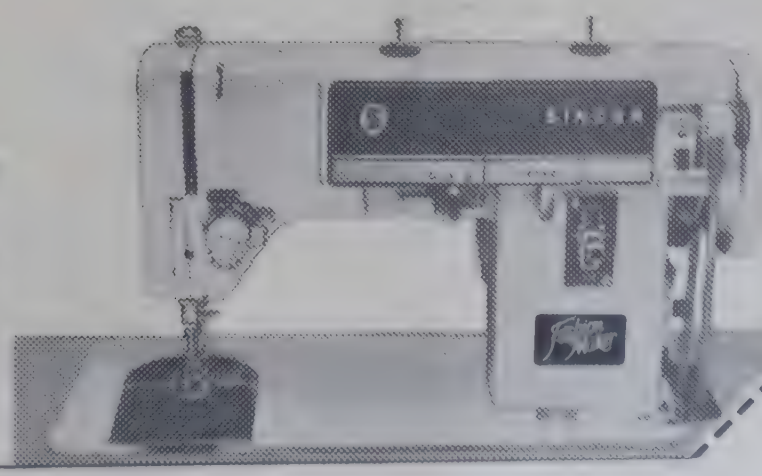
Indian Sewing Machine Company Ltd.,
3 Devika Tower, 6 Nehru Place,
New Delhi-110 019. Tel : 6443045

REWARD THEM JUSTLY! GIVE THEIR WIVES A GIFT
THAT WILL HELP INCREASE THE FAMILY INCOME
FOR THE REST OF THEIR LIVES.

GIFT A

SINGER*
FOR LIFE

*A Trademark of THE SINGER COMPANY.



We want our employees to be justly rewarded.
Please send your representative to :

Name

Designation

Address

Phone

SPTR 476 A 88

David Brown's 'H' Series.
A wide range of fully metric helical gearboxes.
Engineered for efficiency, economy and versatility.

'H' Series – your industry's power-savers

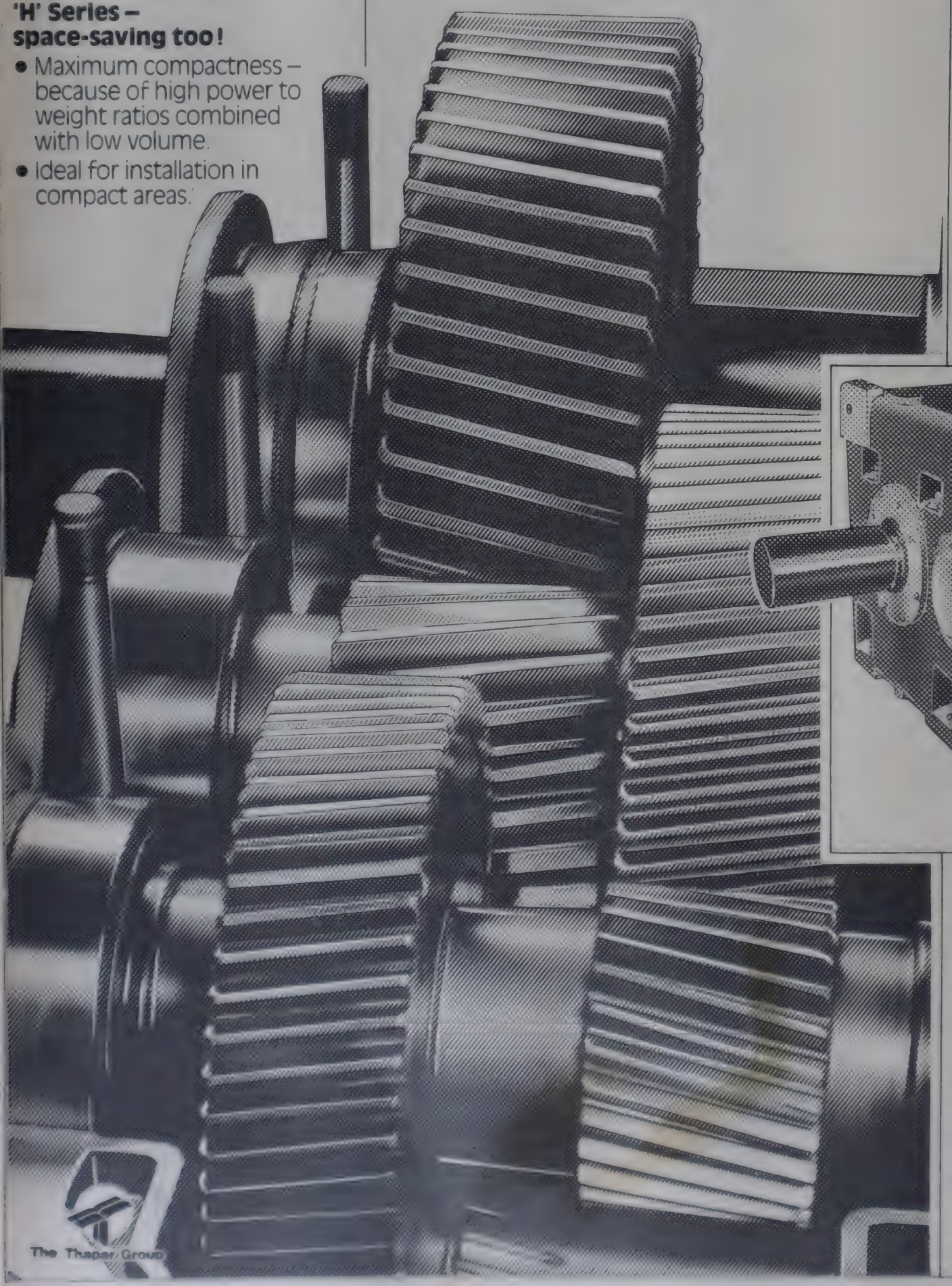
- Very high efficiencies (97-98.5%) – because of perfectly matched and aligned components.
- Greater load-carrying capacity – due to highly optimised gear geometry.
- Long life and operational reliability – because of high quality materials.

'H' Series – space-saving too!

- Maximum compactness – because of high power to weight ratios combined with low volume.
- Ideal for installation in compact areas.

David Brown 'H' Series Helical Gearboxes.

Helping you save energy and space.. in many more ways than one.



The Thapar Group

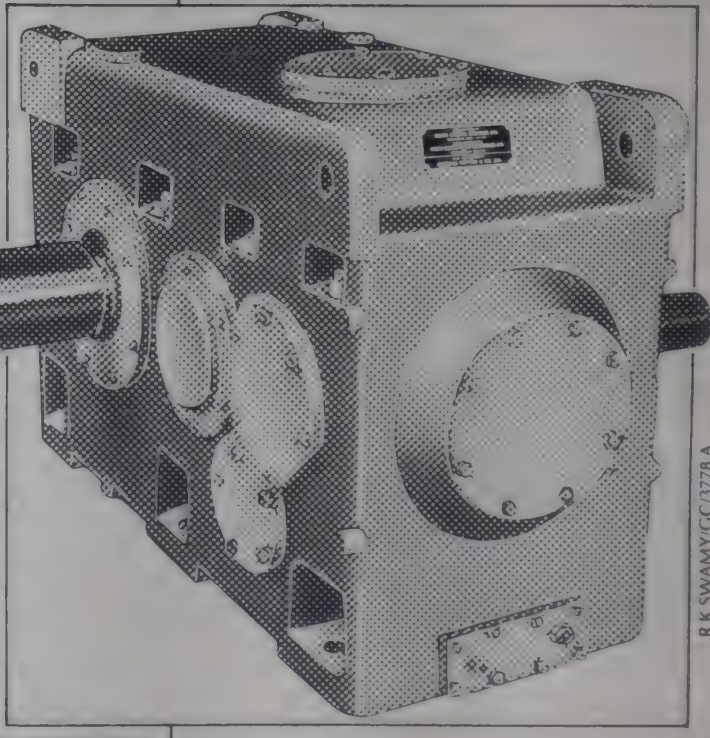
'H' Series – amazingly versatile

- Highly interchangeable parts and sub-assemblies – because of modular design and construction.
- Suitable for both horizontal and vertical drives – with right angled (Spiral Bevel) and parallel shafts.
- Choice of foot/shaft mounting with optional right/left hand shaft arrangements.
- Answers every need – available in extensive close ratio ranges (AGMA) with additional half-ratio steps.

Nationwide sales and service

David Brown 'H' Series Helical Gearboxes are manufactured, sold and serviced by Greaves Cotton, leaders in power transmission equipment.

Greaves' countrywide network of 21 Sales and Service Centres, manned by qualified and experienced engineers, can help you select the right helical gearbox.



R K SWAMY/CC/1778 A

Contact:

SOLD & SERVICED BY GREAVES

GREAVES COTTON & CO. LTD.
David Brown Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023
- Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, NEW DELHI 110 002
- Thapar House, 25, Brabourne Road CALCUTTA 700 001
- 13, Second Line Beach, MADRAS 600 001

GREAVES

Manufactured by
DAVID BROWN GREAVES LTD.
Chinchwad, Pune 411 019.

Under Technical and Financial Collaboration with:

DAVID BROWN GEAR INDUSTRIES LTD.
Huddersfield, England.

David Brown – mastery in gears

SAIL sets its sights high

The Steel Authority of India (SAIL) has set for itself a target of 15 million tonnes (MT) finished steel production by the year 2000 AD. This grandiose plan envisaging an investment of about Rs.15,000 crores spread over 12 years is to be attempted in three stages: around 9.1 MT by 1989-90, 12.3 MT by 1994-95 and 15.2 MT by the turn of the century. This according to the Corporate Plan — upto 2000 AD prepared by SAIL will be achieved by changing the product mix, improving the techno-economic parameters close to international standards and bettering customer service among other things. Considering that the total investment in all the steel plants of SAIL upto 1986 was Rs.8,700 crores, the additional investment to fine tune production and increase capacity in the different steel plants is by any standards extravagant.

But the steel sector has been a gas-guzzler in terms of appropriating large amounts of money during plan periods. For instance, the steel sector accounted for 0.88 per cent of total plan outlay in the first plan, which increased to 5.29 per cent during the third plan, but has declined steadily since then to reach a nadir of 1.8 per cent in the seventh plan. Also internal generation of funds till recently was not encouraged because of the policy of 'cheap-steel' followed by the Administrative Pricing Policy. But even after this massive investment of public funds SAIL was only able to produce 7.5 million tonnes of crude steel in 1987-88, down from 8.6 million tonnes in 1986-87.

However, the bane of SAIL has always been low capacity utilisation. The average capacity utilisation of steel ingots for SAIL as a whole in 1986-87 was 63 per cent, down from 74.1 per cent in the previous year. Within the different steel plants Burnpur used only 53 per cent of its capacity followed by Durgapur (58 per cent), Rourkela (61 per cent) and Bokaro and Bhilai (66 per cent each). In fact, capacity utilisation has been declining in most of the integrated steel plants since 1976-77. This is in spite of the fact that an investment of about Rs.2,200 crores was made after 1986 in the Bhilai Steel plant.

However, this constraint of low capacity utilisation, according to SAIL's own projections will soon be overcome. Bhilai and Bokaro are expected to achieve full rated capacity in respect of hot metal, crude steel and saleable steel by 1989-90. The other steel plants should also make significant improvements in capacity utilisation. This will be achieved through a phased modernisation plan.

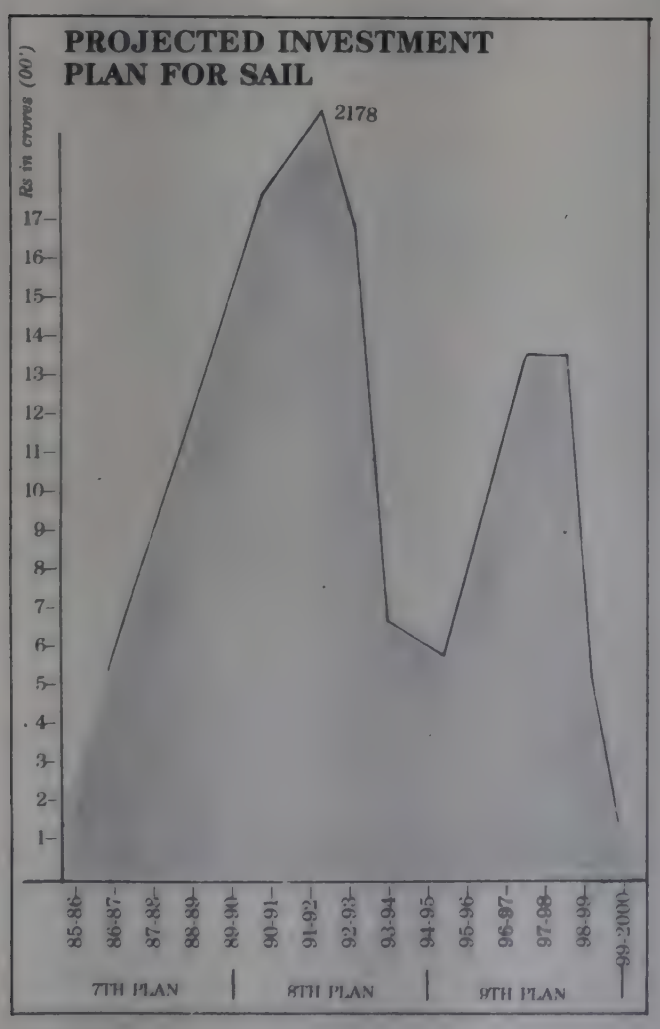
But till SAIL gets its act together the country will be importing steel, utilising valuable foreign exchange. Currently about 1.6 million tonnes of steel is being imported and the projection for next year is a little over a million tonnes.

Even though currently the export prices of steel in Japan, the EEC and the USA are less than that prevailing in the domestic market, it still does not make sense to have imports as a plausible option to increasing domestic production as has been reported. This is because there is no guarantee that export prices in the countries mentioned above will remain static and there is the larger question of a burgeoning current account deficit and an impending foreign exchange crunch.

In theory, given the requisite finance for modernisation, adequate power and good quality coal there is no reason why domestic steel prices should not be internationally competitive.

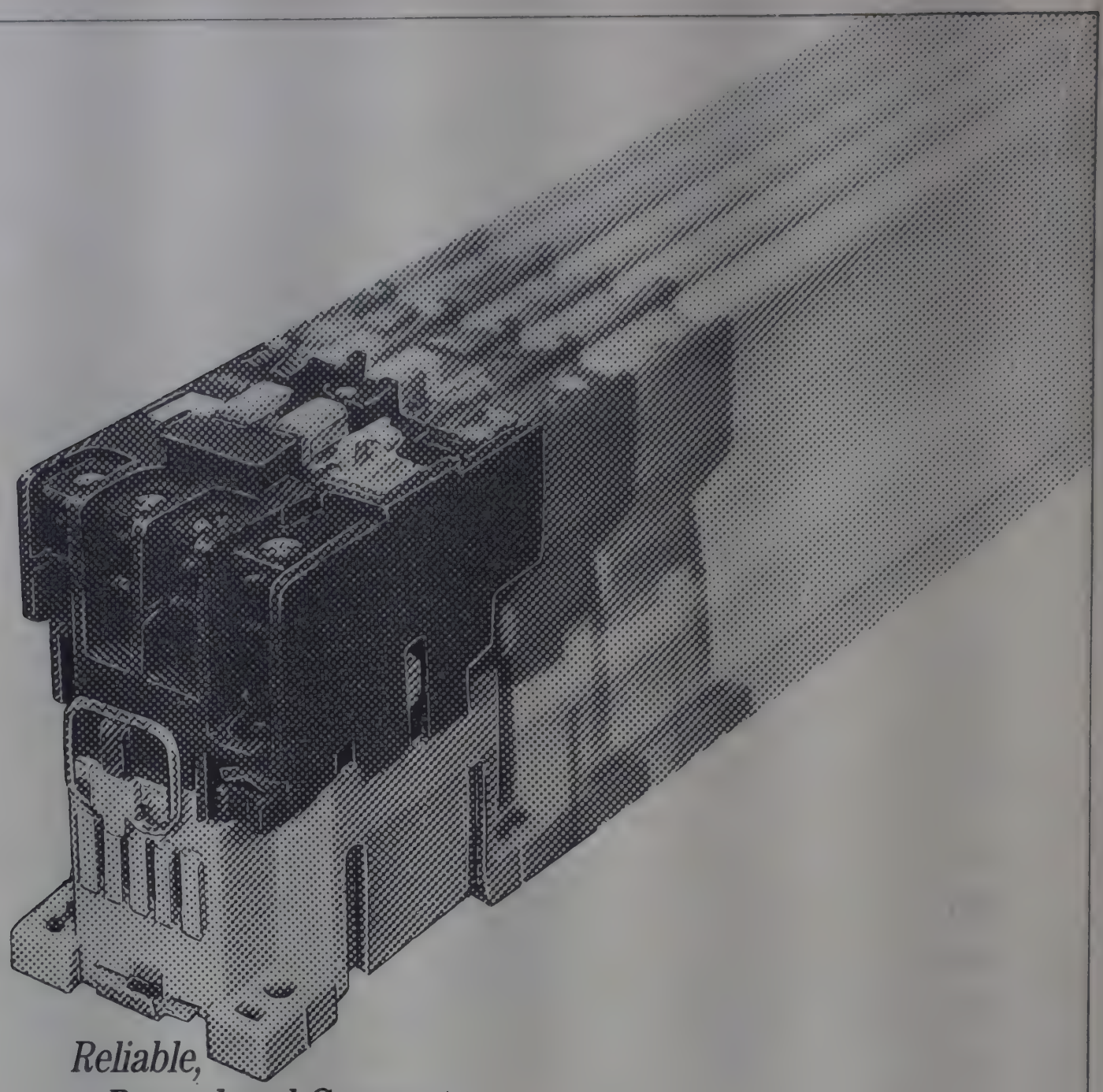
Be that as it may, this massive investment plan by SAIL has been criticised by industry observers. It is felt that greater optimisation in production can be achieved by proper utilisation of the existing 146 mini-steel plants, languishing for want of power and sponge iron. These plants are at present operating at only 40 per cent of their rated capacity of about 6.5 million tonnes.

However, the current mood of the government to allow the private sector into steel production, albeit slowly is encouraging. Surely but slowly the steel scenario in the country is changing for the better.



■

ASPI CONTRACTOR



Reliable,
Rugged and Compact

Discover the three-in-one advantage of contactors from Batliboi

Lakshmi contactors from Batliboi. Their advantages to original equipment manufacturers and actual users, are threefold:

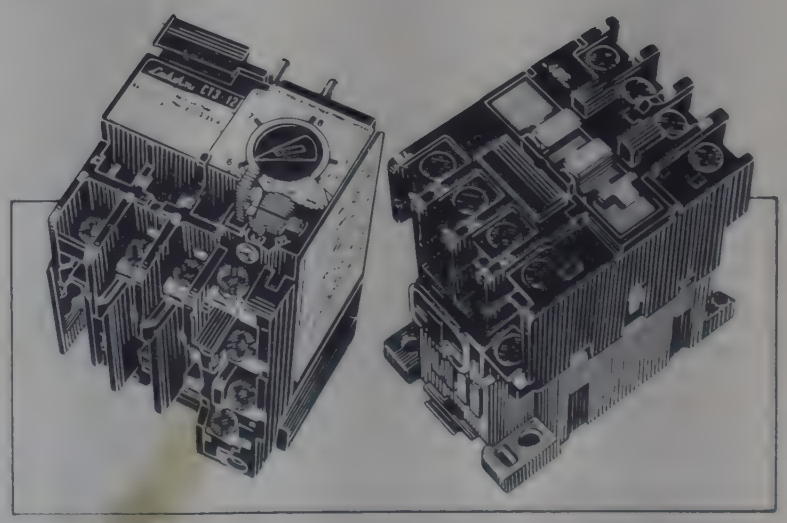
Superior Electrical and Mechanical Properties: High AC3/AC4 ratings. Eliminate contact failure and down-time. Add-on blocks, mechanical latches, mechanical interlocks and surge suppressors, common to all contactors in the range. Common coil for auxiliary and power contactors upto 16A rating.

Higher resistance to damage in transit: The contactors are made from high-grade plastic, not bakelite.

Compact design: Occupy minimum space in the panel. Have higher thermal ratings, to enable mounting contactors in close proximity to each other.

The thermal overload relays have built-in safeguards against single phasing. Auto/manual reset facilities along with two independent trip contacts are available as standard features.

All backed by Batliboi's prompt after-sales service.



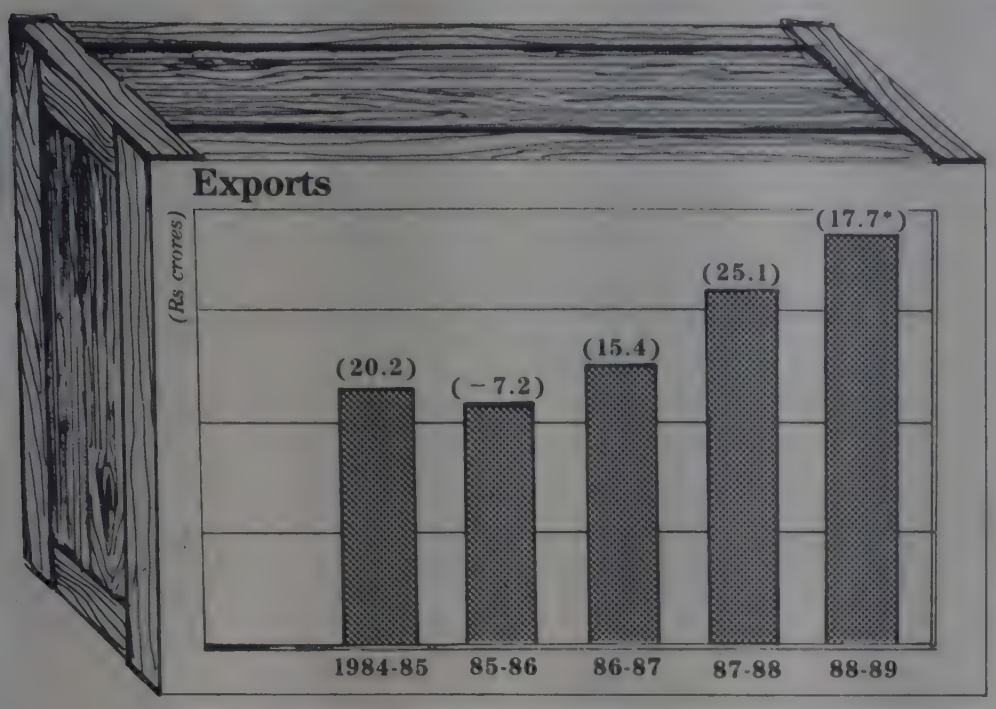
OBM/2813

BATLIBOI

For a century, the engineers' engineers

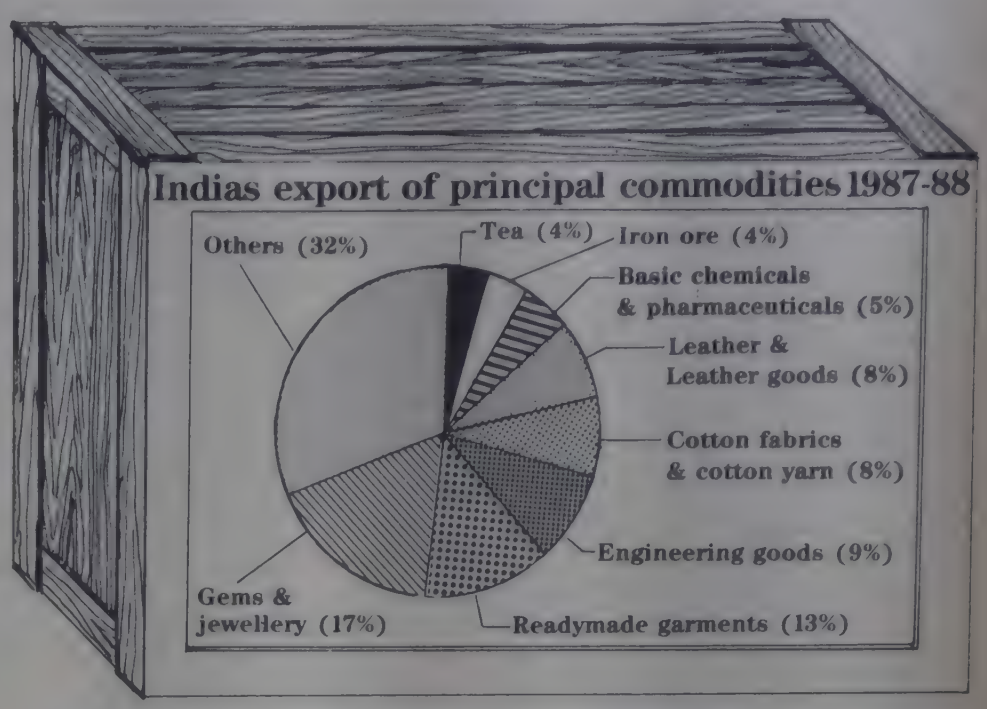
For further details, contact
Batliboi & Company Limited, Apeejay House, Dr.V.B.Gandhi Marg, Fort, Bombay 400 001
Telex: 011-2284/4852. Offices: Ahmedabad • Baroda Bangalore • Calcutta • Coimbatore • Delhi • Ernakulam Indore • Jaipur • Jamshedpur • Lucknow • Ludhiana Madras • New Delhi • Patna • Pune • Secunderabad Vijayawada. Manufacturing Division: Udhna (Surat)

Manufactured by
Lakshmi Electrical Control Systems Ltd.



Exports have risen significantly in 1986-87 both in terms of value and volume. In fact, it is expected to cross Rs.18,000 crores in 1988-89. But with the growth in imports, the trade deficit is expected to be around Rs.7,000 crores, up Rs.400 crores on last year.

Figures in brackets indicate percentage change ** CMIE projections*

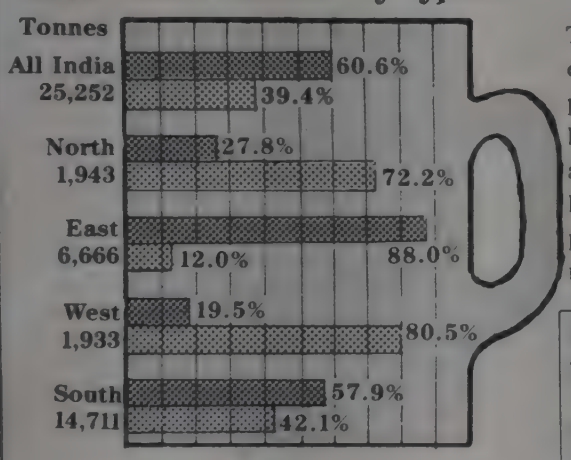


In 1987-88 gem and jewellery exports accounted for 17 per cent of total exports. In recent years readymade garments and leather products have done exceedingly well. In fact, eight major items account for nearly 70 per cent of total exports.

Milk food drinks market: Jan-Dec 1987

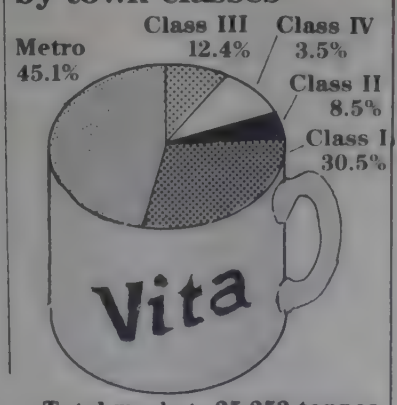
The milk food markets is over 25,250 tonnes equivalent to Rs.137 crores. In the past three years the coverage price per kg has increased by 12 per cent (from Rs.48 to Rs.54)

Milk foods market by types



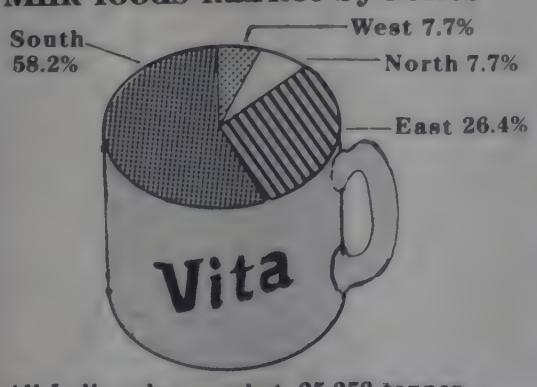
The milk foods market can be classified into white and brown powders whose individual markets are in a 60:40 ratio. South and East are white powder markets while North and West are predominantly brown powder markets.

Milk foods market by town classes



Total market: 25,252 tonnes

Milk foods market by zones



All India urban market: 25,252 tonnes

Milk foods is a highly urbanised product. This is evident from the large contribution coming from metros and Class I towns. (Towns with population above 1 lakh). Also, zone wise the south dominates with a share of 58 per cent, followed by the east 26 per cent.

Courtesy: Operations Research Group

Wholesale price index: The wholesale price index of all commodities has declined by 0.04 per cent in the month to 24 September 1988. In primary articles, cereals and oilseeds have declined by 1 per cent, and pulses have increased by 1.5 per cent. In manufactured products sugar, khandsari and gur have increased by 2.2 per cent and the price of cement has fallen by 1 per cent for the period under review.

(1970-71=100)

	24 Sept 1988	27 Aug 1988	26 Sept 1987	% change on month	% change on year
All commodities	435.2	435.4	408.0	−0.04	6.6
Primary articles	405.3	411.5	416.7	−1.50	−2.7
Mfg products	420.1	415.5	498.7	1.10	−15.7

Bullion prices and stock market index: The price of gold and silver in Bombay has hardened because of increased demand. On the other hand the international prices have been rather steady. The Bombay stock exchange index has risen by about 10 per cent in the month to 21 October due to a steady appreciation of blue chips.

	21 Oct 1988	21 Sept 1988	21 Oct 1987	% change on month	% change on year
Gold (Bombay)	3,165	3,125	3,205	1.3	−1.2
Gold (London)	1,930	1,880	1,970	2.7	−2.0
Silver (Bombay)	6,409	6,323	5,376	1.4	19.2
Silver (London)	2,320	2,360	3,160	−1.6	−26.6
Bombay stock exch. index (1978-79=100)	705.06	642.75	461.70	9.7	52.7

Gold prices is in rupees per 10 gms and silver is in rupees per kg.

Money and banking (scheduled commercial banks): There has been a marginal increase in broad money (M3) and a more marked increase in aggregate deposits in the month to 7 October 1988. Though total credit has increased by Rs.3,530 crores, food credit has declined by Rs.332 crores.

(Rs crores)

	7 Oct 1988	9 Sept 1988	9 Oct 1987	% change on month	% change on year
Broad money (M3)	175,752	174,034	150,596	0.98	16.7
Agg. deposits	135,338	132,065	113,093	2.40	19.6
Bank credit	81,079	77,549	69,392	4.50	16.8
Food credit	1,105	1,437	3,621	−23.10	−69.4
Credit/dep ratio	59.91	58.72	62.36		

5 GOOD REASONS WHY YOU SHOULD TAKE THE MACHINERY BREAKDOWN INSURANCE POLICY FROM UNITED INDIA

1 The Production Reason

"One important machine down and the whole assembly line comes to a standstill. Production schedules go awry. Targets can't be met. Downtime goes up. Everything goes haywire."

2 The Finance Reason

"Cash flow disruption. Short-term financing. Locked-up working capital. All this can make a big difference to profits."

3 The Personnel Reason

"Deployment of labour becomes a problem. Overtime later to make up for production loss. Employee morale goes down. If we can't manage machines, we can't manage men!"

4 The Marketing Reason

"Availability and flow of products into the market can make or break a company. Loss of credibility among distributors and customers will allow competitors to get their foot in. It'll be marketing suicide!"

5 The Maintenance Reason

"Turbines,compressors, pumps, generators, transformers — all costly equipment. I can control routine repairs, but not unforeseen breakdowns or losses. I'm not God, I'm only a man. I'm not even a machine!"

Avoid management by crisis. Make insurance a part of your policy.

Any kind of mechanical and electrical machinery — at work; at rest; or being cleaned, inspected, overhauled, removed or re-erected within the insured premises... UI covers them against any unforeseen loss or damage. This policy can also be extended to cover loss of profits following breakdown.

So whether you are the manager of a big factory or a small scale industrialist, make sure sudden loss of machinery and lack of re-financing doesn't bring your operations to a standstill.

UNITED INDIA INSURANCE CO. LTD.

(A subsidiary of the
General Insurance Corporation of India)
24 Whites Road, Madras 600 014

Act now. Contact any of our 1000 offices.

The farmers are coming

Devastated by the drought and mauled by floods, the nation's agriculturists have had it rough for the past few years. The munificence of this year's steady monsoon has, however, done its bit to alleviate their misery. Now, by all reports the farmers, who took a little while to recover, are on the move again.

Last fortnight saw a giant Bharatiya Kisan Union (BKU) sponsored rally in Delhi once again. Mahendra Singh Tikait's rally in Meerut earlier this year is now snowballing into a more widespread agitation. The farmer's movements that are now gaining strength in the north have a peculiar twist to them. They are attempting to stay militantly a-political. Organisers of the Delhi rally, for example, stuck to the earlier resolution — effectively enforced in Meerut — to keep politicians away from the rostrum and generally at bay. So stalwarts like V.P. Singh and Devi Lal, who have portrayed themselves as natural allies of the farmers, were not invited. Only they must have missed the occasion. The farmers did not seem to mind.

Today the demands that the farmers are making are relatively simple. They are also rather long-standing. What they are asking for is more remunerative prices for their output, lower prices for their inputs and facilities that are currently accorded to industry and commerce — like the free movement of goods. They have now reached the state of militancy where they believe they can demand these "rights" and have threatened to squat in Delhi till they are heard.

The likeliest reason why this particular type of agitation may work is that the central leadership will be sensitive to a display of rural power in the capital. Meerut seemed very far away and the roar of protest, loud as it may have been, got lost in the badlands of Uttar Pradesh. More urgently now, the farmers rally attracted attention because government is apprehensive that their own rally in memory of Indira Gandhi could be disrupted if the farmers opted to stay on. The fact that the capital is particularly vulnerable to the BKU storm-troopers from neighbouring Uttar Pradesh, Haryana, Punjab and Rajasthan means that government cannot take it easy as long as the farmers remain on the warpath.

While local wars and war-lords have threatened the centre, the months of November and December are likely to see intense farmer activity in another part of the country. Sharad Joshi intends to spend November keeping Maharashtra chief minister Sharad Pawar away from sugar-producing villages. While Pawar's plight may be pitiable, Joshi's plans to gherao Reliance's Patalganga plant could well be more serious. According to Joshi, "Reliance is the citadel of the Rajiv government", and surrounding it will put the squeeze on the Centre. Whatever the end result, Joshi's farmers will extend the current confrontationist, situation to the western region.

Joshi: thwarting Pawar and gunning for Reliance

All of which probably explains why the Rajiv government is casting around for fresh ideas on how to placate the agricultural sector.

Straws in the wind

Many in the capital are currently spending their time worrying about when the elections are likely to be held. Every day some observer scanning the political horizon spots a fresh straw in the wind. Each straw is analysed to shreds and "final" opinion is often based on more wisps of fact generously garnished with the analyst's own biases and predilections.

The most recent event considered to be of some significance in analysing the likelihood of a poll is the tinkering around with the party officialdom that Rajiv Gandhi began last fortnight. The current moves to delink union ministers from state party posts is a relatively simple exercise. Expectations within the party fold of a more substantive restructuring are however high. Yet, insiders suggest that any dramatic move will be viewed with reluctance by Gandhi. In a sense, Gandhi has lost the opportunity to perform surgery. That moment was a long while ago when in the much criticised centenary speech at Bombay, Gandhi had flayed power brokers within the party.

Today the party that Gandhi heads cannot possibly be the same one that he had visions of creating when he gave the Bombay call. Now with the likes of A.R. Antulay and Pranab Mukherjee back in the folds of the party, the power brokers are clearly back in the saddle. As a consequence, the new party structure that Gandhi hopes to put into place will be very different from what was originally expected.

The fact that the old guard is back implies that the days of youth power are over. Talk in state capitals and in New Delhi also suggests that the old guard is disgruntled and dissatisfied — but not yet ready to defect. And by all indications, before Rajiv can contemplate a poll a major party revamp — for what it is worth — is expected.

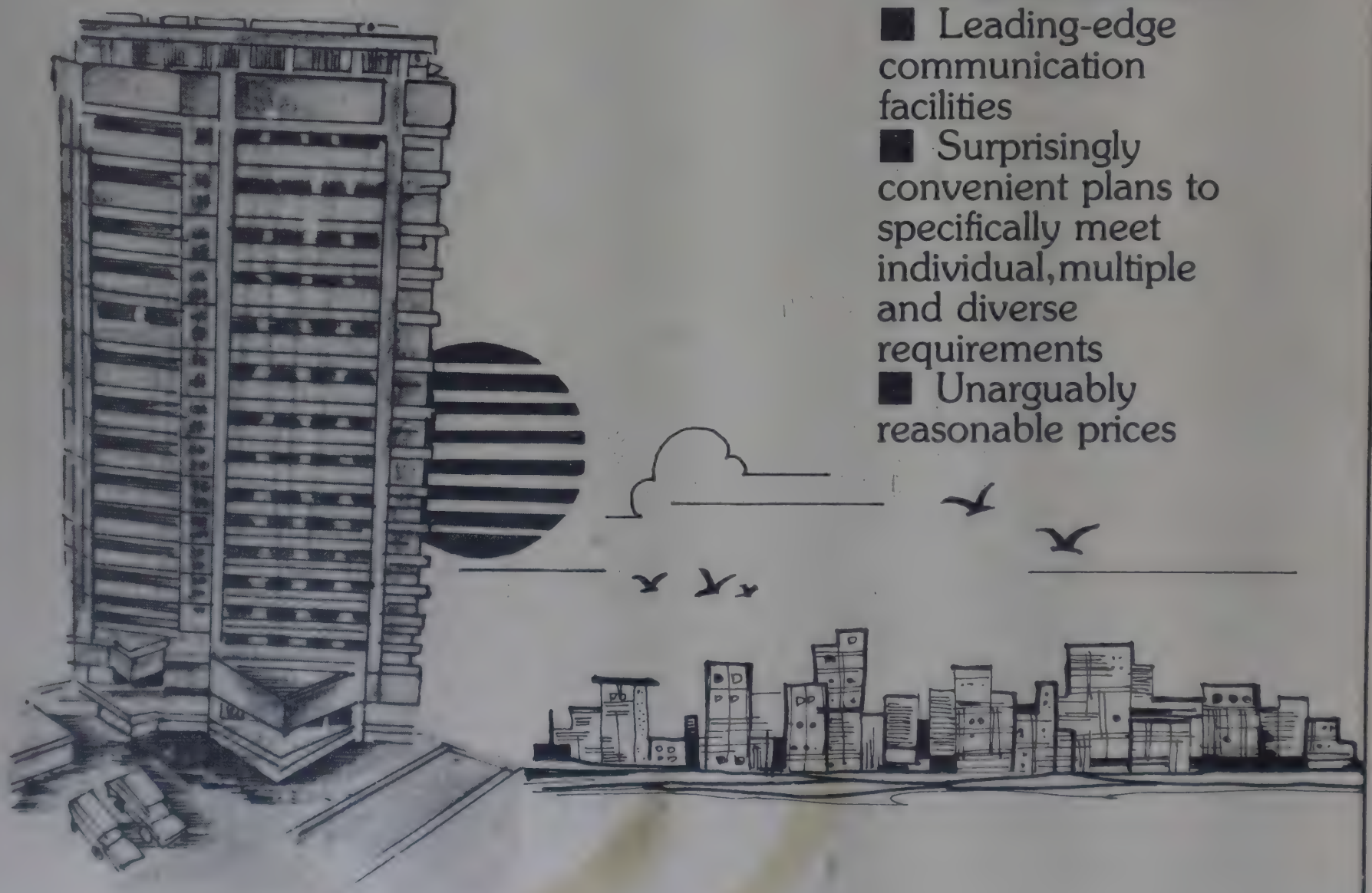
In the absence of a party revamp, and because Gandhi's denials of a snap poll are conventionally disregarded, most observers believe that developments in Tamil Nadu alone will give a better indication of poll dates. Currently, the prime minister seems to be spending an inordinate amount of time in what can only be described as pre-election tours, in Tamil Nadu. When elections are finally held there, it is believed that the party high command will take a final decision on the timing of a nationwide poll. In the meantime, the pending bye-elections show no signs of being announced.

All of which merely means once more that everybody will continue to be in a state of suspense. So, folks, keep your eyes peeled and look sharp for the next straw.

DATAPRO
EXECUTIVE
CENTRE

36, Maker Chambers VI Nariman Point, Bombay

Undeniably an exclusive address
■ Functional and well furnished, exquisite offices
■ Efficient Secretarial assistance
■ Leading-edge communication facilities
■ Surprisingly convenient plans to specifically meet individual, multiple and diverse requirements
■ Unarguably reasonable prices



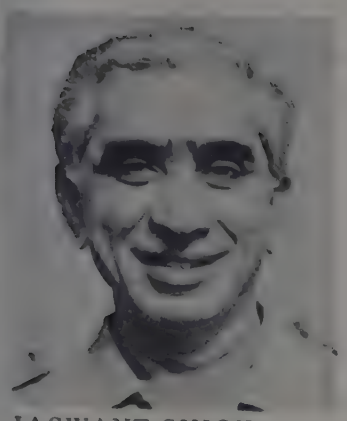
■ Personalised service ■ Mail-message plan
■ Most modern EPABX ■ Electronic Telex
■ Fax ■ Computers ■ Chauffeur parking
■ Conference room ■ Terrace Garden
■ All services with/without cabins

DATAPRO EXECUTIVE CENTRE

Tel: 2872981 (11 lines) Tlx: 4285/4290/4296 DEC IN
Fax: 91-22-2024129 Gram: "EXECUCENT", Bombay-400 021

A finer instant office you wont find.

Arms Communications/ DEC 88 R1



JASWANT SINGH

Liberty

Each of these three incidents: the appalling saga of the short-lived Defamation Bill; this recent peremptory changing of the Director-General of Doordarshan, and now the banning of Salman Rushdie's book *Satanic Verses* is a comment both on the total state of freedom in our country, as also in these respective spheres: the press, in broadcasting, and in publishing.

Whatever be the other exigencies, singly and collectively, these incidents amount to a severe curtailment of our already limited right to know; an unacceptable interference with our liberty. In each of these cases we were required to make a sacrifice of our freedom for some other supposed advantage — "responsible reporting", or moral and religious sensibilities, or simply the convenience and betterment of the ruling coterie; leading us then to just one conclusion: "Liberty is seriously ill in India".

A sad admission, yet true because perhaps the very concept of liberty, "that universally seamless idea", is not really cherished by us. We are informed, somewhat smugly, that India remains amongst that group of countries in the world where the press is free; "indeed more free than it ought it to be", says Rajiv Gandhi with unctuous bias; or that "Indians are not mature enough yet for a free television", as he said insultingly, on another. The apologists inform us that all this has really got nothing to do with 'totalitarian despotism', or with 'fascism', that it is just the 'security of the state' (for which read ruling coterie), and the welfare of the people, that motivates our government. Maybe. We also accept that the "process of balancing", in society "requires constraints to be imposed", but what our government is doing is not that, it is demonstrating, in Ronald Dworkin's words, a "corrupting insensitivity to the very concept of liberty, a failure to grasp its force and place in modern democratic" societies: an inability to comprehend the very 'culture of liberty'.

To my mind, there are two absolute irreducibles for all civilised governments; that the concepts of liberty of speech, faith, conviction, and right to know (information) are amongst fundamental human rights, and that this is possible only when there is acceptance of a set of working assumptions about how these rights are to be protected; assumptions which we might term as the very basis for the creation of a 'culture of liberty'. In our case, because the government denies the original principle, therefore when the working assumptions are also taken away from us, alarm bells do not immediately ring.

The Defamation Bill, and its demise, is by now part of the current history of our times. Not so, the sacking of the Director-General of Doordarshan, or the banning of Salman Rushdie's book. It is impossible to tell why the DG of DD was sacked. Personally, accounts of shabby court intrigues accompanying this sordid tale are not of any interst to me. No so the aspect of an undeniable principle, a question that will just not go away. Is broadcasting over radio and TV to be a controlled activity? Or ought it to be governed by self-restraint? The only, and true litmus test of civilised societies. And if we are not this last, ought not we to at least aspire and work for attaining that status?

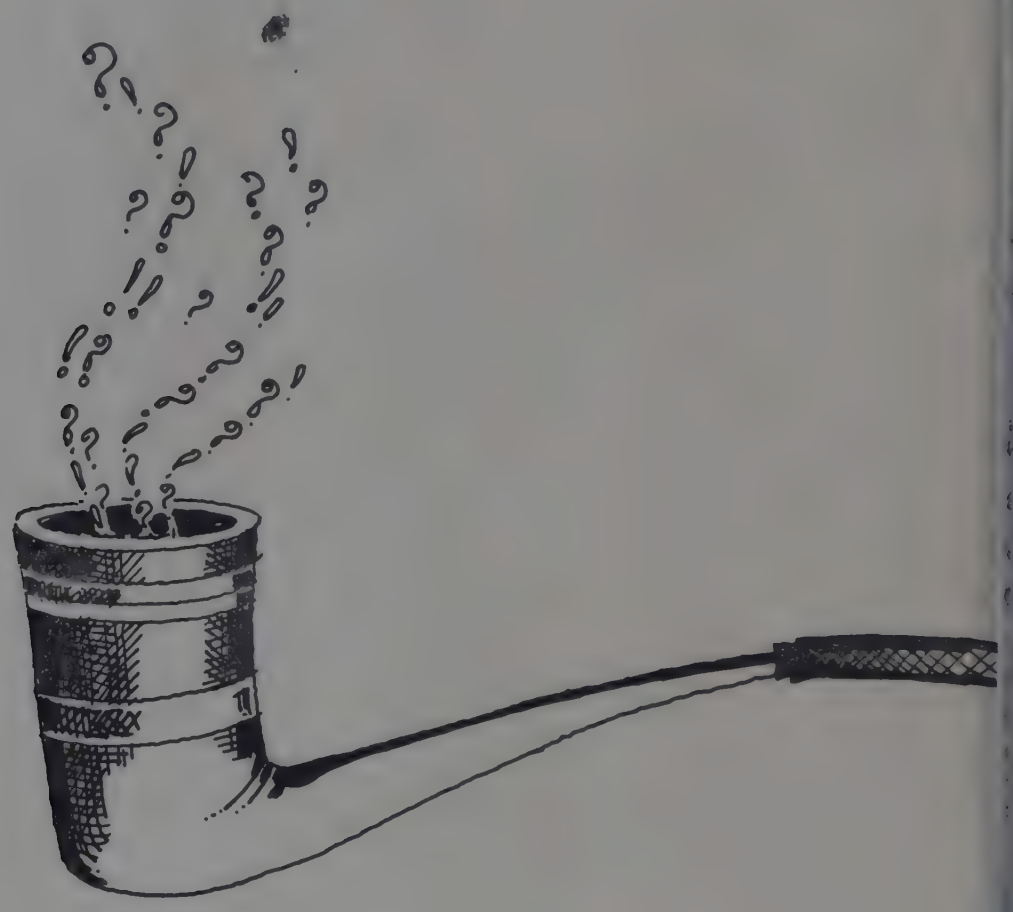
My dismay is at our near supine acceptance of a total contravention of the principles of liberty, the fundamental right to know, and all because of the "interfering bossism" of our government which does not show the slightest concern for the loss that our nation suffers in consequence. The harm that our government causes to the intellectual integrity of our country is then the other great loss; yet, all along propaganda is let loose that all this actually amounts to an improvement in the 'moral health' of our country. Under the maladministration of this corrupt and puerile government?

As for Salman Rushdie's 'Satanic Verses', I possess a copy of it and am in the process of reading it. I am an admirer of his writings. I delight in the acclaim that he has won for himself in the world of English literature because I consider him an ambassador of Indo-English creativity. Of course, our government must balance competing interests, sensibilities, and the demands of different sections of our public, and only then choose such policies as would best subserve the collective. But, there are two aspects of the banning of this book which are profoundly disturbing: the first, that it was banned, without having been officially examined, or without having even been read by the 'banners'. (I cannot imagine Sardar Buta Singh burning the midnight oil in such a pursuit.) It is beyond belief, how any civilised government can ban a publication merely on hearsay, for that is what it amounted to, without even going through the motions of establishing the rights or wrongs of 'public good' in this regard. What would, (or ought), our reaction be if instead of banning, a command had suddenly descended from above, that 'Satanic Verses' (without having been read or examined) was henceforth to be compulsory reading for all BA students, all over the country? Outrage, and justifiably so. That is precisely why its arbitrary banning is also so unacceptable. The other, gravely disturbing indicator, is the prompt electoral reduction of an issue that involves liberty, and reverence for creativity, indeed for literature. Comments are now offered that the unusual alacrity with which our government acted in this regard was motivated only by shallow considerations of the arithmetic of the ballot box: patently yet another example of how politics, and the manner in which we currently practise it, is likely to destroy us as a nation. There is a moral here somewhere — not just that liberty is seriously ill in India, but that the virus of this dengue is being spread by our own politicians: of the ruling party's kind, and of the oppositional variety.

I am reminded here of what Ronald Mutch says in a recent issue of the Listener, while commenting on the state of Saudi Arabian Television. He recounts that there was a major furore caused in that kingdom when a religious leader, Sheikh Abdulaziz bin Baz, denounced a female newsreader of Saudi TV as "inflammatory in appearance". She was moved, though I would desist from going into what Ronald Mutch thinks about the TV looks of this poor lady. Subsequently, however, chancing upon Sheikh Abdulaziz's own religious programme on Saudi TV, Mutch suddenly discovered that the complaining Sheikh was actually blind. Is there not something about the blind leading the blind?

The author is a member of Parliament

We love people with problems



With 10 years of management consultancy experience and over 500 Indian and overseas assignments behind us, we've certainly solved a lot of problems. Especially in the areas of Market Research, Diversification, Project Feasibility, Manpower Planning and Technology Transfer. Our list of clients reads like a 'Who's Who' of Indian and international industry.

And with all this experience we've discovered one thing: people with problems love us!

MASER
PRIVATE LIMITED

Regd Office : 40/1 Ballygunge Circular Road, Calcutta 700 019
Branches at Calcutta, Bombay, Delhi & Bangalore

Bangla floods: nightmare continues

The international impact of this year's Bangladesh floods was far greater than their reverberations next door in India. While it was a front page story in Europe, the subcontinent rarely gave it more than a few inches on one of the inside pages and it was rarely accompanied by any serious background or analysis. Perhaps it is more difficult to rouse people's interest in the misery of their neighbours — after all, it is pretty difficult even when it comes to fellow Indians.

At the more exalted levels of South Block, there is also exasperation at the antics of General Ershad, not to mention the equally troublesome opposition ladies who insist on playing the anti-Indian card whenever convenient. The Farakka barrage obviously affects the flow of the Ganga in the dry season but all parties in Bangladesh persist in the myth that it somehow makes things worse in the rainy season. The latest embarassment to India is the attempt by Bangladesh to regionalise the issue at the United Nations rather than simply keep it as a cosy local affair. There is a vast and growing gulf between the two neighbours because it has not sunk in here how parlous the situation is for Bangladesh. No one has any notion of the difference in scale of this year's floods. More than three quarters of the country was submerged and from a helicopter it resembled nothing more than a muddy inland sea. It may make it easier to comprehend if one imagines all of India under water save for odd peaks in the north and north-east and part of Madhya Pradesh.

The construction of a canal linking the Brahmaputra to the Ganga may make sense from an agricultural point of view but as a solution to the flood problem, it is meaningless. During its annual peak, six million cubic metres of water cascade into the Brahmaputra every minute, which is enough to swamp three square miles in three feet of water. It is virtually beyond the capability of man to control, let alone channel, such huge torrents of water. The World Bank is currently working on the construction of a large bridge across the Brahmaputra which requires dredging of thirty million cubic metres of silt for one and a half miles upstream simply to keep the river within its banks. Even if you forget about the cost of the bridge, this dredging operation alone will cost us $80 million (approximately Rs.112 crores). There are no dams on the Brahmaputra because it is doubtful if it would be economically or environmentally feasible to erect such a huge structure. To give you some notion of the formidable problems facing Bangladesh, remember that the Brahmaputra is only one of the three river systems that drain into it.

International experts have identified at least seven sites in Nepal where significant amounts of water could be held rather than being dumped into the Ganga. However, the cost of these dams would run into tens of billions of dollars and this too in one of the most seismically unstable regions of the world. Then of course there is deforestation which not only allows more water to drain down the hillsides but adds to the estimated 1.2 billion tonnes of sand and silt that passes through Bangladesh.

INTERNAL PROBLEMS

These are only the external factors affecting the floods in Bangladesh. There are also significant internal problems caused by poor dike construction and the unplanned erection of roadways and levee banks which obstruct the free flow of water. One simple solution is to incorporate floodways into new road projects to enable water to escape rather than bank up and burst through at a later stage. However, these practices are highly unpopular because they result in the road being cut to traffic for a long period of time. Then there is the large "food for work" programme in Bangladesh, which provides useful extra funds to corrupt local officials but also wreaks havoc on the orderly flow of flood waters.

So what can be done? Probably nothing. No one seriously imagines that hundreds of millions of trees are suddenly going to be planted in Nepal and India or that a dozen mega-dams will miraculously get the green light because of concern about Dhaka's flood problems. No, Bangladesh cannot expect any regional approach to its problems because India will stop at nothing to avoid the nightmare of its neighbours ganging up and collectively challenging its power. If you don't believe me, look at the ineffectualness of SAARC. There is simply no feasible solution short of removing one third of its population from the worst affected areas.

Last year, Bangladesh suffered negative growth and this year it will be the same. There is no sign of any decrease in the population which expands by nearly three million annually.

Some water experts in Bangladesh believe the only solution is to more or less ignore the areas of the country where flood waters exceed ten feet annually and simply concentrate on those areas where it is less than five feet. The determining factor about whether or not this drastic approach is applied to Bangladesh will be how critical next year's floods are.

Bangladesh is already in danger of becoming an aid junkie but if the floods continue to worsen, the rest of the world will simply lose interest and thus force the region to cope with catastrophe.

BRUCE PALLING

The author is South Asia Correspondent of The Independent

IF YOUR QUESTION IS AN ANALOG EPABX, OR A DIGITAL EPABX,

THE ANSWER IS...

CENTRAL MARKETING ORGANISATION BPL Centre, 14, Church Street, Bangalore 560 001Phone: 572321/2/6, Telex: 0845-2511, Cable: PHISILAB

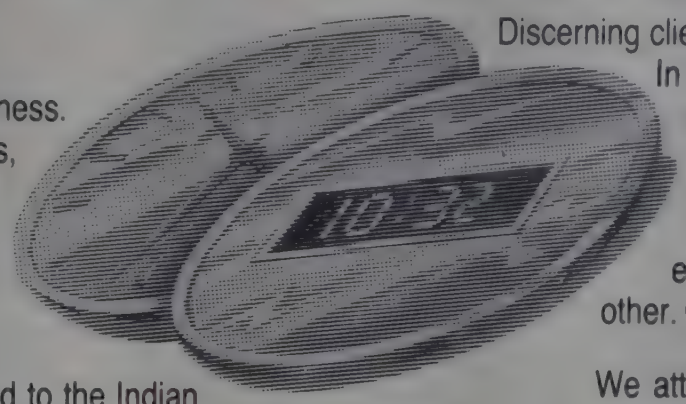
SALES OFFICES: * **BANGALORE** [illegible]on Annexe, 84/3, M.G. Road, 560 001, Phone: 561598/574787, Telex: 0845-2511, Cable: PHISILAB * **BHOPAL** 282 Zone II Maharana Pratap Nagar * **BOMBAY** 501B Poonam Chambers Shivsagar Estate Dr Annie Besant Road Worli, 400 018 Phone 4925398 4925361 4922918 4922933 4938704/4938392, Telex: 011-73789, Cable: PHISILAB * **CALCUTTA** 24B, Shakespeare Sarani, 700 017, Phone: 431658/448566, Telex 021-2390, Cable PHISILAB * **COCHIN** 36/1918, Chitoor Road, Ernakulam, 682 016, Phone: 361506 * **COIMBATORE** No.1,Chinnaswamy Naidu Street, New

At BPL, we strongly believe that what you need in telecommunications and what you get should be one and the same. No compromise. So when you buy an EPABX, we make sure you get just the one you need. In Analog or Digital. We make both. Customized to suit your needs and budget. We also offer you over a dozen models. Plus, special packages for hotels and banks. And networking solutions for private business communications over leased P&T channels.

We can. Because our experience in telecommunications goes back a long, long way. More than 16 rich years. Manufacturing, installing and maintaining. Shining with many an enviable precedent. From Power Line Carrier Communication to PAXs and EPAXs to EPABXs to Networking. Each one a telling proof of our ability to understand user needs and come through with cost-effective solutions.

Electronics: Our Only Business

We could. Because electronics is our business. Our only business. Since 1963. And in 25 years, we have covered quite a wide territory in it. From professional to consumer electronics. Computers to telecommunications. And equipped to excel in all.



Like a mature R&D to identify and respond to the Indian needs, especially in telecommunications. Coupled with integrated manufacturing facilities that make all the critical components in-house. So exceptional quality is ensured all the way. And a large, modern plant that guarantees excellence through an incomparable range of the best in hi-tech machinery.

Like a Multi-layer Professional Grade PCB plant with Through-hole Plating facilities. Plastic Injection Moulding. Genrad In-circuit Component Tester. Ageing Chambers. And many more.

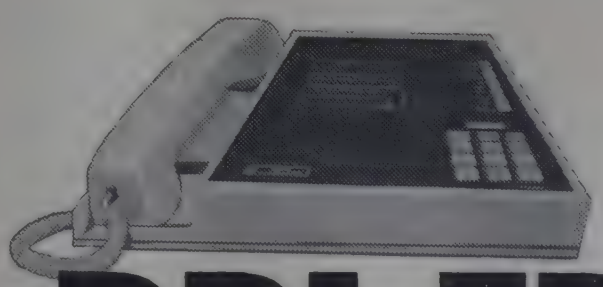
The Best Prefer The Best

So at BPL, we manufacture the best communication equipmer From 4 to 4000-line EPABXs to Push Button Telephones. **The bes in the Indian business have settled for our range. American Express, Bank of Tokyo, Berger Paints, BHPV, Blue Dart, Canara Bank, CMC, Colgate Palmolive, Deccan Herald, FICCI, FSL, Grindlays Bank, HAL, Hindustan Cocoa, Hindustan Lever, Hongkong Bank, Indian Bank, Ion Exchange, Johnson & Johnson, Lipton, Madura Coats, SAIL, The Hindu... just to name a few.**

Discerning clients satisfied enough to place repeat orders. In fact, **1 in every 3 orders is a repeat order.** All relying only on BPL when the market place is awash with innumerable brands.

Naturally, today we have more electronic exchange installations countrywide than any other. **Over 650. With over 28,500 lines.**

We attribute our growing goodwill in the EPABX market to our comprehensive approach. R&D, in-house manufacturing, extensive product range and countrywide maintenance. An approach time-tested and refined by our long years in telecommunications. So, to all your questions in telecommunications, there can be just one reliable answer: The BPL Answer.



...A BPL-EPABX

everest / S88 / 149

BPL-INDIA

In pursuit of perfection

Computers ● Communication ● Components
Instrumentation (Industrial, Medical & Measurement) ● Office Automation ● Consumer Electronics

Siddapuddur, 641 004, Phone: 31052 * **HYDERABAD** 3-6-155/1, Urdu Hall Lane, Himayatnagar 500 029. Phone 231091 Telex 0155-6064. Cable PHISILAB * **MADRAS** A Block, 1st Floor, 190, Shivalaya Building, Commander-in-Chief Road, 600 105. Phone 471378/479420 474309 Telex 041-6507 Cable PHISILAB * **NEW DELHI** 304, Ashok Bhawan, 93, Nehru Place, 110 019, Phone: 6431886/6433689/6433865 Telex 031-2692. Cable PHISILAB * **PALGHAT** Kerala-BPL Works, Palghat-Coimbatore Road, 678 007, Phone: 3241/2, Telex: 0852-213, Cable:PHISILAB

OFFERING A COMPUTER PROGRAMMER FOR Rs. 2600/- ~~PER MONTH~~ LIFE LONG.

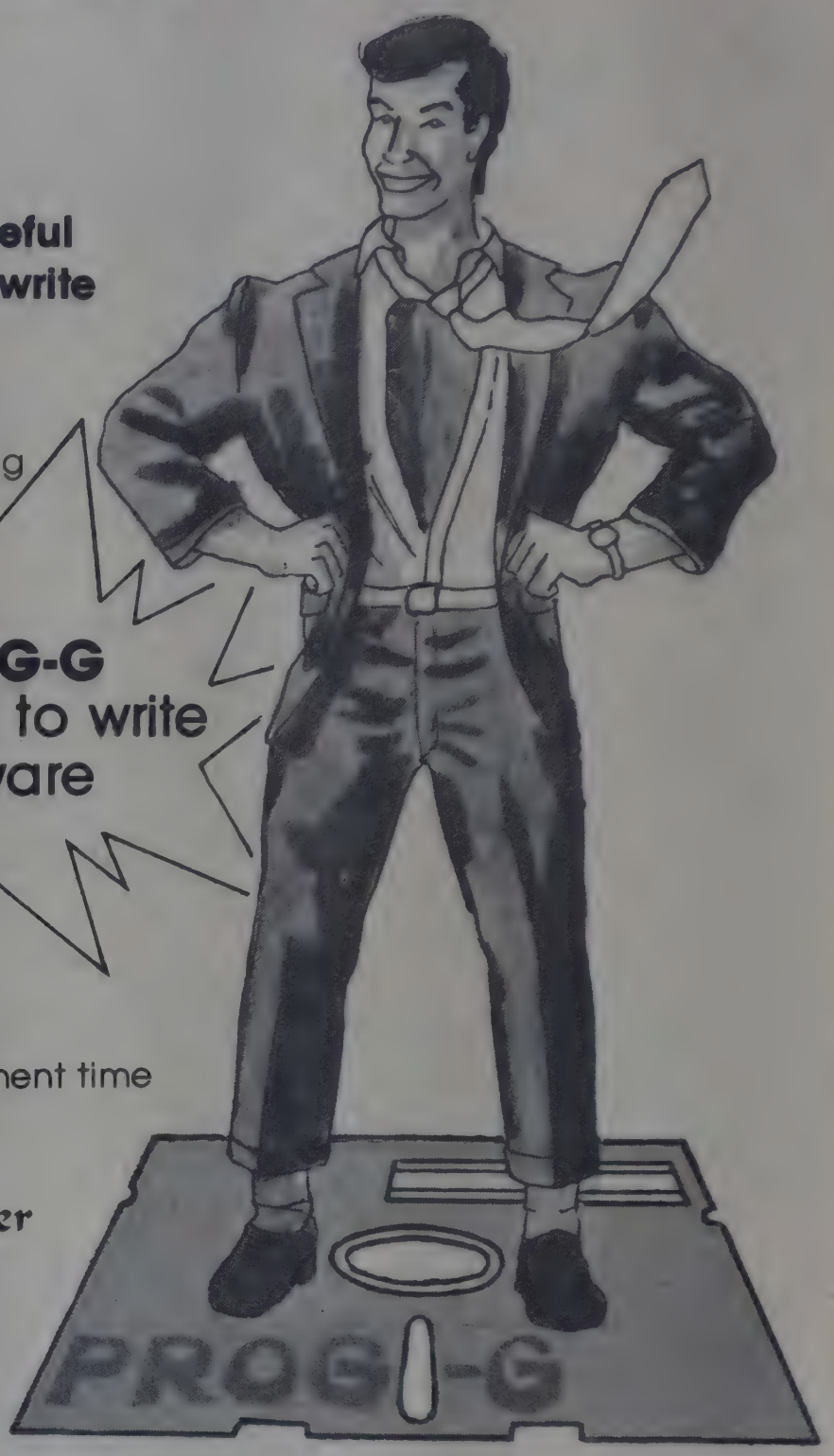
ANNOUNCING PROG-G

An unprecedented highly specialized and useful electronic computer programmer, which can write computer programs for you.

Now with PROG-G your dependence on undependable Computer Programmers is reduced to zero. If you are using a PC, PC/XT, PC/AT computer you can utilize PROG-G

PROG-G is capable of generating the programs in dBASE III, dBASE III+, Clipper and Fox Base. The range of programs which can be generated by PROG—G includes
menu programs,
data entry programs,
report generation programs,
file matching programs

PROG-G
Software to write software



- Generates bug free programs in seconds.
- You don't have to be a programmer to use it.
- Enhances the productivity and reduces the development time and cost.

The world of computer programming will never be the same again.

Contact : **RITU BANSAL**
Manager : (Standard Software Division)

a.k. saxena software consultants (p) ltd.

Delhi 252, Shahpur, Opp. Panchsheel Community Centre, New Delhi-110 016, Ph: 6445123

Bombay 3rd Floor, Jeevan Sahakar Bldg. P.M. Road, Bombay-400 001, Ph: 253950

Turning the Software Industry upside down.

Please send me/us a copy of the PROG-G package. I/We enclose a Bank Draft in favour of A.K. Saxena Software Consultants (P) Ltd. drawn at NEW DELHI/BOMBAY for Rs. 2900 (2600+ Media Charges+ Sales Tax)

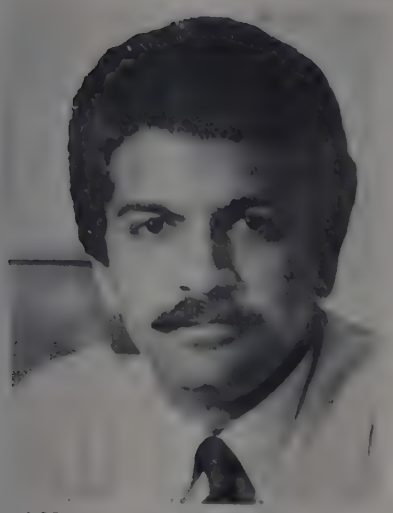
Name _____

Address _____

_____

_____

N.B: Also avilable **Munim-ji:** Financial Accounting package,
Khazanchi: payroll, PF, ESI accounting Package;
Naazir-ji: stores accounting and inventory control package
for Rs. 490/— each. Send D/D for Rs. 565/ 1130/ 1695 including media charges + taxes.



ANAND MAHINDRA

From India with love

The officer at the immigration counter stares hard at your face and then at the photograph on your passport, looking suspiciously for telltale signs of artifice. His unwelcoming face repeats this up and down motion almost endlessly, betraying little concern for the lengthening queue of frustrated disembarkees. The time spent at immigration is eventually irrelevant since it is more than two hours before the conveyor disgorges the passengers' luggage. Noncommittal officials shrug off the delay as a consequence of a shift-change. Downtown at the hotel, the bored reception clerk flings the keys at you with the admonition that if you wait for a bellboy to take your luggage to the room, you will miss dinner at the restaurant which closes in five minutes. It turns out that dinner was well worth missing anyway. Back in the room, all attempts to put through a long-distance call without a one hour delay are rebuffed by the operator's hostile silence.

The next day, the manager of a state-owned electronics factory takes you on a desultory tour of his plant. The dinginess of the building and the obsolete equipment make the experience reminiscent of a visit to a museum. The lunch-break at this factory probably spills into tea-break, because very few people are visible. Yet hordes of enthusiastic workers emerge noisily the moment it's time to punch out.

Undaunted, the manager proudly announces that his factory has doubled its production every five years and will continue to do so. He is convinced of the reliability of his projections because his main customer is another state-owned unit which guarantees the offtake of his output. The possibility of product obsolescence within his five year horizon does not seem to cause him much concern. Only output is crucial, and workers must be motivated to give of their best. Errant workers are given a warning to improve their performance. And what then? Well — a second warning and naturally a third and then a fourth and so on *ad infinitum*.

At the ministry, government officials seem even more fuzzy about their plan targets or the existence of any overall strategy. The most commonly employed phrase is, "the policy is yet to be given finishing touches." And while they fiddle, production shortages are threatening the supply of vital industrial raw materials. But this only implies that a foreign trip (via Paris, of course) will be necessary to arrange for the import of the missing inputs.

So what else is new? Nothing, if this were simply another collection of anecdotes about the functioning of the Indian political economy. The difference is that these happen to be snapshots from a recent trip through the Soviet Union. (As they say in the movies, any resemblance to situations or characters in India is unintended and purely coincidental.) The Russia in these snapshots is not the one projected by that country's mighty propaganda machine, in which beaming workers toil and sweat productively for the good of the proletariat. Neither is it the Russia which is the current darling of the Indian media — with images of dedicated, victorious olympians and an enthusiastic population marching to the visionary drumbeat of Mikhail Gorbachev. It is the good old Russian bear, intimidatingly large, yet phlegmatic and inefficient, suspicious by nature and resistant to change.

Gorbachev intends to make the bear more fleet of foot, but his program of *perestroika* has been insidiously slowed down by the hordes of bureaucrats and managers who actually operate the country's creaking administrative machinery. In Moscow, Russian language copies of Gorbachev's manifesto titled *Perestroika* are unavailable; people whisper that the conservative opposition has cornered all available copies so as to prevent the book's wider dissemination.

A friendly translator who described herself as an "intellectual", helpfully offered an explanation for this deep-rooted resistance. According to her, senior bureaucrats and managers had hitherto been leading a fairly contented existence. Corruption had padded their pockets and their lifestyles and even the much-coveted foreign tour was within their occasional reach. And all these rewards were received without any accompanying pressure on them to demonstrate some standard of performance at work. The performance of a company, for example, was confined within the boundaries set by controlled input, resource, and output prices which naturally resulted in the diffusion of the concept of accountability.

In a rigidly socialist environment there may be no room for job-hopping, ladder-climbing yuppies, but there is also little chance of losing a job once you have it. Now, Comrade Gorbachev would have these lethargic officials show improved performance and answer for their sins of omission. As would be expected, ulcer and hypertension remedies are rapidly disappearing from pharmacists' shelves. Those were the days my friend, lament these reactionaries, as they wait breathlessly for their president to stumble. Gorbachev, however, is battling not just these shadow opponents but the entire ideological system that he's in charge of.

The moral objectives of the socialist state are virtually unimpeachable. Who can argue against the desirability of abolishing class exploitation, imperialism and neo-colonialism? Who can dare

The author is executive director, Mahindra Ugine Steel Co Ltd

Vysya Bank's New Record

Vysya Bank ranks 150th among Top 200 Banks in Asia

What is even more significant is Vysya Bank's reaching the present 150th position from the previous 198 — **a whopping jump of 48 positions,** in just a year, **highest for any bank, as per "The Banker",** London based Financial publication.

A growth in stature, befitting your association. Thank you dear customer.

Team up with the Winner and grow together.

THE VYSYA BANK LTD

Regd. Off: Avenue Road, Bangalore-560 002.
Admv. Off: 72, St. Marks Road, Bangalore-560 001.

Chairman: **Ramesh Gelli**

Kiron /VB/Corp 882

to debate the merits of egalitarianism or the eradication of poverty and a more equitable distribution of wealth? Essentially, socialism sees itself as a humane ideology in which the state has a direct obligation to look after its citizens.

But any amateur gardener or child psychologist will tell you that sometimes you can have too much of a good thing. A plant with excessive shade or an overprotected child are both ultimately incapable of developing their own resources for coping with the external environment. Every parent deploys a subtle system of incentives and disincentives in order to direct a child's growth in the appropriate direction. After framing a response to these signals, the child develops his own judgemental faculties only when he suffers the consequences, or enjoys the rewards of his actions. Without this accountability, there is no earthly reason for a child to prevent the atrophy of his individual capacities.

Transporting this analogy to the workplace, it can be seen that whenever performance is immaterial, wherever an individual's desire to distinguish himself goes unappreciated and his abilities remain unstretched, the inevitable result is complacency, incompetence and suffocating mediocrity. Unfortunately, complacency is addictive; especially for those who enjoy the rewards of success despite their ineligibility.

It is not only president Gorbachev who has these foes to deal with. Post-independence India was infatuated with the notion of centralised planning, infrastructural development and the promotion of heavy industry *a la* the USSR. But along with this salad came Russian dressing in the form of an exaggerated *avatar* of the welfare state. Even if one's doctrine requires the public sector to occupy the "commanding heights", and even if one concedes that only the exchequer could have afforded the cost of establishing an industrial infrastructure at that point in time where, oh, where did accountability go? Why was there such a proliferation of laws that destroyed the mobility of labour and fuelled its cost without improving its productiveness?

The universal application of such legislation ensured that the malaise spread beyond the public sector into what is called the organised private sector. Indexed wages, mandatory "bonuses", and overprotective labour rules have contributed in no small measure to the high cost and lack of competitiveness of large Indian companies. Volumes have been written by management gurus about modern techniques such as counselling, quality circles, T-groups and their ability to motivate without intimidation. However, there is still nothing better to get a man to produce his best than the old-fashioned desire to retain his job. After all, what could be more inspiring than asking socialist workers to sweat and produce wealth that will be owned by all citizens, not just by a private proprietor? Yet the USSR hardly presents a model for emulation insofar as worker productivity is concerned.

In India, with spiralling manpower costs and proportionately lower productivity, the point will inevitably be reached when the system cannot support itself and what will follow is a cruel period of adjustment involving layoffs and even extended closure — as in the case of Bombay's textile industry. The irony is that such circumstances involve a colossal waste of resources which is what centralised planning was supposed to prevent in the first place.

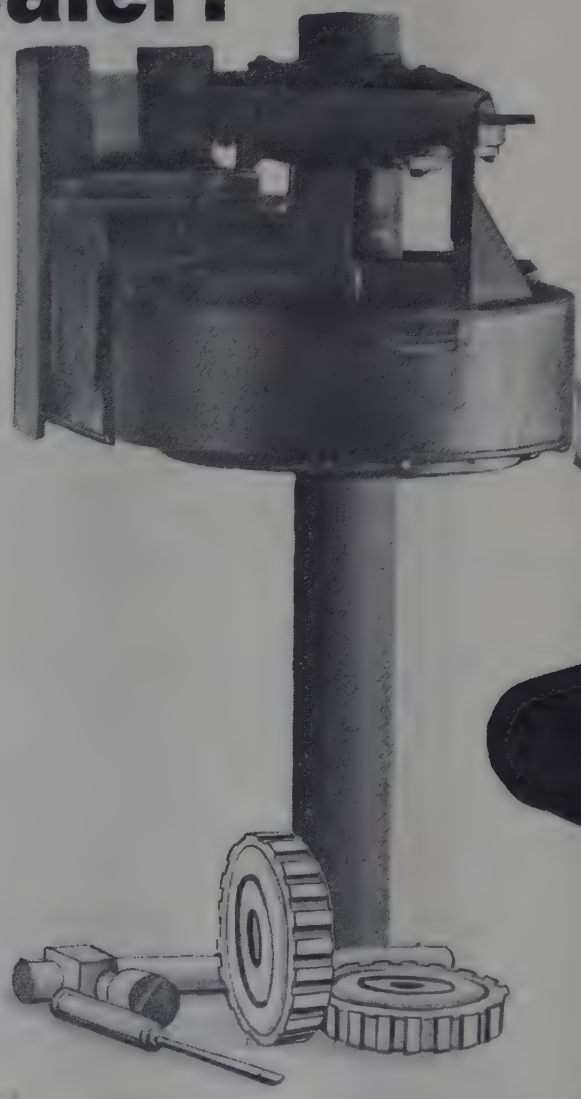
Although the ideological roots of these problems can, to some extent, be traced to our Soviet neighbours, today's Russia enjoys two significant advantages over us. In the first place, its full-fledged commitment to socialism has enabled it to ensure a basic standard of living to the bulk of its populace. Human deprivation and poverty of the kind visible in India is virtually nonexistent. Obviously a tremendous price has been paid in terms of personal liberties and the freedom of expression. But, if the political and economic system is liberalised from this point on, the relatively even distribution of wealth will facilitate the rapid expansion of consumerism and an accelerated rate of economic growth.

In India, half-baked socialism has led to the notorious Hindu rate of growth. Instead of a "mixed economy", we have a mixed-up economy where special pockets of privilege have been nurtured. While government, public sector and organised private sector employees flourish, the bulk of the workforce is employed in the so-called unorganised sector where scant attention is paid to welfare provisions. The slighting of market mechanism has made us fall far behind in the race with other Asian developing countries.

Second, and more important, is the fact that *perestroika* in Russia is accompanied by *glasnost*, or openness, which encourages the exposure of old thought systems that have outlived their usefulness. This more than anything else augurs well for change and renewal. Unfortunately in India, democracy and consensus based politics is being blamed for the inability to proceed more rapidly with liberalisation, lest it be seen as an abandonment of people-oriented policies. For too long has democracy been made the scapegoat for an absence of political will.

There must be the courage, as in Russia, to forswear old roads that may not be taking us where we want, and as fast as we want. Before the Russians change so much through *perestroika* that they cannot recognise all the ideological baggage they loaded us with, lets wrap it all up and send it back to them — with love.

What does a Bombay multinational consumer product manager have in common with a Guntur spare parts dealer?



"I want a transport company
– having a national network
– providing timely, reliable service
– with computerised operations
– and having professional manpower"

They both rely on

ECONOMIC TRANSPORT ORGANISATION

Economic House, 1st Flank Road, Chinch Bunder, Bombay 400 009.

Over 350 branches in India

"I want a transport company
– giving personalised service
– with good godown facilities
– willing to deliver even my small parcels
– and having a wide network of stations"

Your reliable business link

RMS-ETO-11

JAMNALAL BAJAJ CENTENARY

A legacy of honesty

The founder of the Bajaj group of companies was closely associated with Mahatma Gandhi and the freedom struggle of the country. From 4 November onwards, the Bajaj group is celebrating the birth centenary of this 'Gandhian capitalist', whose fair business practices have become the motto of the Rs.1,200-crore Bajaj group

Starting 4 November, with the inauguration of the Jamnalal Bajaj centenary celebrations in Bombay, the Jamnalal Bajaj Foundation commences a year-long series of commemorative functions. During this time, awards will be distributed, debates, seminars and lectures held, and books, stamps and documentaries released all over the country. On 5 November, the vice- president will unveil a statue of Jamnalal Bajaj at Pune. On 13 December, the Jamnalal Bajaj Foundation Awards for various social activities will be given away by the prime minister. There will be two new awards this year: the Jamnalal Bajaj International Award for promoting Gandhian values outside India, and the Jamnalal Bajaj Award for Fair Business Practices instituted by the Council for Fair Business Practices (CFBP).

Possibly, no other award would be more representative of the man than the fair business award, for the doyen of the Bajaj group of companies had established a legendary reputation for fair business practices during his time. In the early days, when he was running the family business of cotton ginning and pressing, depression in the cotton business had led to the practice of wetting the cotton bales in order to increase their weight. Despite the recommendations of his own munims, it is said, Jamnalal refused to resort to the practice. Instances of such principled stands in the business community were — and still are — rare.The BJ (Bachharaj-Jamnalal, initials of his firm's name) brand of cotton became synonymous with pure, dry cotton. The firm, after substantial initial losses, showed good profits in the long run.

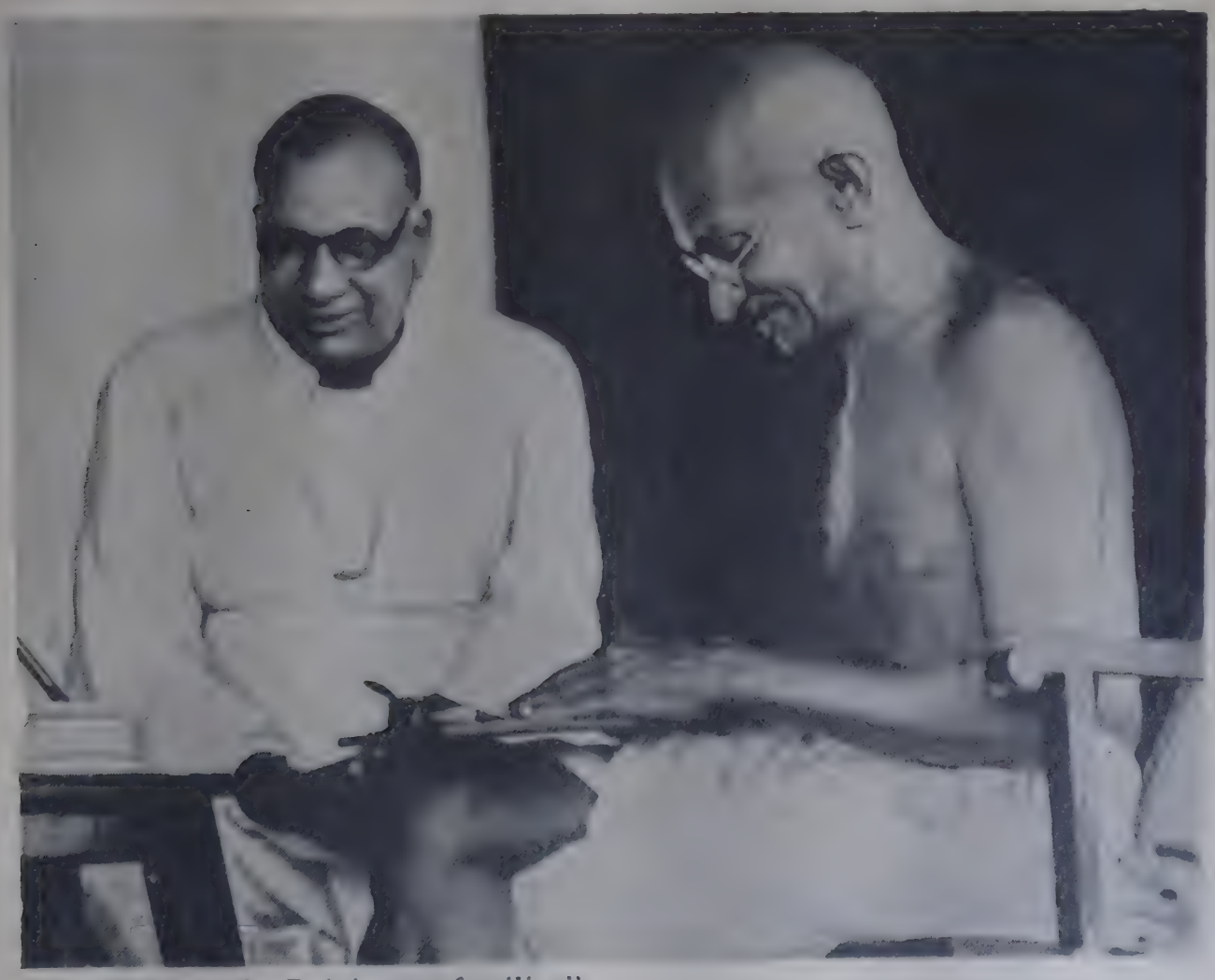
Brought up by his grandfather, Seth Bachharaj, Jamnalal had no formal education. But he started looking after the family business in 1907 when he was 18. When Seth Bachharaj died, Jamnalal inherited his business. Centered around cotton ginning and pressing, the value of the business was about Rs.5 or 6 lakhs.

Jamnalal's philantrophy is now legend. When Lokmanya Tilak wanted to start his *Kesari* newspaper in Hindi, Jamnalal Bajaj came to his help even without being asked. It was this desire to support causes he believed in that later on came to be recognised as the hallmark of the young entrepreneur.

His philanthropy, however, did not come in the way of his business profits. Nor did his strict adherence to fair business practices, as was proved in the long run. "In fact," says Ramkrishna Bajaj, his only surviving son today, "his integrity added a credibility to his business ventures that was unquestionable and unparalleled." And as subsequent events proved, the Bachharaj Jamnalal group of companies never floundered, despite "the extra-curricular activities of its proprietor".

As head of the BJ group, Jamnalal received the title of Rai Bahadur from the British, which he denounced soon after in 1920. This was consequent on Mahatma Gandhi's arrival in India; his activities in South Africa had impressed Jamnalal. He started taking a great deal of interest in Bapu's movements across the country. Soon after, Jamnalal cast his lot firmly with the freedom movement and was an active participant in Congress nationalist activity. In the process he built strong personal relationships with many of the leaders, both political and spiritual.

Jamnalal took up and even launched some constructive activities. One of the first was to actively campaign for girls' education; he started a women's home wherein the women folk of the jailed nationalists could learn and help the movement. He also advocated untouchables' entry into temples and Hindu-Muslim solidarity. All this, of course, was apart from his frequent and sizeable contributions to various causes spawned by the Independence movement. According to



"Gandhiji was the Bajaj pater familias"

biographer Shriman Narayan, Jamnalal Bajaj donated more than Rs.25 lakhs to various charitable institutions during his lifetime.

In the meanwhile, he continued to concentrate on his business activities. These included the cotton ginning, pressing and trading firms, beside a small agency that purchased and sold other goods of firms. In 1919, Jamnalal floated the New India Assurance Company with the Tatas in a bid to indigenise the insurance industry. However, later on he withdrew his participation following some differences in opinion.

The businesses were being run by trusted managers who were Jamnalal's compatriots in the freedom struggle or by relatives who were equally influenced by his philosophy. Under his supervision, the managers expanded business substantially. Hindustan Sugar Mills was acquired in 1931 and the BJ Company also took over Mukand Iron and Steel at Lahore in 1937. Yet, following Gandhi's promotion of *khadi* at the time, the company refrained from venturing into the lucrative textile industry. It also refused to take up the production of potable alcohol, a popular business among mills. "Both the policies espoused by my father are still maintained by the group," Ramkrishna Bajaj says.

Talking about the deep influence of Kakaji, as he called his father, on the entire Bajaj clan, Ramkrishna says, "The influence must have been very subtle, but strong enough to leave an indelible impression on the subconscious. The entire family was deeply involved in the freedom struggle. Our house at Wardha used to be constantly visited by great national leaders. Gandhiji, of course, was our pater familias."

Successive prison sentences and the increasing activities finally took their toll on Jamnalal Bajaj. On 11 February 1942, the patriarch of the Bajaj family succumbed to cerebral haemorrhage at the age of 53. Apart from the three main companies — BJ Cotton Ginning and Pressing Mills, Hindustan Sugar Mills and Mukand Iron and Steel at Lahore — the net worth of assets left by Jamnalal amounted to Rs.13 lakhs in cash. Out of this Rs.5 lakhs was used by Gandhiji in establishing the Jamnalal Bajaj Seva Trust.

The reins of the Bajaj group fell into the hands of Kamalnayan Bajaj who, with the help of the group's trusted managers, began to expand the family business. Del

An active participant in Congress nationalist activity

egating the running of the existing companies to managers and relatives — all of whom had shown their mettle in adhering to the group's philosophies — Kamalnayan, in persuance of Nehru's policy of industrial self reliance, entered into joint ventures or technical collaborations with leading firms like Philips of Holland for electricals and Piaggio & Company of Italy for the manufacture of scooters. Mukand Iron and Steel plant, which was lost during the partition, was restarted at Kurla, Bombay, in 1950.

Kamalnayan's acumen, foresightedness and a resolute faith in his actions soon started bearing fruit. In the sixties, despite a strong domestic market for steel, he steered Mukand Iron and Steel into the export market. When recession hit steel in the late sixties, Mukand's annual export earnings of US $ 12 million helped the company tide over the difficult period. Yet, he never lost sight of the business principles espoused by Jamnalal Bajaj. Like his father, national interests, even at the cost of business profits, remained uppermost in his mind.

The same principle still governs the Bajaj group of companies, that has grown into a massive conglomerate of 21 companies with a turnover of Rs.1,200 crores, employing more than 22,500 people. After Kamalnayan Bajaj's sudden death in May 1972 at the age of 57, his younger brother, Ramkrishna, took over as the group's head. Meanwhile, the younger generations of the Bajaj family carried on the work of expanding the companies to greater heights. Mukand Iron & Steel, run by Viren Shah, a close associate of the family, touched sales of Rs.110 crores in 1986-87. Hindustan Sugar Mills, with Shishir Bajaj (Kamalnayan's son) as its executive director, which began with Rs.4.8 lakhs in capital, showed sales of Rs.6 crores in 1985. Bajaj Electricals, managed by Ramkrishna's son Shekhar, has also shown a steady growth; sales in 1986-87 amounted to Rs.21.9 crores.

The growth of Bajaj Auto has been phenomenal under the chairmanship of Rahul Bajaj, Kamalnayan's eldest son. In the 1987 ranking of India's top private sector companies, Bajaj Auto was placed seventh in turnover, fourth in market capitalisation and second in profits. According to Rahul Bajaj, the present turnover of Rs 607 crores is expected to reach Rs 1,000 crores by 1990.

Speaking of his grandfather's principles, Rahul says: "Let me make it clear that we are not Jamnalalji. He was a saint, we are not. But in the given circumstances and the constraints that the Indian industry has to work under today, we have more or less been following his philosophy." The group that Kamalnayan Bajaj consolidated from Jamnalal's legacy adds Rs.2.4 crore to India's GNP each day.

Jamnalal Bajaj's contribution to the nation during his time and after is not easily quantified. Nor his legacy, passed on to an entire group which has grown into a huge financial empire. In a nation where post-Independence business is not exactly known for its honest practices, the centenary celebrations of Jamnalal Bajaj should make many a big business house take a fresh look at itself.

■ SHEKHAR GHOSH

Your executives can now fly to work. At ground level.

Presenting the luxury of the new Tempo-Traveller

Tempo-Traveller is the new executive perk

It offers senior personnel the comfort and status that ordinary company buses can never match – and a car-pool could never give.

A spacious interior offers the luxury of upto 15 ergonomically designed seats and large, airy windows.

There's ample room for baggage. And a high curved roof allows for greater freedom of movement.

And it has been specially built for Indian roads by Bajaj Tempo – in collaboration with Daimler-Benz, the creators of the classic Mercedes range.

As cost-conscious as it is status-conscious

The new Tempo-Traveller is equipped with the advanced 72 BHP Mercedes OM 616 diesel engine, which functions like a built-in accountant. It stretches your company's every rupee – delivering the highest level of fuel economy with the lowest level of noise.

The Tempo-Traveller even minimises other maintenance costs. Spares are cheaper and more readily available. And regular service is close at hand. Because you are backed by the 150 experienced dealers established by Bajaj Tempo over a period of 25 years.

So before you stake business capital on company buses or corporate cars, give the new Tempo-Traveller serious thought.

And let your executives 'arrive in better shape'.

BAJAJ Tempo LTD.

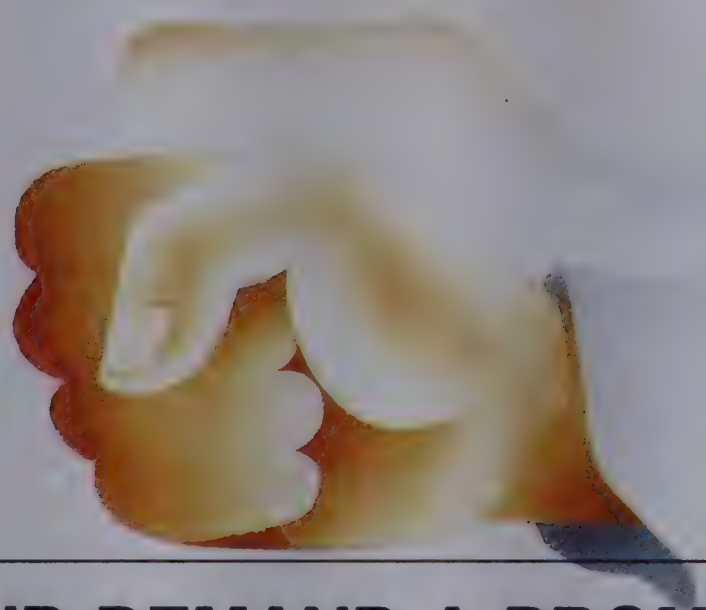
The new Tempo-Traveller.
Anywhere else, they'd call it a Mercedes Transporter.

YOU'LL RIDE A MILE FOR A PROMPT...

The PROMPT hardware is what keeps some of the top manufacturers of sophisticated equipment up front. Their OEM choice comes to you as PC, PC-XT, PC-AT, AT-386 micro computers, VME 32 minicomputers. Adding teeth to the bytes are digitisers, plotters and mouse. Clean enhancement of computing potential with no traps.

On second thoughts, you don't have to take a back-breaking ride. Just lift your phone off the hook for a more personal, user friendly contact. The numbers are 511 3377/511 3770/511 4570/512 0420. Our response will be quite PROMPT.

PROMPT + PROMPT customised software.
More to think about, less to worry.



AND DEMAND A PROMPT CUSTOMISED SOFTWARE PACKAGE

All shoes don't fit all feet. Same with computer software packages. To give you customised software packages, we've gone about it the PROMPT way. A tie-up with Mastek, one of India's leading software company, give you software that is customised to fit your requirements. Leaving generous toe-wriggling space to take care of future development.

To demand PROMPT customised software is like putting the horse in its right place. Before the cart.

Before you reach for the whip, reach for your phone for a more personal, user friendly contact. The numbers are 511 3377/511 3770/511 4570/512 0420.

Our response will be quite PROMPT.

PROMPT + PROMPT hardware. More to think about, less to worry.

PROMPT

PROMPT COMPUTER SERVICES PVT. LTD.,
10, Luthra Industrial Estate, Andheri - Kurla Road,
Safed Pool, Bombay - 400 072.

CATALYST/PCS/01-011088

TOUGH DECISIONS...

... Easy moments with Mr* Executive Shirts

Mr* Executive Shirts By Kachins Kreations

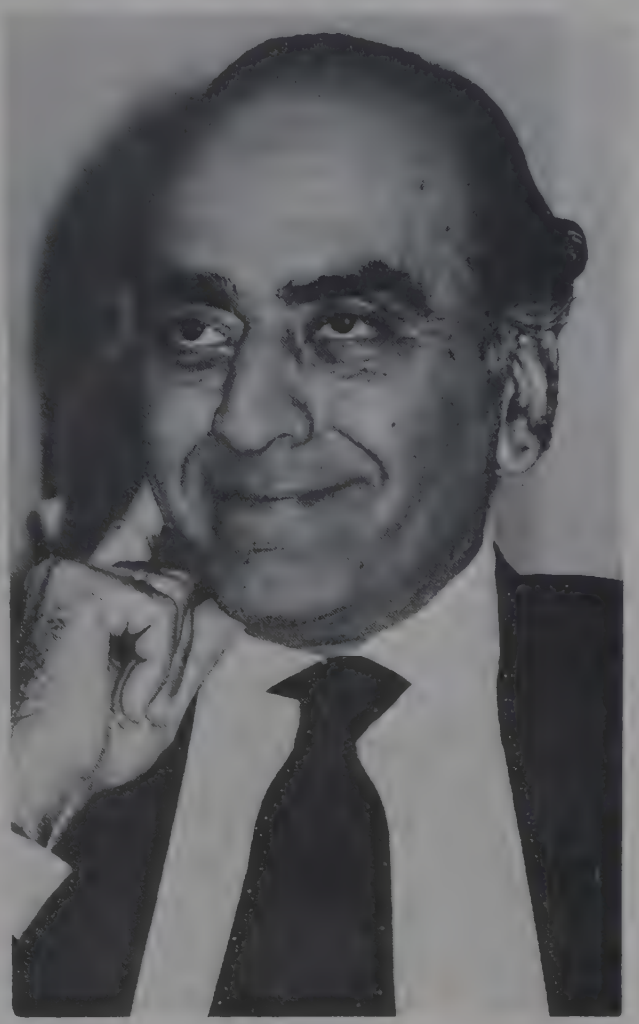
Mfd. by: **Kachins Kreations,** 317, Parvati Industrial Estate, New Sun Mill Compound, Lower Parel, Bombay-400 013.

OUR EXCLUSIVE SHOWROOMS
BOMBAY: ELEGANT, MOHAMMEDALI ROAD; BOMBAY, COLABA CAUSEWAY ■ BANGALORE: FASHION GARMENTS, COMMERCIAL STREET ■ MADRAS: UOMO, MOUNT ROAD ■ COIMBATORE: COSTUME, NEHRU STADIUM

ALSO AVAILABLE AT
BANGALORE: GAZZAZ COLLECTIONS, RESIDENCY ROAD ■ MANGALORE: STYLE ■ GOA: BHARNE & CO., PANAJI ■ ERNAKULAM: 'MONSIEUR SEEMATTI', M.G. ROAD ■ KOTTAYAM: 'MONSIEUR SEEMATTI', K.K. ROAD ■ CALICUT: KALPAKA BAZAR ■ TRIVANDRUM: BLISS ■ MADRAS: K. MART, ROOP RAJAT, MOUNT ROAD ■ COIMBATORE: FASHION PORT, LAXMI COMPLEX MADURAI: MAYFLOWER, SHARNAM ■ VISHAKAPATNAM: MEN'S SHOP, M.G. ROAD ■ GUNTUR: MEN'S TOUCH, ARUNDAL PET ■ HYDERABAD: SELECTION'S, SUMANGAL, ABID'S ■ TIRUPATI: S. TEXTILES, T.K. STREET ■ SURAT: PASANDAGI LALGATE ■ JULLUNDUR: ADAM & EVE CORNER, G.T. ROAD ■ NEW DELHI: JAINSONS, JAY DEE SONS DEPT. STORES (P) LTD., CONNAUGHT PLACE JAI COLLECTION, KAMLALA NAGAR; NEW AMRIT TAILORS, NAJAFGARH ROAD; CLIMAX EXCLUSIVE, CENTRAL MARKET ■ SRINAGAR: PARIS GARMENTS, MASTER ARTS, FASHION KING, RESIDENCY ROAD GUWAHATI: R.G. STORES, BABU BAZAR ■ MPHAL: BLUE BELL, THANGAL BAZAR ■ DHANBAD: TANZEB, RAJENDRA MARKET

"The Indian economy can grow much more rapidly"

Moeen A. Qureshi, *senior vice president, operations, of the World Bank recently spent a week in India travelling to different parts of the country. He spoke to* Business India *on a wide range of subjects. Excerpts from the interview.*



With the recent capital increase, how do you see the World Bank's role expanding?

I think the Bank's role is likely to expand in terms of the volume of its lending operations as well as in terms of the quality and contribution of the lending operations. In terms of the volume of lending operations, the Bank will probably be lending around $27 billion or so if you include IDA operations as well. I think loans by the IBRD which are now $ 15 billion or so should be lending about $ 21 billion-22 billion in a five-year period. That's a substantial increase in IBRD's operations.

I believe that the bank is likely to do considerably more in certain areas. I think it is known that the bank has a new focus in the area of poverty alleviation; that is going to be a major thrust of the bank in the next few years. Also, I believe that the bank is going to do considerably more in the area of environment and trying to preserve and protect the environment in the developing world. My feeling though is that a substantial part of the bank's operations are going to continue to focus on traditional operations of infrastructure development, of providing resources to support the financial system which contributes to development.

In insisting on policy-based reforms and adjustment programmes, isn't the distinction between the Bank and the International Monetary Fund getting blurred?

The World Bank is interested primarily in development and in supporting development. The issue therefore for the World Bank is to determine whether the macro-policy environment is conducive to development or not. In certain countries, such as those for example that are very heavily indebted, the macro-policy environment has become very deficient in terms of the environment for sustained economic development. In those cases we believe that it is important to make some basic adjustments in macro policies in order to try to create the environment in which sound and productive investments can take place. But I do not believe that there is any conflict between the operations of the World Bank and those of the Fund.

We were suggesting not conflict but an overlap in terms of each other's functions.

There can conceptually be some overlap in those cases where the Fund is also trying to advise governments on issues of fiscal policy and on issues of adjustment policy. My experience in practice, however, has been that this overlap does not really result in any kind of conflict or in any kind of duplication of the activities of the two institutions because there is a tendency for the staff of the two institutions to be in touch with each other. In fact there is a great deal of collaboration in the form of joint missions in several countries and in discussion of areas where there could potentially be some overlap. In fact I see the two institutions reinforcing each other.

Surely one of the real problems of most developing countries is that they don't have the institutions — financial and social — to undertake development activities.

For example, you can't have a massive housing programme if you don't have the equivalent of building societies. You can't have one Housing Development Finance Corporation for the whole of India.

I agree with you, I think that there is a lack of an adequate financial infrastructure for development in the developing countries. One of the priorities that we have set for ourselves is to try to assist developing countries in putting together and building this kind of infrastructure. In fact I expect financial sector development to be a very important part of our priorities. I don't remember exactly but I believe that as much as 10-15 per cent of our total lending operations will be dedicated to this.

In the past we have essentially used development banks in these countries to channel resources for industry and for the private sector. In the future our focus is going to be on institutional development, on trying to see that there is a sector that intermediates effectively and efficiently between savings and investments.

But surely, to build a network of roadways, for instance, you must have some authority or institution or mechanism, which can raise monies from capital markets and charge tolls.

Let me make a distinction. It's true that institution building has always been an important part of the Bank's activities in the past, irrespective of the sector. The distinction now is that we are looking not only at an institution in isolation but also at the general environment in which that institution is operating. So when I talk of financial sector development we are likely to look at the whole range of policies, inter-state policies, trade policies, regulatory policies that affect the functioning of these institutions. So we will be concentrating in other words, on the whole range of policies plus the specific institutional aspects that are required for healthy development of these institutions.

You gave a good example. I think in the area of highways and roads, the Bank's

role in institutional development has been very important. However, we have not tried to push particular approaches that are not particularly acceptable to individual governments for one reason or the other. For example, we are beginning to urge governments which do not have enough resources to develop transportation channels and facilities in the public sector to try to bring the private sector in. One of the ways you do that is by toll roads and by developing the kind of institutions which in fact can operate on a profitable basis by taxing directly or indirectly through various types of instruments, the use of those services.

Do you see governments, whether it is the Indian government or other third world governments, accepting these new paradigms and methods of regulation? Will they cut back direct day-to-day interventions and concentrate on policy and regulatory issues?
Yes. I do notice a major change in the attitude of developing country governments towards the role of the private sector and towards greater reliance on the private sector in undertaking the task of development. Previously it was felt that since the private sector was in an early stage of development, the government should take an interventionist attitude, try to do everything and that in time the private sector would develop. This has in fact stifled the private sector. Now many governments are beginning to realise that the public sector has expanded excessively and that it is important to allow the private sector to unleash its own energies and try to undertake some of these tasks.

China with a completely different social and political system has emerged as probably one of the biggest borrowers from the bank. How do you see the Chinese dealing with these issues that you have just raised?
China has experienced a decade of very rapid and impressive economic and social development. It has achieved a growth rate of about 10 per cent over the last decade with a growth rate of about 8 per cent in agriculture. I do not recall in the history of economic development any other country that has had such an upsurge in development over so short a period. I believe that a very important reason for this accelerated growth in China has been the government's policy of liberalising its economy and opening it up to trade as well as to a flow of investment.

The most important aspects of deregulation and liberalisation have been within the domestic economy. In agriculture, for example, a new system of incentives , has stimulated agricultural production and also accelerated the growth of rural industry. Similarly in the industrial sector they have tried to provide incentives for more efficient management of resources. All of this is beginning to work. Let me not say, however, that the Chinese are not facing problems. In fact, recently their economy has got somewhat overheated and they are experiencing a high rate of inflation. They have decided now to slow down some of their reforms in order to gain time for consolidation.

Do you believe that the government of India has some lessons to learn from the Chinese in the last ten years?
I think everyone has lessons to learn from the Chinese experience. It is not possible to merely translate the experience of China to Indian conditions. But no doubt the one lesson that everyone can learn from China is that it is important to provide incentives and that providing those incentives will yield results.

But in your view, is the Indian economy also capable of achieving a rapid, sustained growth over the next ten years in a similar manner?
It is my firm conviction that the Indian economy can grow much more rapidly than it has grown in the past. Indeed, over the last four to five years it has grown at a higher rate than in the previous 25 years. That in itself has been an impressive achievement and I believe that an important element in that more accelerated growth has been the process of deregulation and the process of debureaucratisation if I may call it that, that has taken place during this period. There have been more incentives for industry and for business to try to make more efficient use of resources. And if this trend can be accelerated I am sure that the growth rate also can be speeded up.

Currently thousands of farmers are camping in Delhi asking precisely to be allowed to move their wheat all over the country without any restrictions. Apart from industry, has not agriculture suffered by excessive regulation?
I would not say that agriculture has suffered the most by regulation. Yes, there are regulations in agriculture but don't forget that it is in agriculture that the most spectacular achievements have been made in India. There is room, of course, for further deregulation in agriculture as in other parts of the economy.

Do you think most third world countries are heading towards a debt trap in the process of liberalisation?
There are many countries where the debt service today, despite debt restructuring, still accounts for 5-6 per cent of the gross domestic product. This places a very heavy burden on their resources and on their foreign exchange prospects. I do not believe that the developing countries are headed for a debt trap. I believe there is need to devise new instruments and new arrangements which will enable the developing countries to do a number of things including first, adjustment programmes, and strengthen their own financial positions. Two, to try to restructure their debts on lines that will not put an excessive burden on their foreign exchange availabilities and three, provide incentives for capital flows to enable them to undertake their own development. But unless and until the developing countries can grow, no solution to the debt problem can be found. In many parts of the world there is very little growth and therefore it is very important to create those conditions of economic growth in order to solve the problem.

You mentioned environment earlier, but historically has not the World Bank had "a reputation" for supporting environmentally damaging projects, large dams, gigantic petrochemical projects etc? How can we maintain environmental quality in the developing world?
I think this reputation, if such a reputation exists, is ill-founded, not founded on fact. The World Bank, in my view, has pursued generally sound environmental policies. In many cases, at least those that I have looked into, the fault has not been of World Bank policies but of inadequate adherence to those policies by governments. In any event there is a much greater consciousness of environmental requirements now on the part of the developing world. On our own part we have learnt many lessons in the environmental field over the last decade. We know a lot more about what can be done to alleviate some of the environmental concerns, and we are now devoting a great deal of analysis and attention to this.

An International Hotel that values guests as individuals.

Ramada Inn Palm Grove, Bombay

Hello Ericson.
I'm at the Palm Tavern. No hurry.
I'm being well looked after. And
besides, I'm early.

Dinner at the Brass Grille, is it?
That's great! The food is superb. And
there's live music too. Fantastic, the
right place to celebrate our successful
negotiations over champagne.

I agree with you. This is a really
good 5-star hotel at most affordable
tariffs. Yes — it's got every facility.
I'm shifting here myself tomorrow.

Ramada Inn Palm Grove
Juhu Beach, Bombay 400 049
Phone: 6149361
Telex: 011-71419 PALM IN
Cable: PALMFRONDS

RAMADA®
INTERNATIONAL HOTELS

—NEXT TIME, RAMADA—

AVIATION SAFETY

Let's face the truth

The crash of Indian Airlines flight 113 at Ahmedabad, was only waiting to happen. It comes after a series of near misses in the last two years and is a consequence of the airline overutilising its fleet on the one hand and failing to upgrade its maintenance facilities on the other

One of the tragic sidelights to the crash of Indian Airlines flight IC 113 at Ahmedabad on the foggy morning of 19 October is that dependents of 22 of those who perished in the disaster will not receive the Rs.2 lakhs compensation due to them. They were travelling on tickets bought in the name of others. Most of them were business travellers who did the Bombay-Ahmedabad shuttle frequently and an eventuality like this one would have hardly ever crossed their minds. They were used to frequent delays and cancellations, but as far as safety went, Indian Airlines had at least an impeccable outwardly image — the last crash with fatalities occurred more than ten years ago.

But then nobody had ever told them that:

- Despite Ahmedabad airport being one of the busiest in western India, with more than 17 landings a day, it still lacks a proper instrument landing system which would have helped the pilot on a foggy morning as on the day of the crash. The ILS usually comprises two parts — the localiser transmitter to determine an aircraft's horizontal alignment, and the glide slope transmitter to determine its vertical alignment. However, at Ahmedabad, only the localiser was in position.
- Flight 113 was commanded by Capt O.M. Dalaya, who had nearly 500 hours of flying experience on Boeing 737s. But his co-pilot Deepak Nagpal was a virtual greenhorn. He was one of a batch of pilots that Indian Airlines inducted straight from the Flying Club. More importantly, he and his batchmates did not go through the old fashioned and time-tested procedure of flying on smaller planes like Turboprop Avros and Dakotas before being put on to the jets. They went directly to the Boeing 737s. Nagpal had 250 flying hours of experience on Cessnas and Pushpaks. He joined Indian Airlines as an apprentice pilot last year, trained on the simulator for six months, became second officer on a Boeing 737, and was appointed as first officer two days later. He had a total of 211 hours of experience on the 737.

The Ahmedabad crash: it was only a question of when it would happen

● The 737 they were flying was the oldest in the Indian Airlines fleet, had logged 43,000 flying hours, and made 47,000 landings in the last 18 years. In recent times, it had been flying more than 3,000 hours every year. According to a Public Undertakings Committee (PUC) report in May this year, the annual utilisation of a Boeing 737 under current conditions should not be more than 2,700 hours. Just four days before the crash, on a Bombay-Rajkot flight, this plane had developed a hydraulic leak. Two days later, on a flight from Coimbatore to Bombay, it developed starboard engine trouble and had to be grounded for a day.

Poor landing facilities, novice pilots, overused aircraft flying on tight schedules and maintenance problems all point towards one fact. A disaster of this kind was only waiting to happen. "It is only luck and god that prevented this from happening before," says a top aviation specialist. A study of Indian Airlines' flight records in the last two years provides a good idea of where this national domestic carrier was headed:

● A day after the Ahmedabad crash, an Indian Airlines airbus on the Madras-Singapore flight had to make an emergency landing at Madras after its hydraulic systems — both the main and the back-up — failed.

● Between 1 September and 20 October this year, there were as many as 52 groundings of Indian Airlines aircraft all over the country.

● On 19 June this year, a Boeing 737 landed on its belly at Delhi's Indira Gandhi airport after the pilot forgot to open the undercarriage. The plane had to be junked.

● On 1 November last year, 53 passengers on a Madras-Bangalore flight had a miraculous escape when their plane landed on its rear wheels after its nose wheel failed to open up.

● On 6 September last year, a Vishakapatnam bound 737 with 123 passengers on board, including the AP chief minister N.T. Rama Rao, had to make an emergency landing after its wings got jammed.

● On 20 May last year, an Airbus on its way to Hyderabad from Calcutta had to be abandoned after its undercarriage caught fire on the runway.

● On 15 February last year, a Boeing 737 on flight from Hyderabad to Vishakapatnam had to land under emergency conditions after one of its wheels fell off.

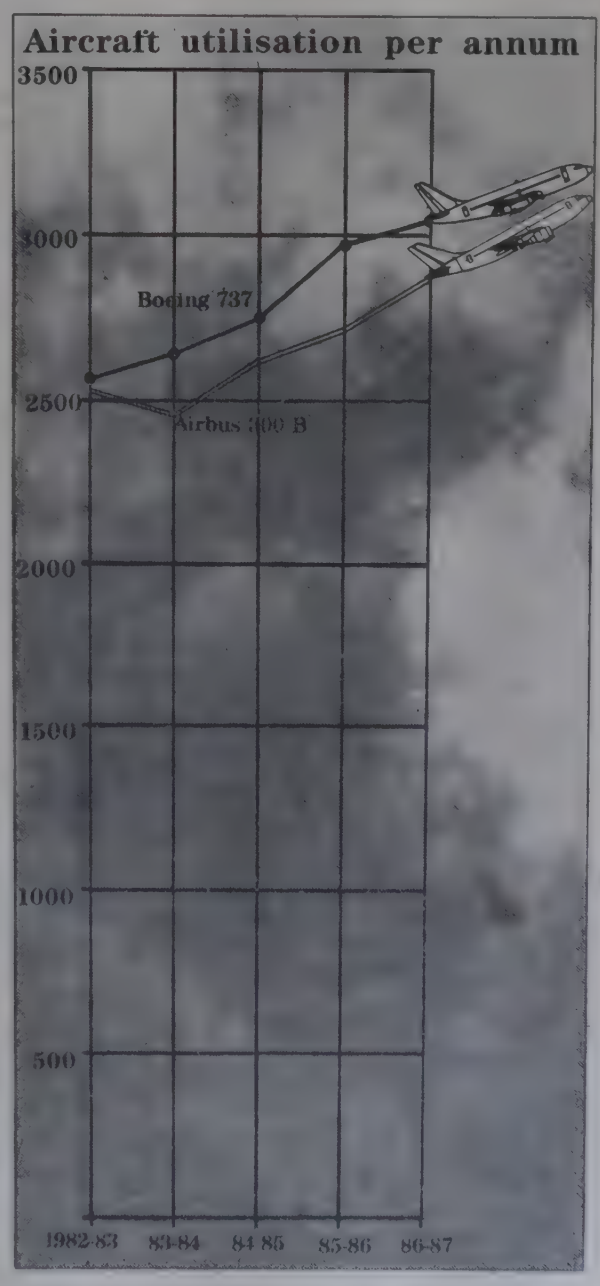
The list is a long one, but has never been officially released by Indian Airlines. The corporation has stuck to its policy of completely ignoring these news reports. In fact, managing director Gerry Pais and minister of civil aviation Shivraj Patil refused to be interviewed on the subject of the Ahmedabad crash. In contrast, when a Boeing 747 belonging to the state-owned Japanese airline crashed killing 520 people near Tokyo three years ago, its president, Yasumoto Takagi, resigned immediately, owning moral responsibility, whatever the cause. An enquiry later proved that the crash occurred on account of a carelessly riveted bulkhead, a responsibility of the plane manufacturer.

GROWING COMPLACENCE

Unlike Air-India, which is being forced into overhauling its planes in the face of stiff competition, Indian Airlines has been complacent because it has no competition. The airline doesn't have to really market its service; passenger traffic in the country is growing at the rate of 12 to 15 per cent a year. Its fleet size has remained virtually constant for many years; as a result the corporation's revenue has shot up from a mere Rs.210 crores in 1980 to Rs.828 crores last year. It carried 10.3 million passengers this year, and made a record profit of Rs.75.15 crores. Every day, as many as 31,000 people fly Indian Airlines on the 160 domestic flights.

But this year, the airline also recorded one of its poorest performances on the passenger service front. Apart from the Ahmedabad crash and many near misses, in July it achieved its lowest on-time performance in many years in the western region which accounts for 40 per cent of its total revenue. Statistics show that out of 1,240 flights out of Bombay that month, 808 were delayed. Only 35 per cent of the flights left on time. Of the 808 delays, 450 were behind schedule by 1 to 11 hours; apart from this, one flight was cancelled on an average every day. It was found that 55 per cent of the delays were due to engineering snags. On the whole, flight delays and cancellations increased from 20 per cent in 1981-82 to 46 per cent in June-July 1988.

"All this is nothing but the cumulative effect of years of poor management, the direct consequence of a monopoly service," says an aviation expert in Bombay. Adds a former director of Air- India, "While aviation in India has matured and more and more people are taking to air travel, the airlines unfortunately have remained totally immature."



SUCCUMBING TO PRESSURES

The management failure in Indian Airlines, observers say, is of two kinds. One, the lack of planning within the organisation and the other, succumbing to large scale political interference in its day-to-day affairs. These two factors have combined over the years with some dangerous consequences.

Take for example the capacity utilisation of the airline's 47 aircraft, which has a direct bearing on their maintenance and passenger safety. The airline keeps on adding more and more short haul flights to its schedule every year, many of them on the same routes on which existing flights make losses. This is done largely on account of pressures from politicians who wish to have their constituencies well-connected by air. Last year, ten new routes were added to the Indian Airlines schedule and the year before that, seven. While these routes may be large in number it is also well known that Indian Airlines has the bulk of its sales in connecting the metros.

These route additions are generally

There's more to Spartek Floors than just good looks...

SPARTEK

52 CHAMIERS ROAD, MADRAS-600 028.

India's largest selling ceramic floor tiles

They are stain-proof too!

Take a second look and you'll discover that Spartek Floors are also...

• Absolutely scratch-resistant • Safe and anti-slip • Fire and heat resistant • Easy to maintain and clean • Simple to lay even on existing floors and ready for live-in use within 48 hours

• Various size options — 305 × 305mm, 305 × 203mm, 203 × 203mm, 203 × 101.5mm, in a range of dream shades.

All this plus the breathtaking beauty that's simply incomparable.

Spartek Floors — Good-looking, hard-working and a lot of good sense.

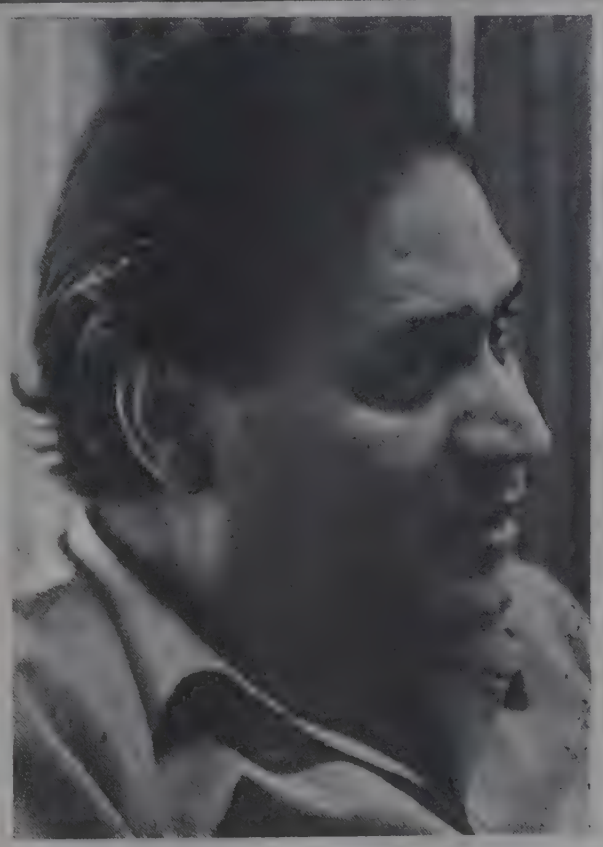
short-term decisions which are not part of an overall flight plan. And there is rarely an increase in the number of aircraft to take care of the new schedules. As a result, aircraft tend to be over- utilised. The Airbus utilisation per year, for example, jumped from 2,477 hours in 1983 to 2,887 hours last year. Even worse, the Boeing 737 utilisation shot up from 2,652 hours in 1983-84 to 3,173 hours in 1987-88, one of the highest in the world. This leads to a very tight scheduling of the flights in the existing system and leaves very little leeway to take care of unexpected snags. Thus if a flight is delayed in one sector, it has a cascading effect on the punctuality in other sectors. This has become a widespread phenomenon of late and very often throws the entire flight plan into disarray.

More importantly, the high utilisation of the aircraft has a telling effect on the airline's maintenance system at airports all over the country. More than half the 24 737s that now operate on Indian Airlines routes are over ten years old, making them even more prone to snags. Besides which, the current maintenance system has been for a number of years operating for aircraft that fly between 2,600 hours and 2,800 hours annually. Suddenly, in the last two years this figure has been pushed to beyond 3,000 hours.

Unquestionably, the maintenance infrastructure should also have been upgraded to accept this kind of utilisation,

"Like anywhere else, there is scope for improvement"

Rahul Bajaj *has been the chairman of Indian Airlines since 1986. He spoke to* Business India *over the telephone from his Bajaj Auto office in Pune*



On possible reasons for the crash:
That will be clear after the report by the commission of inquiry. On the day of the crash I flew into Ahmedabad from Pune. Senior IA officials from Delhi and the minister joined me. Currently the reasons for the crash are unknown. It would be premature to comment at this stage.

It is obvious that visibility at Ahmedabad airport (and its vicinity) on that fateful day was very poor. Cars which left for the crash site around 7.30 am found it difficult to reach the place. We are also looking into the adequacy of landing facilities at Ahmedabad airport. One does not know anything at this stage but steps should be taken to upgrade the facilities if they are found inadequate.

On the US (FAA) warning that old Boeing 737s should be checked thoroughly:
After the crash of an Aloha Air Boeing 737 the FAA sent out a report that old (737) aircraft which had made over 55,000 landings should be checked. At Indian Airlines we have five 737 aircraft with about 45,000 landings each behind them. This is well below the FAA limit. In any case we have carried out checks and all the aircraft were found airworthy. The age of an aircraft could be ten years or 40 years but if it is properly maintained it can still earn revenues.

On reports that Indian Airline's maintenance record is shoddy:
This is a touchy issue. Everybody has the right to point out flaws in our maintenance procedures — if this is done with the objective of assisting us. The safety aspect is the prime consideration for any maintenance staff. No corners are cut. But as I keep telling my executives at Bajaj Auto, there is always tremendous scope for improvement. I am not a technical person and as part-time chairman of IA there is only so much I can do.

On reports that Indian Airlines is cutting corners and compromising on safety:
There are always disgruntled elements in any organisation. Hence reports have appeared in the press. But nothing should be done to frighten passengers or demoralise the staff at Indian Airlines (and believe me, at the moment we are all demoralised). Let's look at a simple maintenance procedure. Before any aircraft leaves the ground a minimum equipment list (MEL) has to be okayed. Otherwise the aircraft cannot fly. In the US, FAA regulations are stringent. We have to see whether Indian Airlines' procedures (and some of them can even be mere formalities) are adequate. I am not talking about this particular crash but irrespective of its causes we should change.

On whether the airline (facing a shortage of pilots) is hiring greenhorns for the job:
We faced an acute shortage of pilots two years ago, not anymore. But with the induction of 19 A-320 aircraft starting from May 1989 we will be needing a large number of pilots — at least 250 of them. There are three sources of hiring pilots — the flying clubs, the Indira Gandhi Rashtriya Uran Academy (IGRUA), and the IAF. Recruitment from the IAF is not working out because IAF pilots want to come in at a certain level of seniority. But the pilots' association is against this. Flying clubs and IGRUA are the only alternatives. Our selection procedures for pilots from both these should be uniform — we should not favour either. I believe the training of pilots at IGRUA is very good — there is no better place.

What we should do is pick up trainees from both the places and extensively teach them at our training establishments. But I would like to emphasise that IA's selection procedures are rigorous.

On Indian Airlines' poor public image:
We welcome criticism in the press. It brings several things to our attention. We recognise that as in any organisation there is scope for improvement in IA too. But nothing should be done to create an atmosphere of fear among flying passengers.

5TH CHORAFAS SEMINAR

ON

USING EXPERT SYSTEMS IN BUSINESS
STRATEGIC PLANNING FOR COMPUTER IMPLEMENTATION
STRATEGIES FOR DATA COMMUNICATION IMPLEMENTATION

Dr. Dimitris N. Chorafas
Scholar, International Consultant,
Professor, Author.

Apart from providing consultancy services to leading international banks and multinational giants like IBM, General Electric, Nestlé and Olivetti, Dr. Chorafas has conducted seminars in United States, Europe, Asia and South America. He is the author of 64 books on various subjects of his specialisation, in many European languages.

SEMINAR SCHEDULE

	Delhi	Bombay
• Using Expert Systems in Business (programme 1)	23rd-24th Nov	28th-29th Nov
• Strategic Planning for Computer Implementation (programme 2)	25th-26th Nov	30th Nov-1st Dec
• Strategies for Data Communication Implementation (programme 3)		2nd Dec

Venue: Delhi: The Oberoi
Bombay: Oberoi Towers
Fee: Programme 1 & 2 — Rs. 3000, each, per participant.
Programme 3 — Rs. 1500 per participant.

NIIT

For registration, call or write to:
Group Manager (ATPs) NIIT
B4/144 Safdarjung Enclave
New Delhi 110 029 Tel: 609156

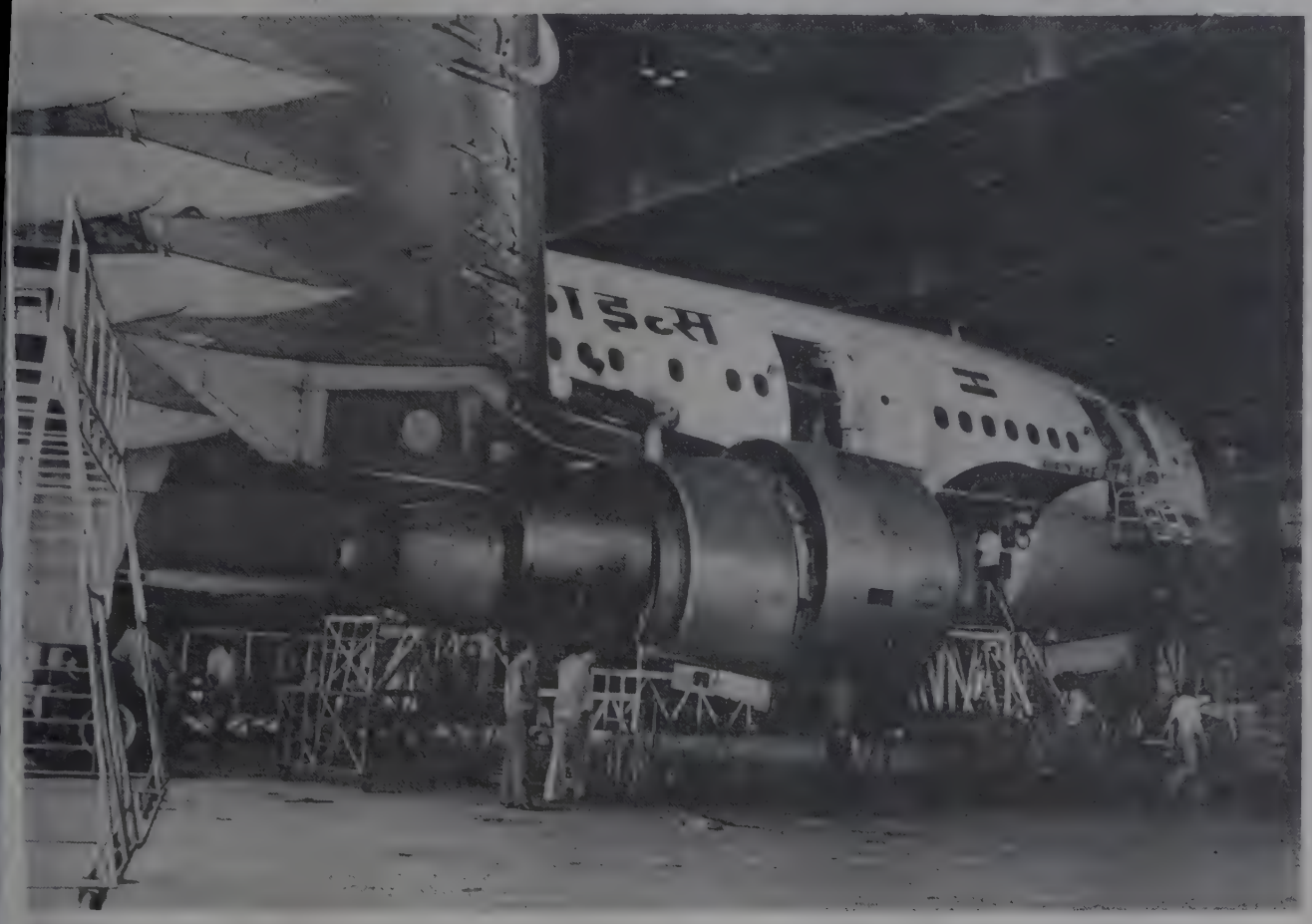
NIIT 205 01

CALL TO PROJECT CONSULTANCY FIRMS OR ACTUAL MANUFACTURERS

A highly profitable professionally managed top notch Public Limited Company in Baroda with an excellent track record and exciting growth plans is on the lookout for expansion and diversification opportunities. The Company is financially well placed and enjoys the confidence of Banks, Institutions and the investing public at large.

The Company is keenly interested in acquiring and absorbing latest technologies in developing and growth oriented fields. The Company is willing to enter into collaboration/tie-up for manufacturing of high demand and import substitution products.

Reputed Consultancy Firms with proven Track Record and Rich Repertoire of promising proposals and projects are invited to contact Box No. DA/278/LD/1, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001, for a long term mutually beneficial association.



Airbus engine under inspection: very little time for all the checks

which however has not happened. Says a Delhi-based airline specialist, "You can push your capacity utilisation to 4,000 hours if you want to, but you have to align your engineering infrastructure accordingly. But here what is happening is that only aircrafts are being pushed harder."

He goes on to explain the consequences of this action: the capacity utilisation of an aeroplane is determined by two factors — the operating day and the time one needs to carry out statutory maintenance checks. A Boeing 737 needs about five and a half hours for these checks every day. An hour is generally taken up in getting it into the hangar in the night when all maintenance on Indian Airlines planes is carried out. Another hour and a half is required to get it ready for the morning flight next day. That leaves the aircraft a day length of 16 hours. Currently, the Boeing 737's average day length is more than 17 hours. "This means that you are starting to cut into your maintenance schedules," the aviation specialist quoted earlier says.

The directorate general of civil aviation, which is supposed to monitor such maintenance deficiencies, is by all accounts itself working in the most primitive of conditions. It has not changed its style of working substantially since the thirties and forties when the civil aviation regulatory rules were first formulated in the country. It issues certificates to aircraft engineers, is supposed to conduct spot checks on maintenance facilities, etc.

But on many occasions according to Indian Airlines engineering department sources, it is so ill-equipped in terms of technological knowhow that the DGCA officials have to refer back for information to the same airlines which it is supposed to be regulating! Says one source, "As far as any major or sophisticated engineering checks go, the DGCA is as good as non-existent."

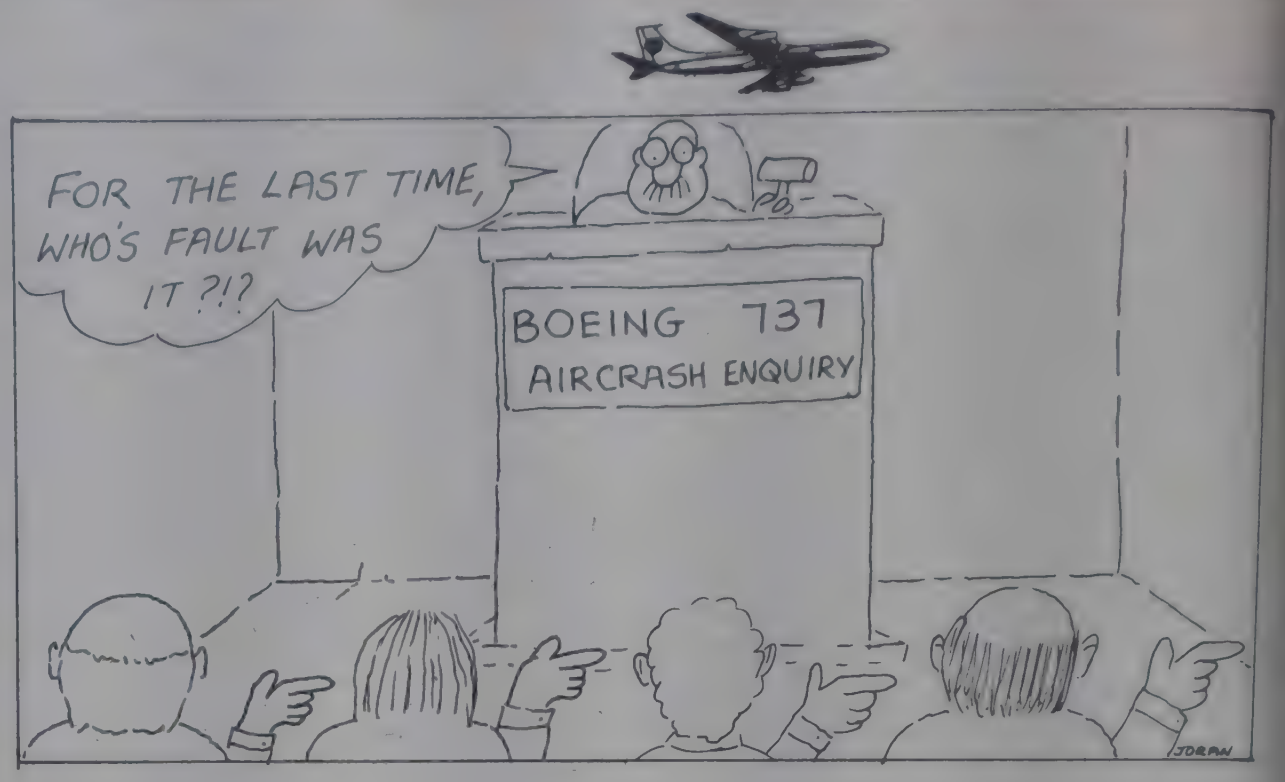
NO FORMS OR MONITORING

Neither has the Indian Airlines management made much effort to upgrade maintenance facilities. An audit by the office of the Comptroller and Auditor General sometime back revealed that there were neither norms nor proper monitoring of aircraft workshops. Leave and absenteeism as a percentage of normal accountable hours in workshops went up from 15.65 in 1981-82 to 20.36 in 1985-86. Premature and unplanned removal of aircraft engines due to failure (excluding bird hits) increased from 13.4 per cent in 1984-85 to 21.69 per cent the next year. Till about the mid-seventies, due to the excellent development of engineering facilities, only about 20 to 30 per cent of the aircraft engine work was done abroad; now the figure is over 50 per cent. And most importantly Indian Airlines still follows an age old system of recruiting aircraft engineers. A mechanic straight out of school and a fresh engineering graduate are treated on a par. Both have to go through the same rigorous procedures to get an aircraft engineer's licence, which could take as much as five years.

All this puts a tremendous strain on the existing maintenance facilities and as a result there is a perennial conflict now between the maintenance engineers who certify an aircraft's airworthiness and the pilots who fly. "More and more engineers are asking us to fly with just the minimum equipments list," says a senior pilot, "which is an indication of the fact that they don't have time for the full maintenance. If we refuse to take the plane then we are asked for an explanation by the management."

Enormous safety margins are built into aircraft, but Indian Airlines is stretching them to the full. Says the government advisor, "All you have managed to do is to put both the engineers and pilots under tension. I am certain that when Indian Airlines despatches an aircraft it is a safe piece of equipment to fly. But in making it safe you have put so much pressure on both the engineers and pilots that things are going to be overlooked and may go wrong. One consequence is that engineering people in Indian Airlines seem to suffer from more heart problems while in service. This is what the management has done by accepting the political pressure on the infrastructure."

The PUC in its report in May this year has also commented upon Indian Airlines' over-utilisation of its fleet. According to norms specified, they say, the annual utilisation of an Airbus and a Boeing should not be more than 2,820



and 2,700 flying hours per aircraft respectively. The report goes on to add: "The committee is not willing to accept the claim by Indian Airlines and the ministry of civil aviation that such excessive utilisation of the aircraft does not affect its safety and feels the matter should be examined from the safety angle in consultation with aeronautics experts and aircraft manufacturers and its outcome reported to the committee."

And if Vayudoot, the nation's feeder airline, does not watch out, it is going to end up making the same mistake that Indian Airlines made. It is desperate to enter the Guinness Book of World Records as the fastest growing airline in the world, regardless of what this exercise is doing to it financially.

BIG LOSSES

Vayudoot was set up in 1981 to bring the country's smaller towns and cities within the purview of air links. It suffered an estimated loss of Rs.12 crores in 1987-88 and now owes Rs.45 crores to HAL for the spares the latter has been supplying for its 18-aircraft fleet. In fact, both HAL and Garret which supplied the engines for Vayudoot's 10 Dorniers don't supply spares to the airline now unless paid immediately in cash.

Despite being in such dire straits, the airline has not stopped expanding its services. It now flies to 93 destinations. And if Shivraj Patil is to be believed, he plans to put every single district headquarters on the Vayudoot link; that is, more than 400 scheduled stops. With such ambitious politicians goading it along, only God can save Vayudoot.

The over-utilisation of the Indian Airlines aircraft capacity, sources say, started around the time Captain K. Chadha took over as managing director of the airline in the early eithties. And it has been carried forward to its peak by the current MD, Gerry Pais. But the reliability of flight schedules coming down from as high a figure as 70 per cent a few years ago to below 50 per cent now, has apparently got Pais worried. He has in the recent past expressed his desire to bring down the utilisation figure. Chadha and Pais are also responsible for setting up of one of Indian Airlines' most uneconomical routes — to Bangkok and Singapore in the last three years. Air-India itself is flying these destinations with half a plane load, and Indian Airlines of late has had to resort to drastic rate rebates to get passengers on the flight. Says a leading travel agency director in Bombay, "The only visible benefit I see from these routes to Indian Airlines is that their crew members get to go abroad and earn some foreign exchange as outstation allowance. I am sure the aircraft used on the services could be utilised to provide some kind of relief to the rigidly tight schedules the airline follows on its domestic routes."

Chadha and Pais, observers say, are part of a long line of weak managers who have been at the helm of the airline ever since Air Marshal P.C. Lal was forced to resign by Indira Gandhi during the emergency when he refused to brook political interference in the day-to-day affairs. All important appointments these days are known to be done under political influence. Indian Airlines' headquarters in Delhi employs as many as half a dozen people whose only job is to deal with papers and orders received from various ministries.

Pais: capacity over-utilisation reached a peak under him

The corporation hasn't had a commercial director, an operations director and a director for training for more than a year now. A sad state of affairs for a corporation whose annual revenue would shortly touch the Rs.1,000 crore mark. And by the end of next year, things would be even worse as far as the top management goes. Except Krishen Dev, director of personnel, everyone else would have retired. Pais retires in March 1989, deputy managing director R. Prasad in July 1989, deputy managing director P.N. Kumar in February 1989, director of finance R. Pasupathy in November this year, director of engineering I.M. Das Gupta at the end of next year and third deputy managing director N.S. Ramachandran in February 1989. Despite this anticipated depletion, the airline very typically does not have any succession plans. This, when it will be receiving as many as 31 new aircraft to augment the fleet by 1991, the airline's single largest ever acquisition.

MISCALCULATIONS

One of the more direct consequences of the weak management at the top has been the poor planning of fleet strength. Since 1982, though the passenger traffic has nearly doubled, the airline did not make a single new aircraft purchase. It nearly bought some Boeing 757s that were available off the rack in 1986, but suddenly change its mind and decided to go in for the Airbus A320, then a new generation of planes being developed by Airbus Industrie in France. Orders were placed for 19 and options have been exercised for 12 more. Delivery is to start in May next year.

When the orders for the A320s were placed in 1985, as part of the deal, Airbus

THE ORIGINAL AMERICAN JEANS. NOW IN INDIA.

Slip into your Wrangler jeans. Feel it snuggle against your skin. Mould itself into your body shape. As only Wrangler can.

Simply because it's made so painstakingly. Thread by thread. So the special polyester core of the thread makes sure it doesn't shred for the entire life of the jeans. The button, the zipper, the rivets, the label are all pure, original Wrangler. Even the material is the same. As many as 70 cruel and minute checks precede any pair of jeans being branded Wrangler. From the classic regular 'Blues' to acid-wash to stone-wash jeans. After all, they are made for rather special people. People who would never accept second best. So when someone says you're looking so free, easy and extremely desirable in your Wrangler jeans, you know it'll stay that way.

WRANGLER IS THE REGISTERED TRADEMARK OF BLUE BELL INC.
A SUBSIDIARY OF V.F. CORPORATION, U.S.A

SPEER 20 101 88 B

At the Indian Airlines counter: passengers have matured but the airlines hasn't

Industrie was to supply a total of 12 A300s and 737s on lease at their expense to Indian Airlines to help it tide over the capacity shortfall that was expected till the new A320s joined the fleet. However, so far — two years later — only two 737s and one A300 have arrived two years later. And despite repeated requests Airbus has not yet been able to fulfil its obligation.

Will the addition of the new A320s have a significant impact on the working of the airline and will it improve passenger safety in the next few years? From the looks of it, things don't look too bright. First, the airline is yet to tie up a financial package for the Rs.1,200 crores it will have to cough up for the initial delivery of 19 A320s. It wanted to appoint a foreign consultant to look for the money at this late juncture, but the government rejected this proposal. Secondly, its training programme for pilots and engineers is yet to take off.

UNHAPPY PILOTS

This highly computerised aircraft is a quantum jump, technologically speaking, from anything Indian Airlines has been operating so far. And as many as 233 engineers and 152 pilots are to be trained in France. But already pilots are refusing to go. Their wage revision which was to be done in 1985 is still pending and they are insisting that unless some kind of compromise is arrived at, they won't train on the new aircraft

Indian Airlines pilots are generally an unhappy lot. Of the 530 pilots in the corporation, 152 applied for some recent openings in Gulf Air. They are among the poorest paid of all large airlines' pilots worldover. Pilots everywhere are among the highest paid of all airline employees on account of the stress involved in the job. But as yet Indian Airlines pilots still get paid only about Rs.50 for an hour of overtime they do, which is the same as what a junior clerk in the airline would make. Unlike the Air-India pilots, who make a packet out of foreign postings, since they get paid for the time they are not flying as well, an Indian Airlines pilot gets paid only for his flying hours.

"There is general disgruntlement among the pilots," says an insider. "They have never been a very happy lot and if stretched beyond the limit it might reflect in their work. And Indian Airlines management is also being unnecessarily bullheaded. When they are buying more than Rs.1,000 crores worth of aircraft it beats me as to why they can't spend a few crores to keep the men who handle these expensive planes happy."

Indian Airlines in fact has never had a very consistent policy for its pilots — neither for its existing ones nor for new recruitments. Its lackadaisical policy towards pilot recruitment in the seventies and eighties is beginning to have its effect now. With the expected arrival of the new aircraft the airline finds itself short of good pilots and has been scurrying around in the last year or so trying to recruit new ones

Last year it broke one of its own rules that had in the past ensured proper and systematic training of new pilots. Earlier a pilot, once he joined as an apprentice from a flying club, had to train on smaller aircraft like the Dakotas and Avros before being put on jets like 737s. Since last year however, anyone with 250 hours of experience on a Cessna can fly the Indian Airlines 737s. The first batch of 20 pilots under the new dispensation were recruited in June last year. Two more batches have since then joined up. So 60 such greenhorns are at the controls of 737s all over the country currently. A case filed against this form of recruitment by the Airlines' own pilots association, Indian Commercial Pilots Association, is now pending before the Bombay High Court.

But most important, starting next year, for the first time since the early seventies, the Indian Airlines management will have to grapple with the prospect of a severe dent in profits or may even a loss, despite the ever increasing passenger revenue. Having committed Rs.1,200 crores starting next year towards new planes, the corporation will have to shell out up to Rs.150 crores annually for the next few years as interest and repayment burden.

The situation could get even worse when the next lot of 12 planes start joining the fleet in 1991. The decision to buy all the new planes at the same time is indicative of poor planning at the top level. The fear is that when in these days of good profits the airline is skimping on its maintenance services, what will happen to passenger safety when as a result of losses on account of the investments, it is forced into cutting costs. Won't the Indian skies be less safe to fly in then?

■ N. RADHAKRISHNAN

THE PERFECT BUSINESS GIFT

for your important clients, colleagues, staff, friends and family.

THE BUSINESS INDIA PLANNER 1·9·8·9

Finally a business gift that is unique, useful, and elegant.

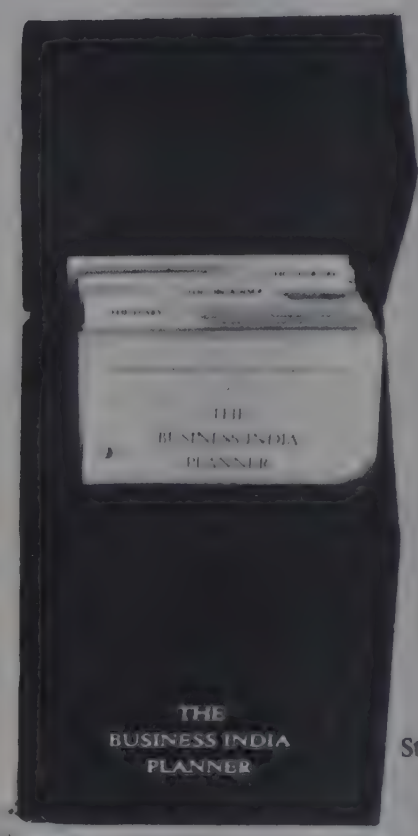
Meticulously designed to suit varied lifestyles, The Business India Planner is a gift that will be appreciated by anyone who receives it.

Leather bound in black, grey or burgundy,with its easy to use design format, The Business India Planner 1989 has a new expanded Information Section, a versatile Diary Section, a handy Network Section, and an indispensable Organiser Section.

Select between the two versions of the Planner: the Day Plan and the Week-at-a-glance. The diary section of the Day Plan devotes a page a day whilst that of the Week-at-a glance views a week on a spread.

With its unique trigger operated ring binder system, The Business India Planner can be organised to suit individual requirements and style. Add, subtract and relocate pages from numerous features and options available, including an optional storage box,which is ideal to store alternative or spare pages. And next year, all that needs replacing is the diary section.

Planners will be available for delivery by mid November.



Storage Box
Rs. 40/-
optional

FLEXIBLE PRACTICAL RELIABLE
much more than just a diary,
a whole new approach to organise your life.

Actual size (closed) 19.5 cms × 14 cms.

To: **Business India Services,** Nirmal, 18th Floor, Nariman Point, Bombay 400 021.
Phone: 2041974, 2042253. Tlx: 11 3557 BZIN IN
Branch offices: Delhi 350135, Madras 474964, Calcutta 448455, Bangalore 74149.

RATE PER PLANNER

Quantity ordered	Week-at-a-glance Planner	Day Plan Planner
1 – 9 Planners ⋆	Rs. 395 ⋆	Rs. 425 ⋆
10 – 25 Planners	Rs. 370	Rs. 400
26 – 50 Planners	Rs. 360	Rs. 390
51 – 150 Planners	Rs. 350	Rs. 380
151 – 200 Planners	Rs. 340	Rs. 370

⋆ an additional special discount of Rs. 25/- is available for Business India Subscribers.

+ Rs. 20/- for postage and handling charges for each Planner.

For a modest additional cost of Rs. 5/- per Planner, your Company's name can be embossed, in a standard typeface, on the leather Folder.

Number Ordered:_____ ☐ Week-at-a-glance:_____ ☐ Day Plan: _____
Please indicate colour in order of preference. (Colour subject to availability).

☐ Black _____ ☐ Burgundy _____ ☐ Grey _____

Subscription No.: _____

Name: _____

Address: _____

_____

My Cheque/D.D./P.O. for Rs. _____drawn in favour of the **Business India Services** is enclosed.(+ Rs. 5/- for cheques not drawn on a Bombay bank)
Please allow 28 days for delivery.

NDD

The timeless value of gold and the unyielding firmness of rock...

GOLDENROCK

COMPLEX

A sound investment in the heart of Coimbatore.

In the heart of Coimbatore, amidst the fast developing business district at D B Road, R S Puram, takes shape the ideal office/shopping complex for you... GOLDEN ROCK Complex. Overlooking the lush greenery of the Forest College.

It is an investment hard to come by.

- Ownership offices/shops in easy instalments
- Construction well under way — early possession
- Total office space — 9,500 sq.ft. Ideal for organisations seeking whole/part floors
- Adequate car parking area
- Ample water supply
- 2 high speed state-of-the-art lifts by OTIS
- Stand by generator
- Built-in fire protection system
- Entrances, lobbies and corridors in marble
- Superbly finished exterior requiring minimum maintenance

GOLDENROCK COMPLEX **An investment that lives up to its name.**

Architects & Engineers
Sankar & Associates
Coimbatore

Builders :
South India Corporation P Ltd
Coimbatore

For further details :
Promoters :
Rocklines Construction Company
3 Krishnaswamy Naidu Layout
Coimbatore 641 011 Tel: 41132

HMT

New sparkle for a waning star

In the last two years HMT has made a go at regaining lost ground in machine tools, consolidating its position in watches, and rectifying some mistakes in diversification and personnel policies. The results are showing; HMT is confident of a Rs.505-crore turnover by the end of next year

One of the brightest stars of the public sector for over 25 years, HMT's profits have been falling since 1982-83. There are many reasons for HMT's problems. Some of these have existed for a long time, but were swept under the carpet as long as HMT continued to make profits. The time has now come for HMT to take a realistic look at itself.

The slump in the machine tools industry, unwise diversifications (especially the lamps division in Hyderabad which has been a constant drain), expansions in remote areas to fulfil social obligations and excess labour have all taken their toll. During 1986-87, gross profit on a turnover of Rs.438 crores was Rs.39.80 crores and the net profit only Rs.5.30 crores (see chart). Performance figures for 1987-88 are not yet available.

The person given the task of putting HMT back on its feet is M.R. Naidu, the first "outsider" to head the organisation. Naidu, who took over as chief executive of HMT in October 1986, started his career with BHEL. He turned around the Hyderabad unit of BHEL, and subsequently the Vizag based public sector unit, Bharat Heavy Vehicles and Plates. Naidu has spent over a year studying HMT's problems and has drawn up a turnaround plan. "Our immediate objective is to prevent the decline in profitability," he says.

HIT BY THE SLUMP

The drop in HMT's profits coincided with the slump in the machine tools industry in the country. The demand for CNC machines shot up and indigenous machine tool manufacturers (including HMT) had to contend with liberalised imports. Many in the industry feel that HMT missed the bus somewhere in the late seventies by getting too complacent. That was the time to have aggressively gone in for technological upgradation. T.V. Mansukhani, who was the chairman and managing director in 1982, did commit around Rs.150 crores for expansion and modernisation. But when the new generation automobiles with Japanese technology came, HMT was not ready to adapt itself. The company was just not equipped to manufacture composite machine lines which were required for large scale automobile manufacturing.

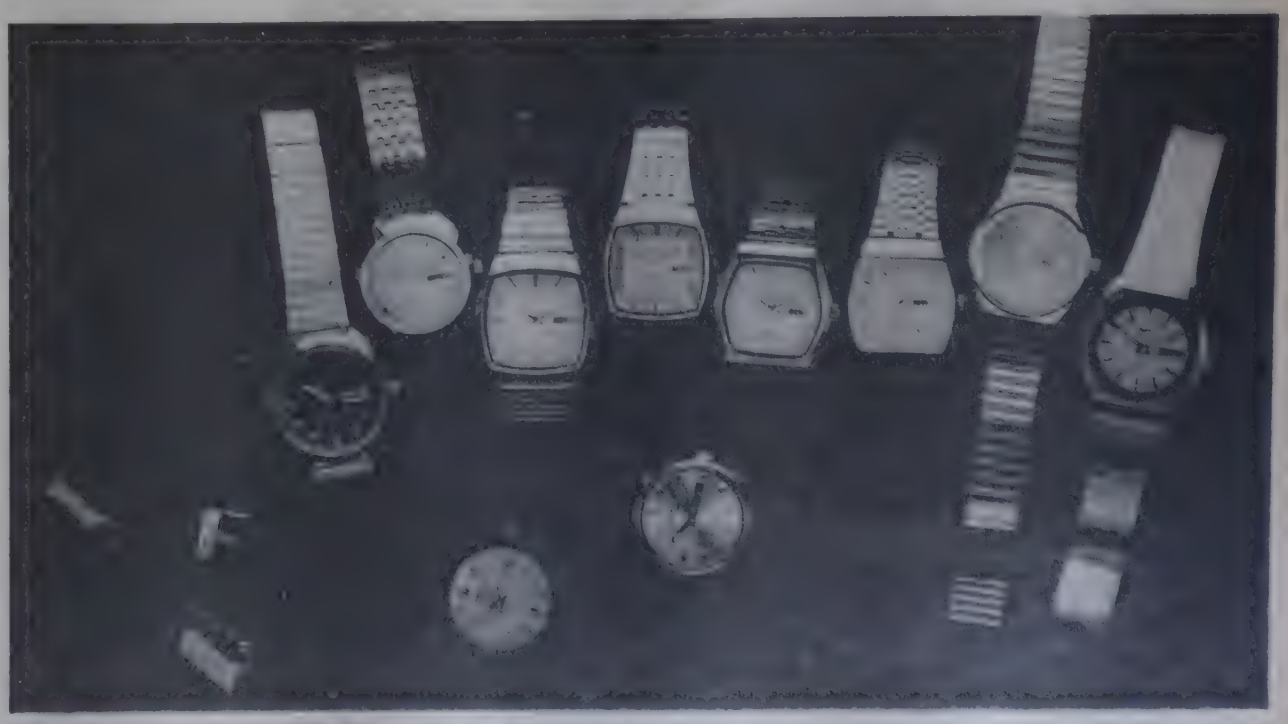
HMT's limitations really surfaced with the entry of Maruti. Says V. Krishnamurthy, the then chairman of Maruti, "With the modern range of automobiles, the need was different. We faced a dilemma. Do we make do with what we have in the country, or do we go in for contemporary machine tools and carry HMT with us?" Maruti opted for the latter. Krishnamurthy was willing to let HMT nominate a senior manager for machinery procurement who could specify what was required in association with the Japanese. This would have given HMT the necessary exposure and experience. But the HMT management was not willing to consider this offer, and insisted through Udyog Bhavan that Maruti use what was then available.

According to Naidu, HMT will now be looking for more new products and sophisticated machine tools. The emphasis

Naidu: the results will start showing by next year

will be on hi-tech CNC machines, robotics and special purpose machines using computers. "There are a lot of products required by the market which are not indigenously manufactured and are therefore imported. We have identified those areas. But we are not necessarily entering into collaborations; we are getting into joint working arrangements with foreign manufacturers. We will be getting good technology backing, work with them jointly, and submit quotations. Forty per cent of the manufacturing will be done in the HMT factories in India," says Naidu. This process is already underway and HMT recently secured two orders for Rs.25 crores on this basis.

The company lost a lot of business because of its inordinate delays in deliv-



Watches have been HMT's money spinners

ery. A case in point is what happened with HMT's special purpose machine (SPM) unit, the first of its kind in the country in Hyderabad. This is not technologically an easy product to manufacture. SPMs are designed around the customer's needs. When HMT went into the manufacture of these, it was flooded with orders from users like the automobile industry. It actually started turning some orders away. But when it began to slip up on delivery schedules, users started looking for alternative sources. Giants like Telco and Mico went into in-house manufacturing. A whole host of small units set up by technocrat entrepreneurs sprang up. Today, HMT's Hyderabad factory is working far below capacity and is yet another drain on the company's profitability.

Says Naidu, "We have to have a comfortable order book position and still be able to deliver the goods. To do this we have to improve our cycle time." He has set up exclusive technology development groups who are making an operation by operation study to reduce the cycle time. Naidu has gone all out for orders. He pushed up the order book position to Rs.130 crores worth during 1987-88. He hopes to increase this to Rs.190 crores worth in 1988-89.

The HMT tractor: highly successful diversification

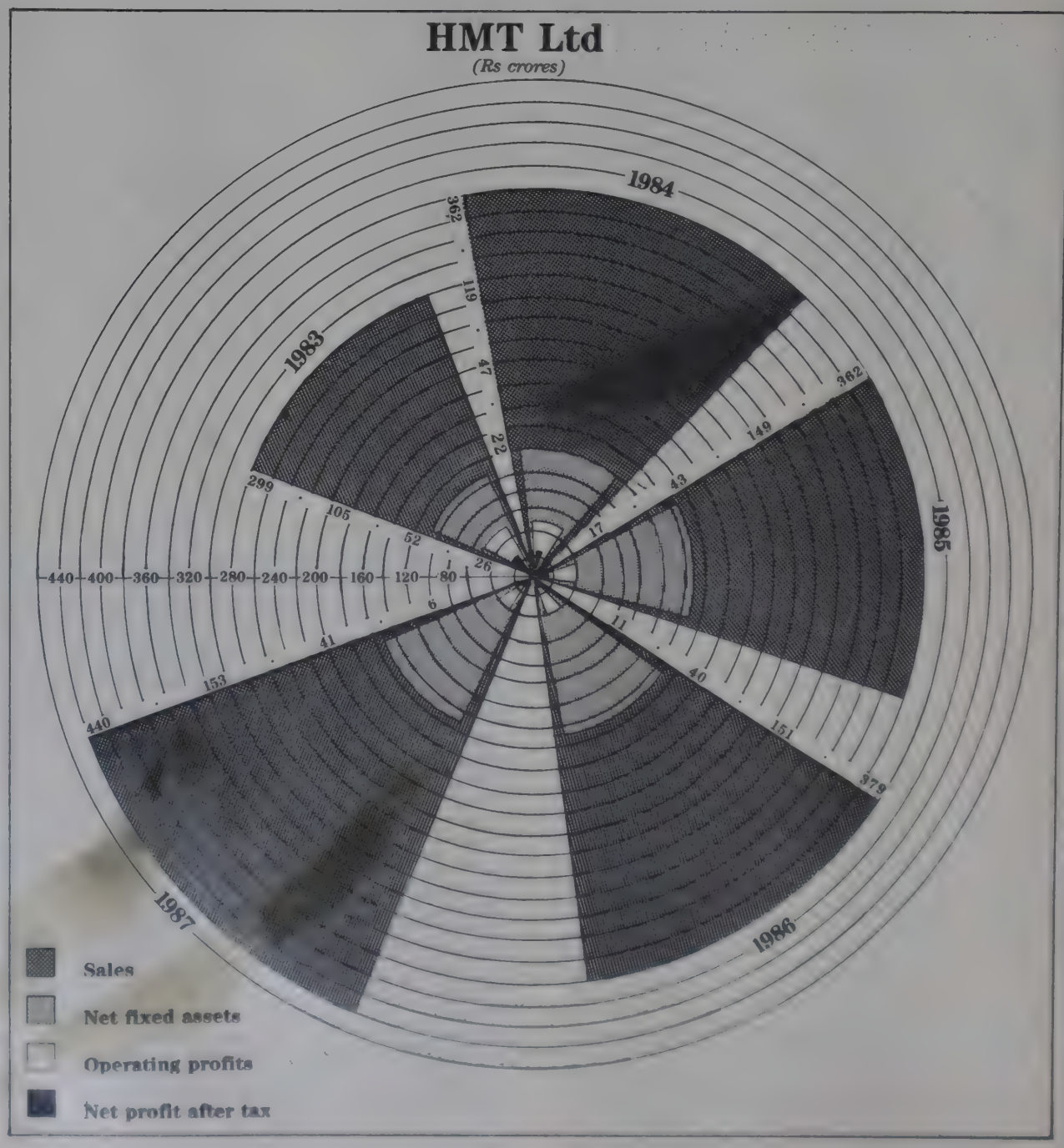
THRUST AREAS

Another thrust area is going to be marketing. After being considered a top rate marketing organisation, HMT's marketing efforts visibly slackened in the early eighties. In the last few years, interaction with customers has not been very good.

The task of revving up HMT's marketing efforts now lies with G. Lakshmana Pai, the newly-appointed executive director, machine tools marketing (another recruit from BHEL). "We are going to strengthen our team work and profit orientation. This has to permeate down the line. With the kind of technical strengths HMT possesses we can become second to none," he says enthusiastically.

One area which requires urgent action is HMT's lamp manufacturing unit, which was set up to make bulbs and bulb-making machinery. This diversification has spelt disaster for HMT since the time it went into production in 1974. The accumulated losses of the unit are reportedly around Rs.32 crores.

Lamp industry sources point out that this diversification might have seemed a good idea in the early seventies, when there was a shortage of bulbs. As it happened, HMT did not get any of the best



THE WORLD AT YOUR DOORSTEP

MADRAS

Starting November 4, 1988. Take off to London directly from Madras.

Bombay, Delhi... and now Madras. British Airways offers the international traveller yet another gateway to the West. Now you can enjoy the British Airways experience to London and beyond—direct from Madras.

On our new flights you take off from Madras on Fridays and Sundays at 9.00 pm. And arrive at London Heathrow at 6.05 the next morning.

Madras to London direct. It's just one more expression of our desire to offer world class service to you. At your doorstep.

BRITISH AIRWAYS

The world's favourite airline.®

OBM/291

For those in high places, a fabric that goes beyond distinction.

Fabric Royal Gold **Blend** Super 80's extra fine Merino Wool **Season** Autumn, Winter

Occasions For strategic manoeuvres • Corporate boardroom meetings • Whenever you want to make the right move

Royal Gold from Raymond's Exotic Range

COLOUR POWER

What a beautiful world of colours there is all around us – Golden sands, lush green valleys, emerald lakes and purple clouds. Colours of laughter, colours of sunshine. Of freedom and passion. Of serenity and happiness.

This world of colours can be captured naturally and in all its splendours by only one Television – CHOICE.

See the exhilarating spectacle of balloons as they take off in a burst of colours in the sky.

Come join the world of colour power. The world of CHOICE Televisions. Choose from a range of five exquisite colour models, JK 2012, JK 2014, JK 2016, JK 2019 and JK 2017 – the only 4 system TV in India.

Also available a superb range of CHOICE B&W and Portable TVs.

CHOICE TV

make it yours

CHOICE Service Centre for Toshiba

CREATIVE ELECTRONICS 55, Community Centre, East of Kailash, New Delhi – 110065

Ups and downs

In 1953, the government of India set up Hindustan Machine Tools Ltd in Bangalore to manufacture machine tools. The organisation's name was changed to HMT Ltd many years later, when it became a multiproduct multidivision company. Today it has 16 manufacturing units located in 10 differnt states.

HMT holds the premier position in the machine tool industry. It has a 35-40 per cent market share in machine tools, of which it manufactures a very wide range. It is also the number one watch manufacturer, with a 65 per cent market share. In tractors, it has a 15 per cent market share. The organisation employs rearly 30,000 people and has built up a highly rated technical manpower.

Architect of growth. M.K. Mathulla, who took over as managing director in 1956, became the architect of HMT's growth into the big league. He was from Tatas and gave HMT a strong commercial orientation. As he had direct access to the then prime minister Jawaharlal Nehru, he did not have to contend with bureaucratic hurdles.

Those were also the heady days of early industrialisation with BHEL and a host of other heavy industries being set up. All these required machine tools, and business flourished. With its own profits, HMT in 1961 set up its second machine tool plant in Bangalore, and its first watch factory collaboration with Citizen Watch Company of Japan, also in Bangalore, and a third HMT unit in Pinjore, Haryana. It was during the inauguration of the Pinjore factory in 1963 that Mathulla made the exuberant announcement that HMT would set up a factory every year. Later chief executives were to regret this promise very much.

Mathulla stepped down in 1963, and S.M. Patil took over as managing director. One of the most successful chief executives of HMT, he became a father figure not only for his own employees, but for the entire machine tool industry. Business continued to boom till 1966.

The crash came in 1967. During 1967-68, HMT recorded a loss for the first time. "These were terrible years," recalls Patil, "There was the drought which resulted in one of the worst economic recessions. This led to the plan holiday and suddenly there were no orders. I had five factories on my hands and no money for the workers." According to Patil, HMT's surpluses had been used up for putting up two more factories. And the organisation was paying the price for not having given enough attention to marketing and R&D during Mathulla's days when the order books were overflowing.

Disaster averted. Ultimately what saved HMT from total disaster was the watch division. The profits of this division helped the organisation scrape through. From 1971 onwards, things started looking up again. Patil also took steps to shore up HMT's marketing and R&D divisions. The turnover zoomed from Rs.10 crores in 1963 to Rs.150 crores in 1978. The company made its mark in exports as well. HMT (International) was created in 1974 for the sale of product and consultancy and turnkey project services. During 1987, HMT (International)'s turnover was Rs.42 crores. The organisation also made tentative attempts at making computerised machine tools (CNC machines) in the seventies, which were progressively replacing conventional machines in the developed countries.

When the Janata government came into power in 1978, Patil decided to leave the organisation as he could not see eye to eye with the new regime. His successor in 1979 was B. Ramachandra, whose style was totally different from Patil's. Machine tool industry sources say that during his tenure CNC machine manufacture was halted as they were not profitable at that point in time. The Indian engineering industry was not quite ready for these machines yet. Ramachandra retired in 1981 and T.V. Mansukhani, an HMT man, who was a production engineer and who had an outstanding career in the organisation, was appointed chairman and managing director. In the next two years HMT made the best profits in its history. The decline began in earnest in 1983-84.

Although Mansukhani is considered an authority on machine tools, he was not given an extension when his term came to an end in 1986. According to the machine tool industry grapevine, his conflict with Maruti (which he felt should use indigenously manufactured machine tools) and his own rather stubborn attitude led to his fall from grace.

■ SR

collaborations in the field. The company signed a licence agreement with Tungsram of Hungary, which was certainly not in the same league as Philips, IGE or GEC. The original intention was that the factory would primarily manufacture lamp-making machinery and bulbs would be the second line of manufacture. Somewhere along the line, with very few takers for lamp-making machinery, the unit became a bulb manufacturer. The unit has not been able to break even.

Naidu concedes that it is going to be an uphill task in the lamp division. "In the next two years, we plan to invest in the upgradation of the existing technology and put more emphasis on marketing," he says. Experts have been called in from Hitachi, Japan; they have conducted a study to recommend suitable technolgical inputs.

The watch division, since its inception, has been a money spinner. During 1980-81, which was also a bad year for the machine tool industry, the watch division was reported to have earned over 95 per cent of HMT's pre-tax profit of Rs.19.61 crores. However, in recent times the watch division's margins have been under pressure. The Rs.45-crore investment in Ranibaugh, UP, is yet to pay off. It is a mystery why as late as 1985 HMT should have thought of a unit to manufacture mechanical watches and not electronic ones. There are also difficult areas of operations like Srinagar and Shillong where communication and co-ordination present problems.

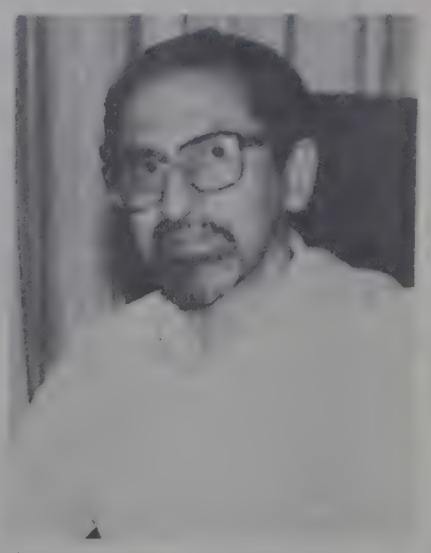
HMT faces stiff competition from Hyderabad Allwyn and Titan. The new entrants are manufacturing quartz watches, while HMT has concentrated on mechanical hand-wound watches. But HMT is not overly bothered about this. "We have tremendous manufacturing strengths. Even the recent exit of 56 employees to join a new watch manufacturer has not made any dent in our working," declares K.S. Gergan, executive director, watch division.

Although HMT manufactured a little over 5 million watches during 1987-88, there was still a shortage of HMT watches in April this year. Naidu points out that

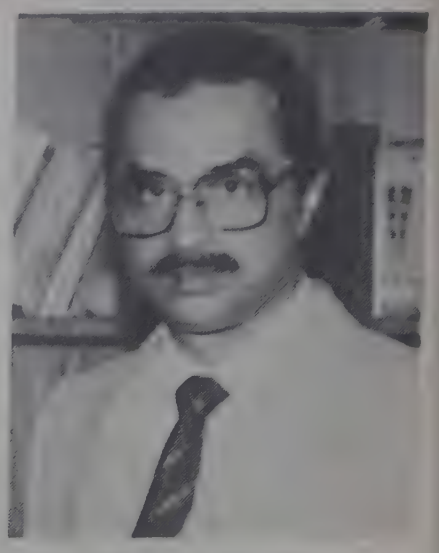
the total market demand today is about 12 to 13 million watches. Allwyn and Titan together make only 4 million watches. HMT is planning to increase its production to 6 million watches this year. "We face no problems from indigenous manufacturers," emphasises Gergan.

The division now plans to increase production of quartz watches. The Tumkur factory will be manufacturing 2 million quartz analog watches, and increasing production of ladies watches (which are in great demand) to 5 million; it also plans to make digital watches.

Gergan: "tremendous manufacturing strengths"



Chakraborty heads the tractor division



Alva: shaking up the organisation

RICH DIVIDENDS

A diversification which has paid rich dividends in recent years is the agricultural machinery division. HMT went into tractor manufacture in 1971 with Czech collaboration. This division has picked up from 1983. The production for the current year has crossed the installed capacity of 15,000. Capacity is being increased to 17,500 this year. Says D.K. Chakraborty, executive director, tractor division, "We came into the picture much later than the others like Eicher and Mahindra and Escorts. But we achieved the number one place in tractor sales (14,659) in the country in 1986. In 1987, we were number two only because of our lower capacity." Chakraborty attributes the success of the tractor division to the highly fuel efficient engine with the largest variant among tractors (suitable for a variety of crops) and efficient marketing and after sales services.

It is obvious that there are wide differences between the various units of HMT. One of the most important tasks ahead of Naidu is to motivate the people at HMT to bridge these gaps. In spite of its undeniable technological strengths, which even competitors admit are top class, not much attention has been paid to developing managerial skills.

The organisation did not have a proper policy of promotions till recently. HMT went into the business group concept and people got compartmentalised into four different groups. There was no rotation of people from one group to another. This resulted in better growth opportunities for employees of some divisions and not so much for others. This has given rise to much dissatisfaction.

Not only is the chief executive an outsider, but some of the recently joined executive directors are newcomers. At the general managers level as well, HMT has had to look for people from outside, this has meant a loss of morale. However, some observers feel that the new blood will help the organisation.

A sophisticated machine tool: catching up

H.R. Alva, director, personnel, who left Indian Telephone Industries to joint HMT less than a year ago, is quite aware of these problems. Alva has identified a need based HRD programme. It has been decided to rotate personnel wherever it is necessary. The new policies have been put into practise; there have been a lot of transfers.

BUILDING TEAM SPIRIT

The turnaround plan also takes into account the fact that it is necessary to build a team spirit in the organisation, which seems to have disappeared after S.M. Patil's days (see box). Naidu emphasises that team development is going to be given a lot of importance. The newcomers to the top management posts feel that by and large they have been accepted by the existing personnel and the changes which are being implemented are being understood down the line. Some doubts persist at the middle management levels, though. Naidu has also set himself the task of establishing better lines of communication with the staff. Most people who have been associated with HMT believe that the organisation's problems are not intractable. But they point out that in its most successful days HMT had a very strong lobby at the centre. Naidu is supposed to get along well with the industry minister, Vengal Rao. Naidu on his part feels that the results of all these plans will start showing by next year. With this confidence, HMT has signed a memorandum of understanding with the government that the organisation will achieve a record turnover of Rs.505 crores at the end of the current financial year.

Will Naidu be able to repeat his past success and put the shine back into HMT?

■ SUSHILA RAVINDRANATH

A THRILLER

Last October our targets were referred to as "tall claims". This January the sniggers had subsided. Midway through June as the rains lashed down, we received a few respectful glances. On the last lap in September, they were actually cheering us on.

Now at last it's all over. And the doubting Thomases stand silenced.

In the last one year, Excel's sales have zoomed up by a phenomenal 51% to an astounding figure of Rs. 670 million! An all-time high for Excel.

More thrills from exports. After a massive 83% increase in exports last year, we thought bigger still. And exports really soared! Another 76% jump to Rs. 105 million. The highest for any agrochemical company in India. Better still, honours for these exports are shared by both agro as well as industrial chemicals.

Living upto our reputation too provided its fair share of excitement. In true pioneering tradition, Excel this year entered into the burgeoning field of fire retardant chemicals — a lucrative field for the 1990s.

Yes. 1988 is indeed a year of thrills. But amidst all the cheers, we haven't forgotten our commitment. A commitment towards quality, innovation and service.

That's why you won't be wrong when you predict a future for Excel that's bigger, brighter and better.

Excel Industries Ltd,
184-87, Swami Vivekanand Road, Jogeshwari (West), Bombay-400 102.

BY EXCEL

EXCEL

WE EXCEL. AT ALL WE DO.

Must good printing get you third degree burn?

Burning your sweat and time to get imported printing paper. And in the bargain Hallelujah! your purse and business are found charred.

Don't despair.

There's **Sensocote.** To soothe your burns. **Sensocote** art card and art paper. The like of which didn't exist until now. Today you can get the printing impressions you always relied upon importeds for. Sharp. Spiritted. Full of detail.

Sensocote. If you don't like to play with fire.

Gone are the importeds
Gone are the ifs 'n' buts

SensoCote

Sensible language in Printing

From the makers of

SilverCote

Shree Krishna Paper Mills & Industries Limited

4830/24, Prahlad Lane,
Ansari Road, Daryaganj,
New Delhi-110 002.
Ph : 272320, 275117

Sales Outlets :

DELHI: • M/s Birdhi Chand Girdhari Lal, 3798 Chawri Bazar, Tel. 2917913, 2920778 • M/s Lahore Paper Store, 3796 Chawri Bazar, Tel. 2912078 • M/s Phool Chand Jain & Sons, 536-38 Gali Gajajan, Sadar Bazar, Tel. 524680 • M/s Shyam Traders 70-A Kamla Nagar, Tel. 2914711, 2915766 • M/s Hari Kishan & Sons, 6 Mela Ram Market, Chawri Bazar, Tel. 262439, 262587 • M/s Sushil Enterprises 6 Makki Market, Chawri Bazar, Tel. 264949 **UTTAR PRADESH:** • M/s Suprams Paper Corporation, Jarar House, Madiya Katra, **Agra.** Tel. 76536 • M/s Paper Centre, 250 Lala Ka Bazar, **Meerut.** Tel. 72102, 76289 • M/s Lucknow Paper & Allied Co. Pvt. Ltd., A-1/14, Sector 'B', Aliganj Extension, **Lucknow.** Tel. 45653, 36002 • M/s Lucknow Paper & Allied Co. Pvt. Ltd., 49/50, General Ganj, **Kanpur.** Tel. 67210 pp. • M/s Lucknow Paper & Allied Co. Pvt. Ltd., 108 Chak Zero Road, **Allahabad.** Tel. 516401 **RAJASTHAN:** • M/s Nagawat Trading Co. Kothari Haveli, **Banswara.** Tel. 362 **PUNJAB:** • M/s Kapoor Trdg. Corpn. Bazar Kharadian, **Ludhiana.** Tel. 20879 pp • M/s Kapoor Trdg. Corpn. Bay Shop No. 11, Sector-27D **Chandigarh.** Tel. 29280, 43280 • M/s Kapoor Trdg. Corpn. Guru Bazar **Amritsar.** Tel. 41039 • M/s Guglani Paper & Stationery Mart, Khingran Gate, **Jalandhar.** Tel. 73695 **BIHAR:** • M/s Anil Enterprises, Kadam Kuan, **Patna.** Tel. 51098, 53298. **MADHYA PRADESH:** • M/s Balkrishna Paper Sales Agency, 623, Saraswati Market, Khajuri Bazar, M.G. Road, **Indore.** Tel. 30067. **MAHARASHTRA:** • M/s Associated Enterprises, Shop No. 2, Shree Yamuna Apartments, Malviya Road, Vile Parle (East) **Bombay.** Tel. 6147249, 6140263 • Maruti Paper House, 207, Sadan 76-78 Modi Street, Fort, **Bombay.** Tel. 269775 • M/s Sheetal Sales Agencies Himalaya House, 4/20, Paltan Road, **Bombay.** Tel. 261617 • M/s Arvind Trading Corpn. 64/8, Sutar Chawl, First Floor, **Bombay.** Tel. 327662, 320505 • M/s Payal Traders, 75/77, Sutar Chawl, 2nd Floor, **Bombay.** Tel. 324341. **HYDERABAD:** • M/s Jaidev Papers, Gopinath Chambers, Adalat Road, **Aurangabad.** Tel. 6819, 4071. • Sri Venkatesh Paper Agencies Hyderabad Pvt Ltd. 4 Raghava Ratna Tower, Chiragh Ali Lane, **Hyderabad.** Ph : 232544. **GUJARAT:** • M/s Vishal Trading Co., F/9, Vikram Chambers, Near Hotel Natraj, Ashram Road, **Ahmedabad.** Tel. 384894, 339926. • M/s Padmavati Tradg. Co. 7 Sachin Apt, Dandia Bazar, **Baroda.** Ph : 64682. **WEST BENGAL:** • M/s Laxmi Traders 16, India Exchange Place, **Calcutta.** Tel. 201961, 207567 • M/s National Sales Syndicates 167, Old China Bazar, St. **Calcutta.** Tel. 260030, 275420 • M/s Paramount Papers, 57, Radha Bazar, St. **Calcutta.** Tel. 268367, 263360. **ASSAM:** • M/s N.B. Modern Agencies, Hill Cart Road, **Siliguri.** Tel. 22761, 20504. **KARNATAKA:** • M/s Karnataka Paper Agencies, 200/2, Sultanpet, **Bangalore.** Tel. 258836. **TAMILNADU:** • M/s T.K.N (P) Ltd., 169 Luz Church Road Mylapore, **Madras.** Tel. 76877, 73723 **ORISSA :** • M/s Rameshwar Lal Shyam Sunder, Banka Bazar, **Cuttack .** Tel 23927, 25889

Channel 5

KAMANI TUBES

Tightrope walk ahead for workers

Having emerged as victors in a three-year battle for control of the sick Kamani Tubes Ltd, the company's 700-odd workers are now readying to restart production. The task ahead is onerous, and they are preparing to give their all to prove a point

Cobwebs at the KTL plant: a lesson in persistence

The cobwebs that gathered during three years of drmancy at the plants of Kamani Tubes Ltd (KTL) in suburban Bombay must have reminded the company's 700-odd workers of the lessons in persistence learnt by King Bruce of legend from the never-say-die spider. After a two-year chase, they are now armed with a Supreme Court order that allows them to take over the company's equity from the Kamani family, and restart production.

Doubts continue to persist about KTL's chances of survival in the fiercely competitive market it operates in. But, the Kamani Employees Union (KEU), which drafted the revival scheme, is aware of the trendsetting nature of the task ahead. "Tens of thousands of similarly-situated workers would be watching with anxious eyes the outcome of this bold experiment undertaken by workers of KTL," said the Supreme Court (SC) in an emotion-charged judgement delivered on 19 September this year.

"EXPEDITE IMPLEMENTATION"

The SC mandate to the workers climaxes a series of legal battles with the Kamani family (see *Business India* 27 June 1988) over the past couple of years. Now, the SC has made it clear that it will not brook any further delays. "The implementation of the scheme with expedition is of the essence," it said in its order. "We, therefore, make it clear that notwithstanding any order that may be secured by any party from any other forum, the scheme shall be implemented ... in case there is any problem, it may be brought to this court for seeking appropriate directions instead of resorting to other forums to impede the implementation of this socially and economically wholesome scheme."

KTL's plants have already started humming with activity — cleaning operations have begun with temporary power connections from the neighbouring KMA International Ltd. The total start-up costs are expected to be around Rs. 30 lakhs, while another Rs. 30 lakhs will be losses incurred during the period upto December 1988, when trial runs are slated to begin. These initial costs will be met from the workers' contribution to the company's share capital.

Under the scheme approved by the Board for Industrial and Financial Reconstruction (BIFR), the workers' cooperative — the Kamani Tubes Ltd Kamgar Audyogik Utpadak Sahakari Society Ltd — will take over the existing share capital of KTL (Rs. 96 lakhs) at a price of Re. 1 per share. While this will bring down the share capital to Rs. 9.6 lakhs, the equity base will be increased by another Rs. 1.4 crores, with the workers and the state government contributing Rs. 70 lakhs each. The workers will meet their contribution by drawing Rs. 2,000 each from their provident fund accounts and another Rs. 10,000 each raised as personal loans from urban co-operative banks — in principle, five banks have already agreed to fund the workers.

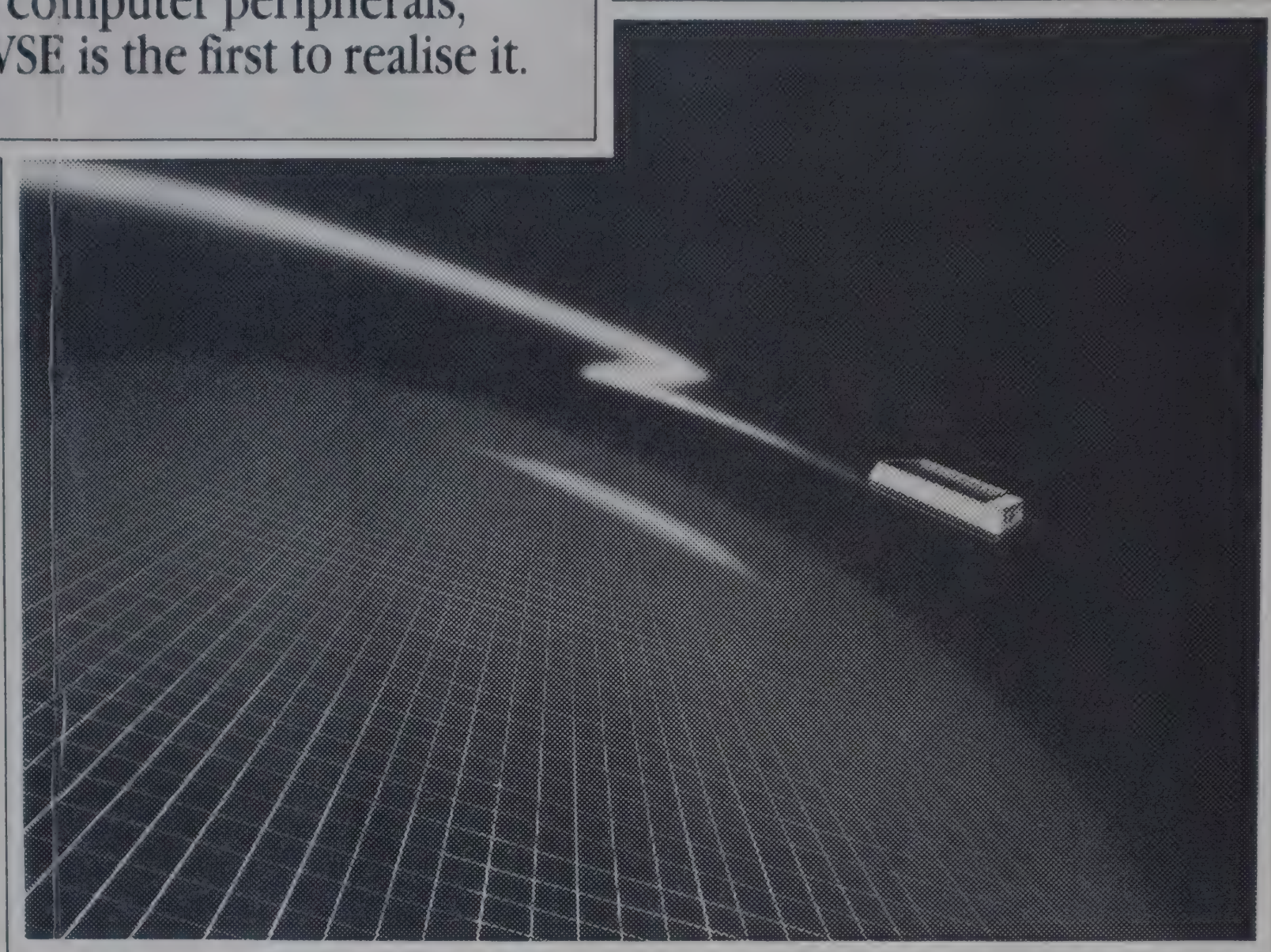
With working capital requirements estimated at Rs. 4.65 crores in the first year, the KEU scheme envisages production of 1,200 tonnes of rods and 960 tonnes of tubes, bringing in sales realisations of over Rs. 17.5 crores. By the third year, production of rods is expected to go up to 1,350 tonnes, while that of tubes will be in the region of 1,200 tonnes. A Rs.1.5-crore tube extrusion press that is proposed to be installed either in the fourth or sixth year will enable the company to manufacture sophisticated cupro-nickel tubes.

SCHEMES REJECTION

The Kamani family, as expected is not willing to let go of the company without a fight, even though the Supreme Court and the BIFR have both rejected the various revival schemes submitted by them. "We are going to challenge the Supreme Court order," says Sangeeta Kamani, wife of Chandravadan Kamani, who submitted a revival scheme to the BIFR sometime ago.

D. Thankappan, working president of the KEU, dismisses Sangeeta Kamani's threats. But some of the reservations expressed by the Industrial Development Bank of India (IDBI), the BIFR's operating agency, have forced the KEU to scale down its projections. The IDBI found the market for rods highly competitive, and that for tubes stagnating, with many users switching over to cheaper substitute materials — what with copper prices

When the potential is as vast as computer peripherals, TVSE is the first to realise it.



The world of computer peripherals holds the biggest challenge today, far greater than that of computers themselves.

The fastest-growing business

Computer peripherals are growing at 230% yearly, as compared to 115% for computers. This is because of an interesting fact. The major portion of a computer system is made up of computer peripherals, i.e. the printer, the monitor, the keyboard, the power supply, in short everything apart from the CPU (central processing unit). Therefore, 65% of the cost of a computer system goes towards the cost of computer peripherals.

Consider next the phenomenal demand for computers (today there are 50,000 computers, by the end of 1991 there will be 1,10,000 computers at a conservative estimate). Now imagine the concommitant demand for computer peripherals!

TVSE – ready to face the challenge

TVSE is geared to face this challenge. With a large investment of Rs. 30 crore in the business, with technology acquired through the best international collaborations, through a team of the finest specialist engineers.

TVSE

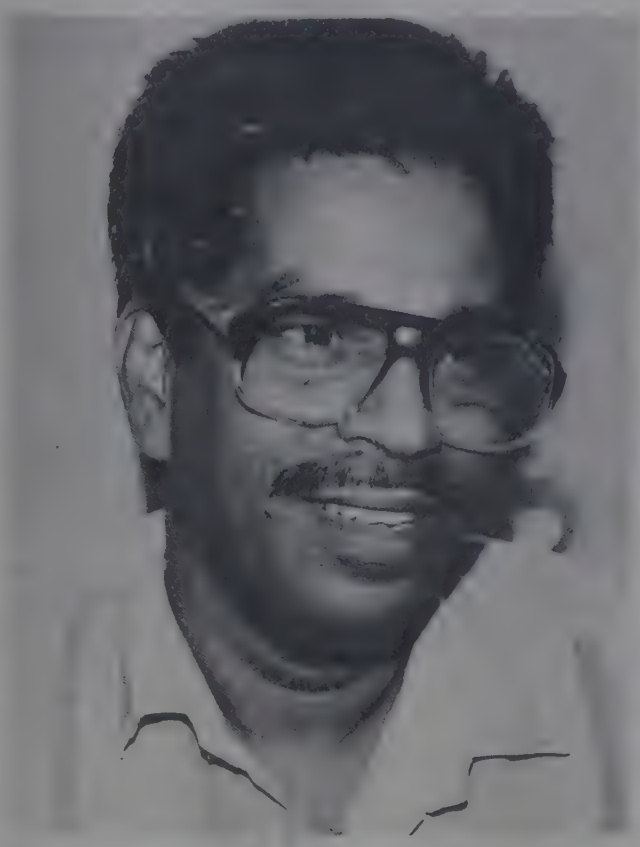
TVS ELECTRONICS

YOUR SHARE OF THE FUTURE

having steadily increased for over two years now.

Senior officials at Multimetals Ltd, a leading KTL competitor, scoff at KTL's plans. "We have been in this business for 25 years and have not been able to relax," says a senior manager at the company. "We have been incurring losses because of low capacity utilisation — there simply isn't enough demand for another large manufacturer. "He points out that both Multimetals and Alcobex Pvt Ltd, another leading manufacturer of copper rods and tubes, face stiff competition from small scale units in several product categories, while major users such as power plants, refineries and sugar mills are switching over to stainless steel tubes. "Kamani Tubes will only be of nuisance value," he says. "Their scheme is just a political gimmick, not a business proposition."

Thankappan and the KEU, however, are banking on the Kamani brand name to a large extent. He says that KTL cannot be equated with the small scale industry which, according to him, does not have proper manufacturing or quality control facilities. Basing its demand forecasts on the installed capacity and the envisaged growth in major user industries such as power generation, sugar, petrochemicals, refineries, shipbuilding, airconditioning and refrigeration, the KEU feels that the company will be able to regain its market leader status in time to come. The KEU is also confident of manufacturing refrigeration and airconditioning tubes, which are currently being imported by the country.



Thankappan: long and winding road ahead

SKEPTICISM

Even so, industry watchers are skeptical about the chances of workers in a market that is not only competitive, but also notoriously corruption ridden. Thankappan admits that the new management at KTL cannot "change the market overnight", but hopes to develop strategies to overcome such problems. "We will have to innovate," he says. With 40 per cent of the produce expected to be lifted by the public sector, Thankappan does not foresee any problems in marketing to this segment — the KEU expects active government support by way of orders.

Under the scheme approved by the BIFR, the running of the company will be overseen by an implementation committee with nominees from the IDBI, the BIFR, the state government, banks and Kamani Tubes. This committee will work in close co-ordination with the board of directors of KTL.

While J.C. Marwah, former chairman of Hindustan Copper Ltd has been named as the BIFR nominee, the state government will be represented by the joint director (industries) and joint registrar of co-operatives, Maharashtra. A.M. Nerkar, a deputy general manager at the Bank of India will represent the banks, while the three professionals, in all likelihood, will be S. R. Gokhale, a former chief executive of the Kamani Metals Group, Manish Shrikant, a management consultant and J. K. Aravind, a former executive in charge of technical services at KTL. Thankappan and KEU's president Y.V. Chavan, are expected to be the workers' representatives on the board.

Even as all seems set for restarting production at the company's plants, the Reserve Bank of India has taken an unsettling step. A recent circular to the five co-operative banks that have committed loans to the workers, asks them not to disburse any monies until the RBI gives the green signal. "We have asked the banks to furnish us some information, and details of the KEU scheme," says a senior official at the RBI, refusing to comment on the bank's need for information at such a late stage.

BANKS CONVINCED

"We are keen to advance the money to the workers so that work at the plant can start," says John D'Silva, managing director of the Abhyudya Co-operative Bank. "We are convinced that the workers will be able to repay the loans." Under the plan drawn up by the banks, workers will have to bear repayment liability of about Rs. 250 a month in the first year, with a six-month moratorium, which will go up to about Rs. 350 in the second year. A substantial part of the loans' repayment is proposed to be linked to the productivity bonus that will be paid to workers every year. The loans, carrying 15 per cent interest, will be repaid over a 60-month period.

The KEU is confident that their plans will not get stuck because of the RBI's last minute decision to take a look into the matter. In any case, the SC has made it clear that its order is binding on the banks and other agencies involved in the revival of KTL. "The workers' involvement in this scheme has weighed on our minds more than anything else," says H.J. Mehta, additional general manager (rehabilitation and recovery department) at the Bank of India.

The KEU exercise is inspiring similar proposals from workers at other sick companies. In fact, the KEU is currently counselling unions such as Vallabh Glass Works Employees Union, the Agro Industries Employees Union, the union at Raj Bahadur Motilal Mills Poona Ltd, Homech Employees Union of Hoist-O-Mech Ltd and the union of Ramon & Demm Ltd. While the proposal of the Raj Bahadur Mills is already before the Bank of India and the BIFR for their perusal, the workers of Alembic Glass Works and a non-ferrous redrawing unit are also considering a KEU-style takeover.

CATCHING ON

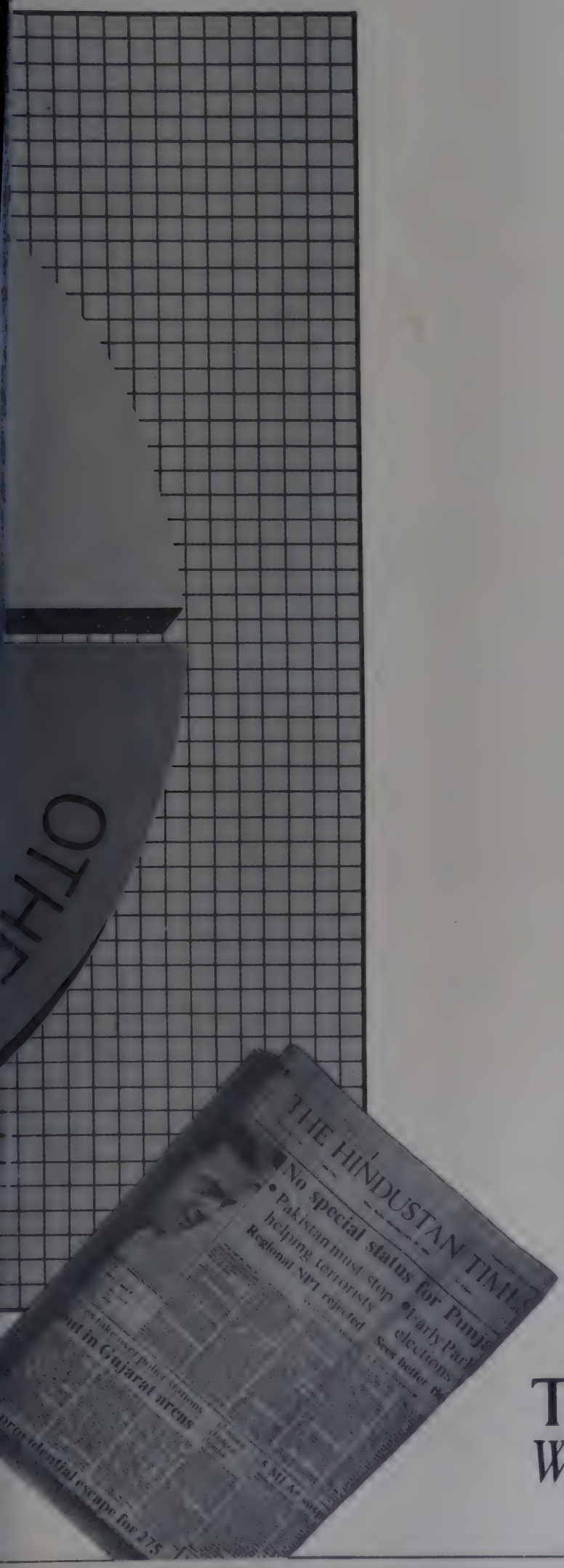
The concept of workers' takeovers of sick units as a remedy for industrial sickness is also being considered seriously by the Andhra Pradesh government. Venugopal Reddy, director general, Public Enterprises Management Board, and managing director of the Andhra Pradesh Industrial Development Corporation (APIDC) says that the KTL case has the "potential to stop a manipulative tendency towards sickness by vested interests".

The APIDC and the seven other sick units are among the first few to take note of the KTL case and try to emulate it. The strongest impact of the Kamani Tubes experiment will probably be felt in a few years time, by which time, hopefully, the workers will have proved their point by turning the company back into the black.

■ ALOYSIUS FERNANDEZ and SHANKAR P.

The Hindustan Times is read by
people in Delhi than all the
English dailies put together

ore
her



According to the circulation figures certified by Audit Bureau of Circulations (ABC) —India's only recognized authoritative source of circulation statistics, The Hindustan Times leads the way with over **50%** of the market share.

For the July' 86 to December '86 period, circulation of The Hindustan Times in Delhi city was **1,67,629** copies as compared to **1,67,623** copies* of all the other newspapers combined.

The Hindustan Times is the oldest newspaper in Delhi amongst all the present dailies.

And the largest selling since its inception in 1924.

* ABC member publications only.

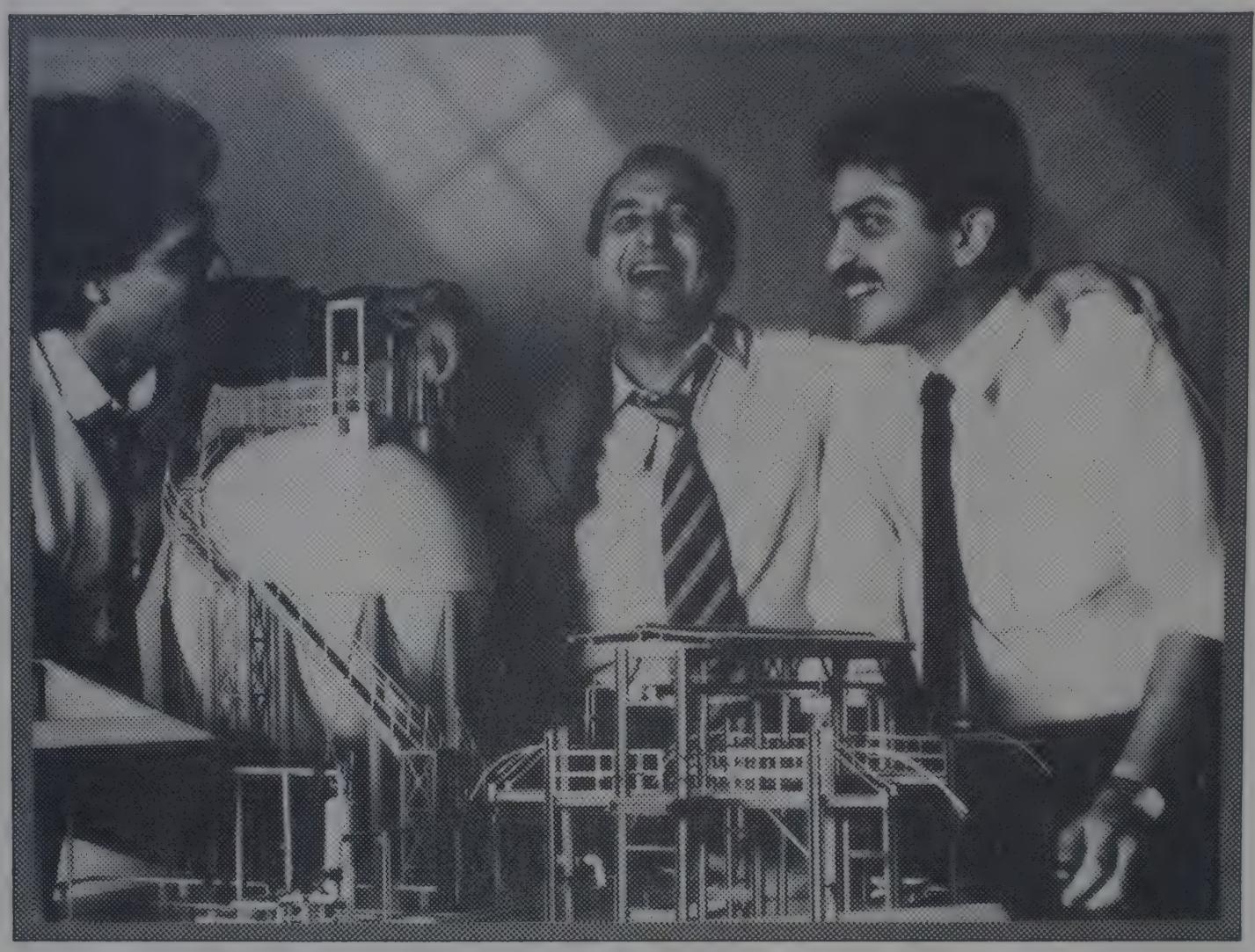
THE HINDUSTAN TIMES

No. 1

THE HINDUSTAN TIMES

We sell more. Because we tell more.

ANTICIPATING CUSTOMER REQUIREMENTS, FOR A VERY IMPORTANT REASON.



THIS.

It may seem impossible to mix business and friendship, but we have done this — even since our inception. When we deal with the professional, we don't forget that he has his likes, dislikes, ambitions, anxieties. We try to acquire a deeper understanding of his business in order to anticipate his needs, even before he does. And deliver tailor-made solutions, not text-book answers. By giving more of ourselves, we've won more appreciative customers. At Khimline, we try harder to get into our customers' minds, which is why we now enjoy a place in their hearts.

Khimline®

THE FRIENDLIER COMPANY TO DEAL WITH.

A Joint Venture with **SULZER**

For more information contact
KHIMLINE PUMPS LTD.
Kolshet Road, Thane, Maharashtra 400 607. INDIA. Ph: 501361 (Three Lines). Telex: 011-72137. Grams: 'KHIMLINE' THANE, Fax: 202-3419
Branches at BOMBAY, BARODA, CALCUTTA, MADRAS, NEW DELHI

Dattaram-KP 34 A/88

NIVERSAL LUGGAGE

In the Piramal fold

The takeover of Universal Luggage last fortnight by Dilip Piramal of Blow Plast along with the Jatia group should end the fierce rate wars in the Rs.200-crore a year moulded luggage market. But in the process, Piramal will now control over 80 per cent of the market

The latest joke in corporate circles is that Jal Engineer sets up companies for Dilip Piramal to take over. Blow Plast Ltd, a Jal Engineer creation that introduced moulded luggage into the country in 1971, was sold two years later to Piramal, when it ran into financial problems. And last fortnight, Universal Luggage — the company that Jal Engineer set up on the rebound in 1974, went into the hands of Piramal again, who had textile industrialist Mohanlal Jatia in tow.

Immediately, this takeover is expected to ease the fierce rate wars in the moulded luggage industry. For over two years now, the big two, Blow Plast's VIP brand and Universal's Aristocrat brand have been engaging in discount wars that have now become commonplace in the industry. The discounts, which initially ranged between 15 per cent and 45 per cent, reached ridiculous levels of 60 per cent in April this year. "Even though the competition between the two companies will continue as before, the attrition and the acrimony will go out," says Piramal, who has taken over as chairman of Universal's newly-constituted board.

CONTROL OF MARKET

Even as the takeover gives Piramal virtual control of the 80 per cent-plus market share that the two companies today command, he allays fears of a monopoly by pointing out the nature of the deal. Kiddyplast Pvt Ltd, an investment company in the Piramal group, and the M. L. Jatia family have chipped in Rs.3.5 crores, shared equally, to buy Quality Plastics Pvt Ltd, a shell company belonging to the Engineer family that holds 45 per cent of Universal's Rs.4.05-crore equity capital. (The Bombay-based Jatia family owns three textile units, including Ramgopal Synthetics Ltd.)

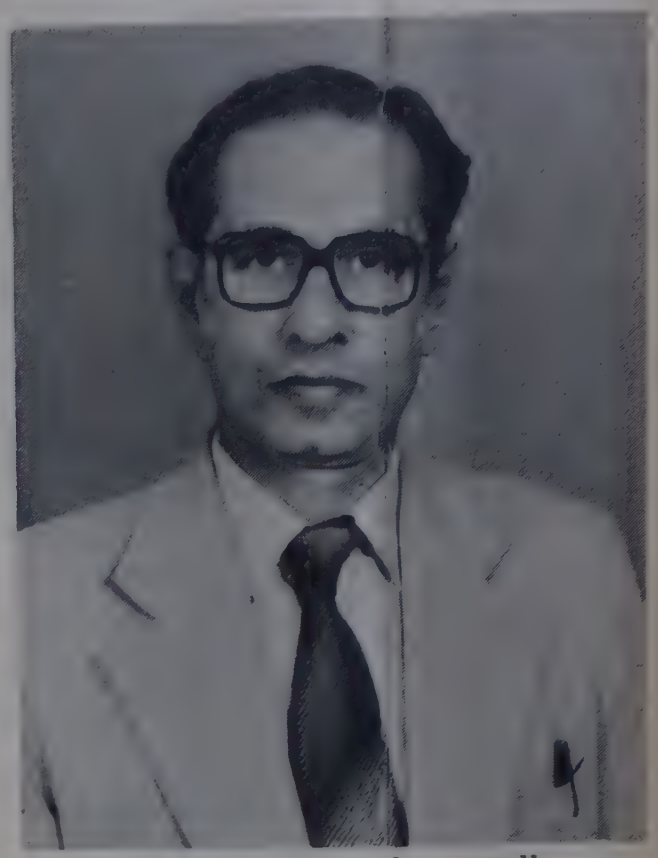
They have also bought three satellite companies from the Engineer family that supply plastic shells and other components to Universal, for an additional Rs.67 lakhs. "It is not VIP Industries or Blow Plast that has taken over Universal," says Piramal. "Both Universal and Blow Plast will continue to be run independently ... they are not interconnected.

Many in the industry believe that the "independent" nature of Universal and Blow Plast is only a technicality. To be sure, Piramal will try and evolve an integrated strategy for both the companies, and reap the benefits of a stronger bargaining position vis-a-vis suppliers. And call all the shots in the industry.

The new board of Universal, with Piramal as chairman, includes Jatia and his two sons, Sudhir and Sanjay. Two chartered accountants N.K. Bafna and Satish Ajmera, Kamlesh Gandhi of Champaklal Investment and Finance Co Ltd, and P.B. Modi, a former employee of Morarjee Mills, are the other directors. Piramal is believed to have offered the managing director's post to Jal Engineer's 29-year-old son Pheroze, who relinquished charge as chairman and managing director of Universal last fortnight to make way for the new order.

All the parties involved in the deal — Piramal, the Jatias and the Engineer family — believe that the change in the ownership of Universal is a positive development for the industry as a whole. "In the long run, both the companies will do much better with the ownership pattern that exists today," says Pheroze. "Both the organisations can head in a really proper direction now. And financially, their bottom lines will read much better. In fact, it could lead to a larger expansion of the market." Increasing input costs over the past couple of years has pulled down the industry's growth rate from a healthy 20 to 25 per cent about two years ago to around 15 per cent now. Pheroze feels that the "obsessive competition" which has taken a heavy toll of the bottom lines, will ease and allow the companies to concentrate on expanding their businesses. Already, discounts have fallen by about 5 per cent and are expected to fall further in the coming months.

"There was a lot of unhealthy competition in the industry, unhealthy for the manufacturer, the retailer and the consumer as well," says Piramal. "For the dealers, there was a lot of uncertainty as manufacturers did not have stable pricing policies. The consumer feels cheated as the discounts are not always passed on fully by the trade. And for us, when the difference in the discounts offered by Blow Plast and Universal exceeded 10 per cent, it began to hurt." Although Piramal does not expect the "unhealthy practices" in the industry to disappear overnight, he is convinced that the new order in the industry will be beneficial to the manufacturer, the retailer, and the consumer.

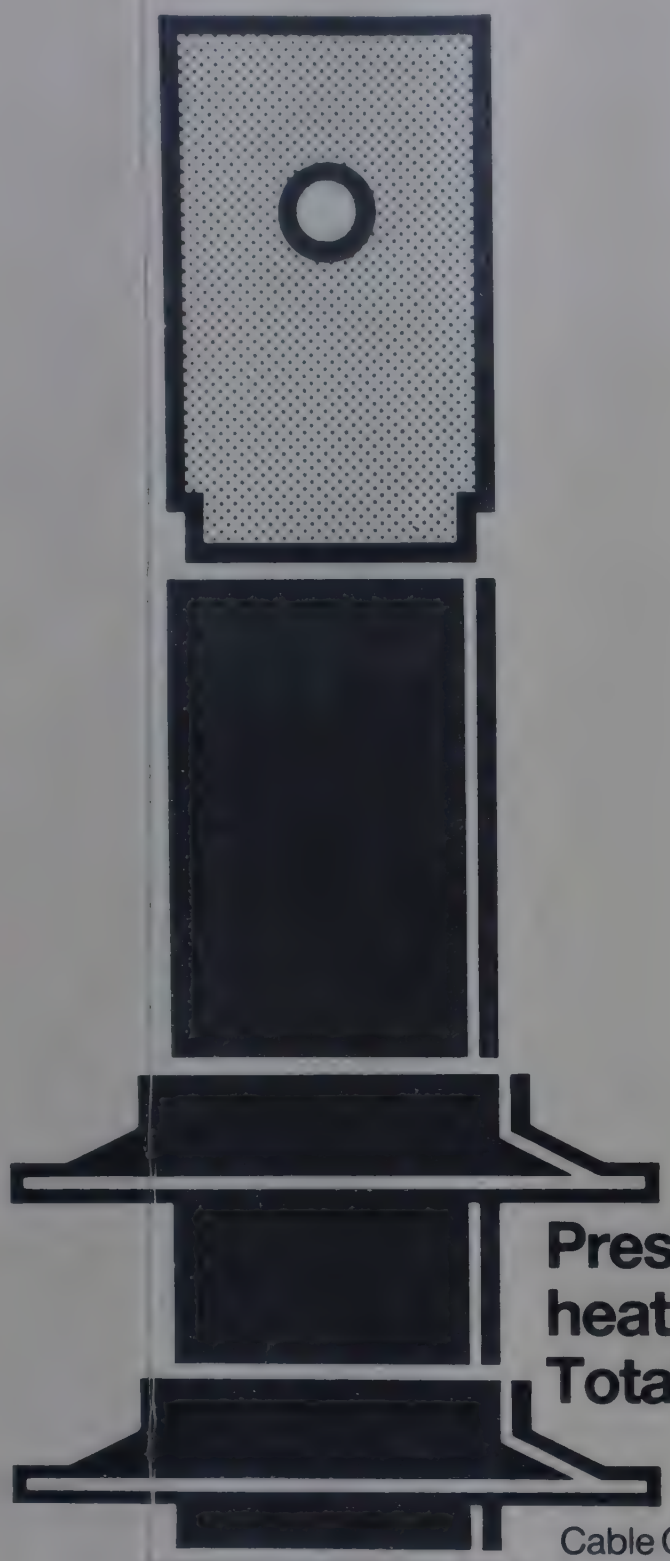


Jal Engineer: no option but to sell

A END TO PRICE WARS

"There will be no need for price wars now," says Amul Mehta, managing director of Safari Industries (India) Ltd, the third largest player in the market, with a 13 per cent share. "I think the bottom lines will get better now."

Manufacturers are also likely to consolidate their positions in the various segments they operate in. Currently, Blow Plast, which is well represented in the upper, middle and lower segments of the market, commands a market share of between 46 and 50 per cent. Universal, which is strong in the middle and the lower segments, has a market share of about 38 per cent. Safari's mainstay is the middle segment of the market and the latest entrant, Gujarat B.D. Luggage Industries, which has a collaboration with the US-based American Tourister Inc, concentrates on the premium upper end, which is estimated to account for no more than five per cent of the total market. "The



Presenting heat shrink cable accessories from CCI: Total cable service – till the very end.

Cable Corporation now brings you heat shrink cable accessories, to make their total cable service even more complete. Manufactured by Xicon International to meet international standards, these accessories deploy state-of-the-art jointing technology – making them simpler and quicker to install, as well as extremely effective.

For more information on Cable Corporation's heat shrink cable accessories and total cable service, mail the coupon today.

Cable Corporation of India Ltd.
Regd. Office: Poonam Chambers,
6th floor, Dr. Annie Besant Road, Worli,
Bombay 400 018
Tel. Bom: 4923905/8; Del: 3317548/49
Cal: 448623; Mad: 453367

CABLE CORPORATION OF INDIA

Yes, I'd like to know more about CCI's heat shrink cable accessories and total cable service.

Name _____

Address _____

_____

Company _____

Designation _____

market at the top is not very attractive," says Jatia. "Universal will concentrate its energies on the lower end of the moulded luggage market." Safari's Mehta, on the other hand, plans to step into the lower end of the market. "The discount wars will stop now," he says. "We will start exerting ourselves in the cheaper segments."

Even as the industry gears up to restructure its priorities, market watchers are surprised at Jal Engineer's decision to sell his family's stake in Universal at a time when the company had turned in a profit after a bad year. During the year ended 31 May 1988, the company posted a turnover of Rs.47.32 crores, a gross operating profit of Rs.5.71 crores and a net profit of Rs.2.87 crores (the company had incurred a net loss of Rs.4.13 crores the year before.) Universal hived off the marketing function to a subsidiary company last year — otherwise, the turnover of Rs.47.32 crores achieved in 1987-88 would have been equivalent to Rs.57 crores.

The market grapevine says that Jal Engineer's decision to sell his family's stake in Universal was against the wishes of his family members, and that differences of opinion between him and son Pheroze led to the sale. "There are no problems between me and my son," says Jal Engineer. "And as far as my family members' wishes go, they don't have to say anything. Only my decision goes." He says that pending excise claims against Universal totalling about Rs.6 crores and the intensifying price wars in the industry forced him to take the decision to sell his family's stake.

"When we started negotiating with Blow Plast on how to stop the discount war and maintain prices, it came to a situation where either I had to take over Blow Plast or he had to take over Universal," he says. "And I don't have the resources to take over Blow Plast. The monies of every family member had been sunk into Universal. There were no bank balances left. If we had to survive, it would have meant investing in new products. The banks would have been willing to lend us the money, but we would not have been able to put in our contribution of the margin money. There was no alternative but to sell."

Piramal: "there was a lot of unhealthy competition

Pheroze disagrees. "Personally, I feel we would have been able to survive the price wars without selling out," he says. "But my personal views did not come in the way of the family decision." He says that the price wars in the industry had come to a "stalemate situation" and that a "certain maturity" had already set in "long before the sale took place". For the family, the loss of Universal is a major blow. "It was our main investment," says Pheroze. "All the eggs were in one basket."

Although the price wars in the industry were threatening the profitability of both Blow Plast and Universal, the former weathered the rough days better. "We had a stronger brand name, and more expertise in handling the market," says Piramal. In fact, he claims that his company's diversifications into seating systems, toys and stationery did not provide any cushion. "On the contrary, they were a strain on our resources," he says.

BAD BARGAIN

Jal Engineer also feels that the Universal deal was a bad bargain. "I got a very bad deal," he says. "I got only Rs.3.5 crores for my shares which had a face value of Rs.1.8 crores." He feels that in spite of the burden of excise claims that the new owners will take on, he should have received at least Rs.5.5 to Rs.6 crores. "I had two other offers, and one party (believed to be Manu Chhabria) was willing to pay Rs.3.65 crores but he stopped negotiations suddenly. For an additional Rs.15 lakhs I did not want to sell to that party, because he was not a luggage manufacturer. If I had agreed to sell to him, the price wars would have continued, which I did not want." He is also sore that his family will have to bear an additional liability of about Rs.28 lakhs when the income tax assessments for the three proprietary satellite companies are opened— investment allowance claimed for these companies will have to be paid back.

The agreement with Piramal and the Jatias also ensures that Jal Engineer does not start another moulded luggage manufacturing unit for a 10-year period. Piramal is probably wiser after Jal Engineer started Universal one year after selling Blow Plast to the Piramals in the seventies. Piramal does not see anything unusual in attaching such conditions to a deal. "In an industry such as the moulded luggage, which has very few operators, such conditions are common," he says. "If he starts competition again, it goes against the spirit of the deal."

In the case of the moulded luggage industry, competition is something no manufacturer would yearn for. With the easing of pressure on the discount wars, margins will get better. In fact, Pheroze feels that the environment is now right for a price increase, which may be effected either by an increase in the listed price, or a reduction in the discounts. As Mehta of Safari puts it, "The consumer had a bonanza for the last two years. Now, he will have to pay up."

■ SHANKAR P

The big three

(Rs in crores)

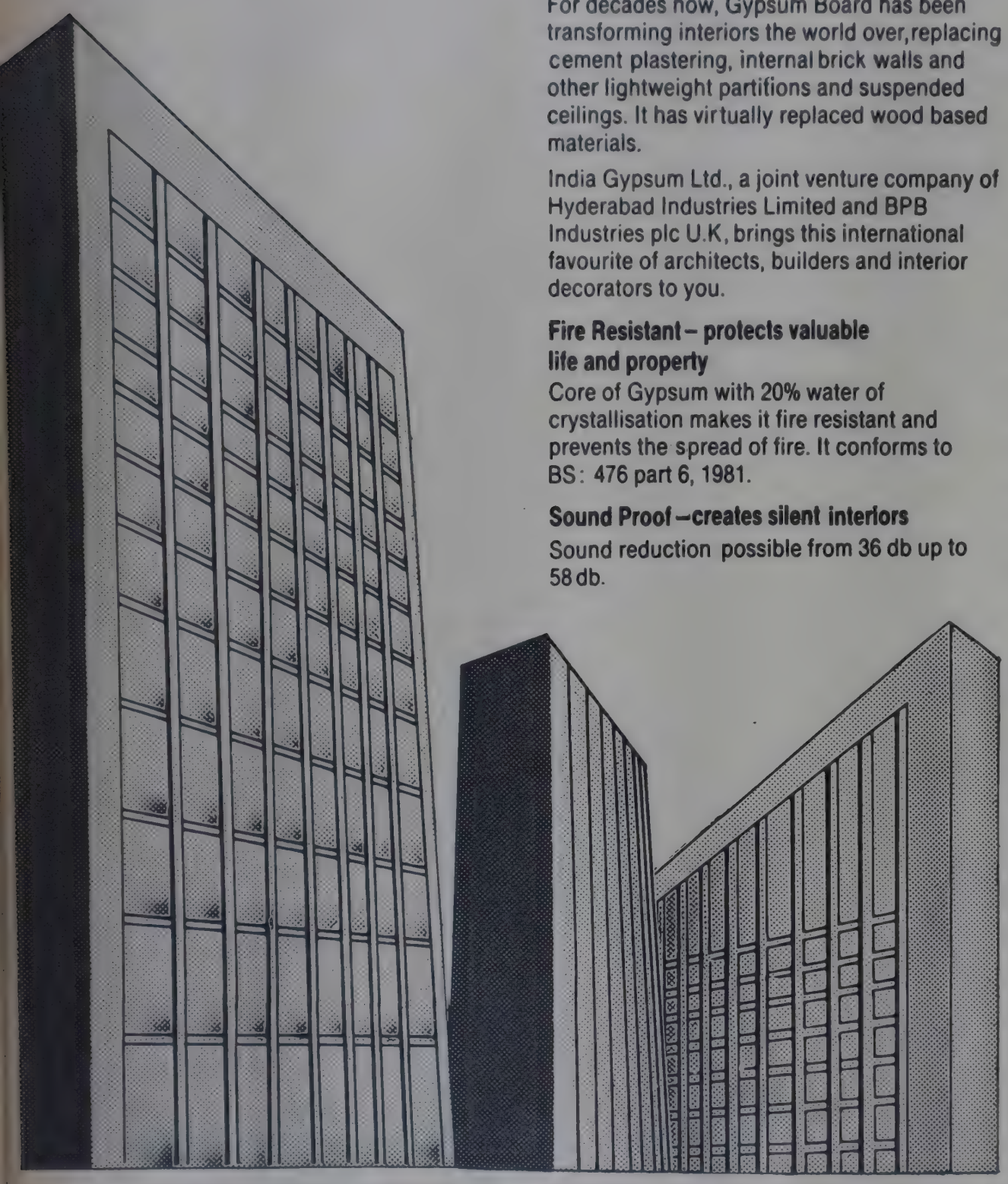
	Blow Plast 1986-87	Universal Luggage 1986-87	Safari Industries 1986-88 (17 mnths)
TURNOVER	75.54	43.46	22.81
Less: DISCOUNTS	7.33	5.77	0.05
PROFIT/(LOSS) BEFORE TAX	3.85	(4.10)	0.27
NET PROFIT/(LOSS)	3.08	(4.13)	0.23
EQUITY	1.15	4.05	2.60
RESERVES	4.60	1.53	0.83
ADVERTISING AND PUBLICITY	2.90	2.09	0.93

Now in India

The revolutionary building material for interiors

GYPBOARD

WALL LININGS, PARTITIONS AND SUSPENDED CEILINGS



For decades now, Gypsum Board has been transforming interiors the world over, replacing cement plastering, internal brick walls and other lightweight partitions and suspended ceilings. It has virtually replaced wood based materials.

India Gypsum Ltd., a joint venture company of Hyderabad Industries Limited and BPB Industries plc U.K, brings this international favourite of architects, builders and interior decorators to you.

Fire Resistant – protects valuable life and property
Core of Gypsum with 20% water of crystallisation makes it fire resistant and prevents the spread of fire. It conforms to BS: 476 part 6, 1981.

Sound Proof – creates silent interiors
Sound reduction possible from 36 db up to 58 db.

Thermal Insulating – saves energy
With a k value of 0.16 it is chosen for comfortable, cool interiors at low energy costs.

Smooth Surface – finishes excellent
It can be left as a conventional grooved panel or jointed as a seamless P.O.P. finish. The surface can be painted, wall papered or even laminated.

Labour Saving – speeds up erection
It is light, easy to carry and simple to erect with ordinary tools and projects can be completed before time.

Stable – has centuries of durability
Egyptian pyramids used it — today's advanced technology makes it dimensionally stable too.

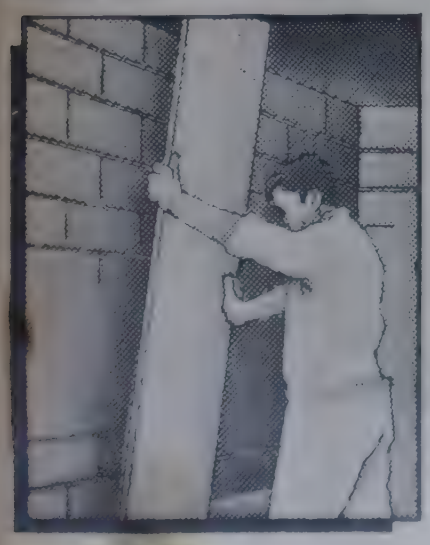
Lightweight – saves structural costs
Partition walls with these light systems weigh only 20 kg/m², less than one tenth of a brick wall, thereby saving structural costs.

GYPBOARD Wall lining, Partitioning, and Suspended ceiling
Eliminates messy and time consuming construction practices and ushers in dry wall construction.

Complete Systems for Diverse Applications
Modern GYPBOARD systems come complete with technical services package from screws to framework, jointing materials to primers. GYPBOARD is backed with a technical pre and post sale service complemented by training centres located in important towns.

GYPBOARD

Puts pace into construction



GYPBOARD Wall lining

GYPBOARD Partitioning

GYPBOARD Suspended ceiling

For more details on Gypboard, contact :

INDIA GYPSUM

Bhilwara Bhawan, New Friends Colony
40 Community Centre
New Delhi-110 065. Tel : 6838522

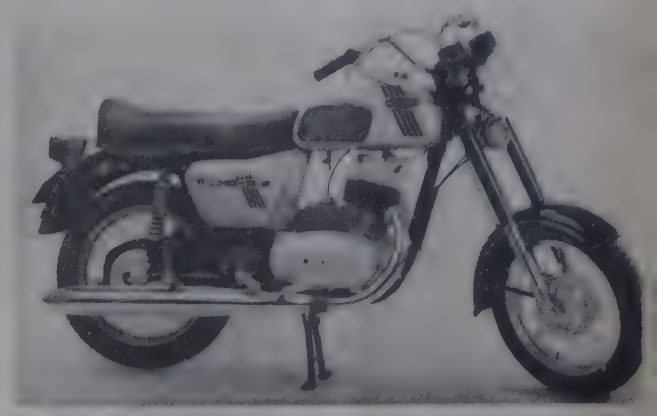
Bombay : 96, Bajaj Bhawan, Nariman Point
Bombay 400 021. Tel : 2021035

Factory : Jhulani Village
Opp. Railway Station
JIND. Tel 3267, 2449
Gram. GYPBOARD

IDEAL JAWA

Out of gas

A favourite with youngsters till a few years ago, Ideal Jawa's Yezdi seems to have come to the end of the road. New generation Japanese two-wheelers left the company gasping, and finally last month it appears to have given up the ghost, with the abrupt closure of its factory



Ideal Jawa is idle now. At 7 am on 14 October, a piece of paper generated shock waves among the 2,000- odd employees of Ideal Jawa. The notice on the gate of the factory at Yadavagiri Industrial Estate, Mysore, announced the suspension of manufacturing activities. The only explanation: financial constraints.

On 9 September the management had served 998 workers with retrenchment notices with effect from December. According to the workers, these notices were issued without the state government's permission. But even before the retrenchment issue was sorted out, the company just shut down the factory. Tension prevailed at the factory and violence followed.

Business India tried to get in touch with the chairman, Noshir Irani, and officials of the company. But all attempts to talk to them over the telephone or in person were in vain.

It is learnt that the company, in its application to the state government seeking permission for retrenchment of 998 employees, stated that it was undergoing a serious crisis for the last two years with the increasing competition in the two-wheeler market. The management also explained that there was a steep fall in the sale of motorcycles in the last eight months which resulted in a cash loss of nearly Rs.30 lakhs per month.

Since 1986, the company could not deploy the majority of its workers, with falling production. From a peak of 3,000 bikes a month in 1984, during the last eight months, Ideal Jawa sold less than 1,000 motorcycles every month. In 1984 the company had to spend Rs.1,473 in labour costs on each motorcycle. By July 1988 it was spending over Rs.6,000 which became Rs.6,029 per motorcycle in August 1988. In 1981, its market share in motorcycles was 28.80 per cent; it dropped to 11.50 per cent in 1985 and in 1987, it fell to a mere 5.04 per cent.

TAKEOVER SUGGESTED

The Karnataka legislator (as well as the adviser to the Ideal Jawa Employees Association) M.S. Krishnan called the abrupt shutting down of the factory an "illegal closure". He said, " Mr Noshir had talked to me of the possible closure and I protested; in spite of this, Mr Irani closed down the operations." Krishnan said, "The Karnataka government should take over the company under the Karnataka Relief Undertakings Act. It was during the tenure of chief minister Devaraj Urs that the state government had taken over MEI (Mysore Electrical Industries); it is running fine now."

At the machine shop: swollen wage bills

Krishnan felt that the company could have regained its market with the launch of a 175 cc motorcycle. A few days before the closure, the company was planning to hit the market again with its new 175 cc vehicle. The snag was the non-availability of pistons. Dealers in various parts of the country were receiving enquiries about the motorcycle. Noshir Irani was also optimistic and its price was tentatively decided at Rs.14,000.

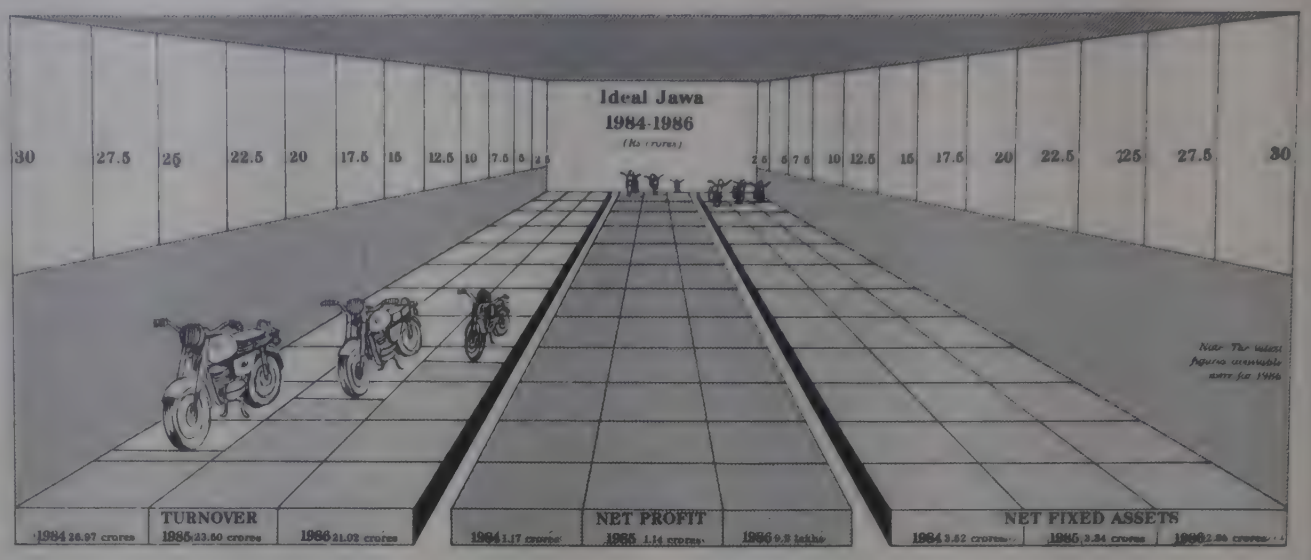
"You simply cannot survive on past glories," said Krishnan. He is of the opinion that the company would not have reached this stage if F.K. Irani, the founder-chairman, were alive today. For nearly 25 years, till 1985, Ideal Jawa was king of the roads.

Its motorcycles, especially Yezdi, had carved a niche for themselves in the domestic market. But with the onslaught of Indian two-wheelers manufactured in collaboration with well-known Japanese companies, the scenario changed. Ideal Jawa's profits as well as turnover dipped.

Says S.G. Rangaswamy, former general-manager of Ideal Jawa, "What took us 25 years to build is being destroyed in 24 months. The company would not have reached this messy stage if F.K. Irani were alive now. The Roadking was doing well and could have been improved, but nothing was done."

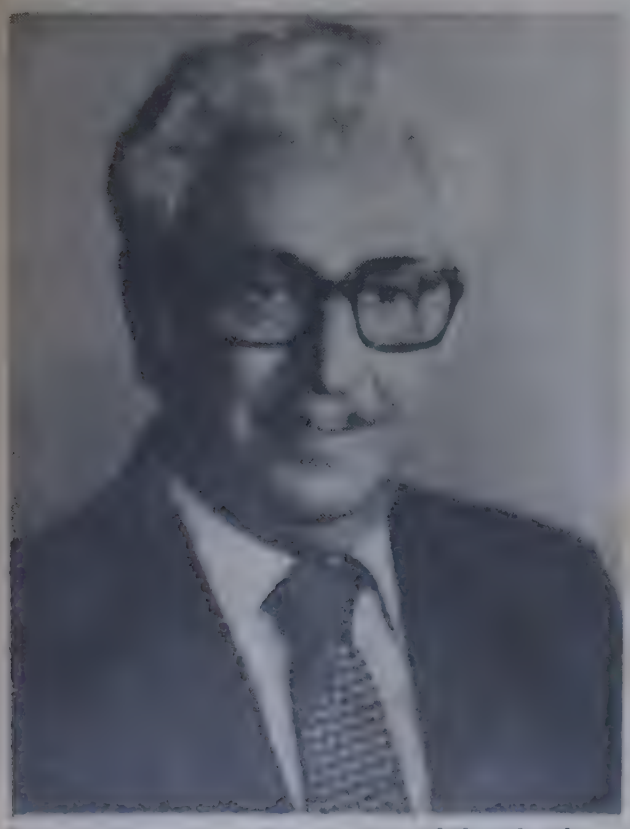
What went wrong? The president of the Ideal Jawa Employees' Association, S.K. Rahman, said, "The present state of affairs in Ideal Jawa is due to the absence of a diversification scheme; another reason is that the company's products are not fuel-efficient. For about 20 years, the company has made little investment on new equipment. Failure to supply raw materials in time to the respective departments has added to production difficulties. The most astonishing aspect is

that the chairman goes out of station for nearly 25 days in a month and during this period, no one is authorised to operate on his behalf." Also, Rahman says, "Selling 2,000 vehicles every month is not a problem if it is done against 60 days' bank guarantee." But the company insists on cash payments and the dealers complain.



FEEBLE ATTEMPTS

The management of Ideal Jawa has made half-hearted attempts to cut into the market. It has not bothered to increase its publicity budget, which at less than 1 per cent of its annual turnover is pathetically low. In 1985, the company spent just Rs.5 lakhs of its turnover of Rs.22.61 crores on publicity. The next year, it alloted Rs.7 lakhs for publicity while the turnover was Rs.19.92 crores. In 1987, on a turnover of Rs.14.79 crores, the allocation for publicity was a paltry Rs.9 lakhs. For 1988, Rs.10 lakhs have been earmarked for advertising, out of which the company has spent Rs.2 lakhs so far. Incredible as it may seem, the company inserted only one advertisement in each of the major national periodicals on 3 and 8 March 1987 to announce the arrival of its 350 cc vehicle. Similarly, during August 1987, Ideal Jawa released one advertisement in the south after Yezdi won the Mysore Rally. In September 1987 Yezdi achieved a similar feat at the Desert Himalayan Rally and the next advertisement followed. During January-April 1987, the company carried out a campaign in the rural areas of the north to boost the sales of 250 cc motorcycles; but it was not continued. Reportedly, Noshir Irani believed that advertising did not sell.



Noshir Irani at the centre of the feud

The running of the company was also affected by the discord in the Irani family (The company is closely held by the family and one outsider, Srikantadatta Wodeyar, MP and son of the former maharaja of Mysore). The feud, which began before founder-chairman F.K. Irani expired in October 1985, continues unabated. F.K. Irani wanted his son Raian to be his successor. But Rustom Irani, uncle of F.K. Irani (as well as a major shareholder of the company), wanted his adopted son Tehemten to take over. Both Rustom and his brother Boman put great pressure on the board of directors to accept Tehemten as the future managing director; and the board could not arrive at a unanimous decision for quite some time. But within a month of F.K. Irani's death, the board decided to nominate Noshir Irani, brother of F.K. Irani, to the post of managing director. Noshir is also the chairman now. This decision has affected the interests of Raian and Tehemten, who are chief executive officers of the company; the top management is thus further riven by dissension. As Raian once remarked: "What is the point of my coming to the factory if I don't have any decision-making authority?"

IN A MESS

Ideal Jawa vehicles are not very fuel-efficient. Besides, they are costlier than the others available in the market. Ideal Jawa cannot reduce the cost of production for the simple reason that it does not produce in as large numbers as do TVS-Suzuki, Kinetic Honda, Bajaj Auto etc. It has an installed capacity of 42,000 vehicles and a licensed capacity of 40,000. Production was down to 300 to 350 vehicles every month during the last few months.

The company does not have any marketing set-up worth talking about. It depends entirely on 150 independent dealers spread over the country and there is no proper interaction between the company and these dealers. The company also relies on the dealers' servicing facilities. Said a senior manager of TVS-Suzuki, "After F.K. Irani's demise, the management was not able to motivate the dealers who are still dedicated to the company. In fact, the dealers for Ideal Jawa did an excellent job, they never failed in their commitment." According to him, the company did not have any marketing department, barring a marketing manager (who also doubles as the PRO). "Simultaneously, the company was increasing its commitments without looking into the cash-inflow."

Interestingly, ten years ago, F.K. Irani had toyed with the idea of collaborating with Japanese companies for the manufacture of fuel-efficient vehicles. But Noshir Irani at that time said, "Going in for Japanese collaboration was not feasible for us. We did not modernise until now because of the old employees who would have to be dismissed."

Reacting to the complaints about the deteriorating quality of Ideal Jawa motorcycles, Noshir Irani had told *Business India* before the lockout, "It is not the quality of our vehicles but the quality of raw materials that we get that has gone down."

The two-wheeler market has become a buyers' market. There is a wide range of vehicles in the market to choose from. The Japanese two-wheelers have already driven out Scooters India, Chamundi Mopeds, and Brooke Bond (automotive division) and have left Enfield India lagging behind. To this unenviable list now will be added Ideal Jawa.

Only those who achieve a high rate of indigenisation and offer highly efficient vehicles, will survive.

■ DEVAPRASAD PUROKAYASTHA

How to get 8 quality brands of tea, 5 of coffee and over 10 varieties of spices - DIRECT from Brooke Bond

Brooke Bond's range of over 23 quality products that are trusted and enjoyed by households throughout India

ANNOUNCING THE BROOKE BOND INSTITUTIONAL BUSINESS SERVICE

What does Brooke Bond's Institutional Business Service mean to you?

Direct supplies from Brooke Bond

It means, that you can now get your complete requirements of tea, coffee blends and spices **DIRECT** from Brooke Bond. Indeed a convenience for the institutional buyer.

Competitive prices

Since your supplies will be made directly from the company depots, you are assured of the most competitive prices.

Wide product range

Brooke Bond offers you the widest choice of tea, coffee blends (both instant and filter), as well as spices. Take tea for example. The range peaks with 'Gold Label', a 100% Darjeeling leaf blend with the Tea Board Seal of Approval,to 'Taj Mahal Tea Bags', and a host of leaf and dust teas. A choice of blends in a variety of prices, each with a distinctive flavour that can fulfil every requirement of your institution.

Assured quality

All the products are backed by the Brooke Bond name. A name that spells value-for-money, and that is trusted by households in India and abroad.

Nationwide distribution

Dealing with a single source like Brooke Bonds's Institutional Business Service means more convenient ordering. Moreover, Brooke Bond has one of the most extensive distribution networks in the country, with over 1200 depots. This means wherever you are located, your order can be delivered at your door-step.

Special requirements

If your order is substantial, we could even arrange to print on the pack your company logo and legend.

Check us out : place your test order

Call Brooke Bond and place your trial order TODAY. We are confident you will find our services offer the convenience and quality you've been looking for. At prices that make it worth your while.

For further information, write or call:

Institutional Business Service,
Brooke Bond India Limited, P.B. No., 4280,
Bangalore - 560 042.
Tel: 84-520 (10 lines),
08112-520 (STD Whitefield - 10 lines)
Telex: 0845-8506/8518 KORA IN

Place your 'Test Order' today

Yes, I'm interested in ☐ Teas ☐ Coffees ☐ Spices ☐Call me at (tel.No.) ..... at the earliest ☐Ask your representative to call on me. ☐Send me more information.

Name _____

_____

Designation _____

Organisation _____

_____

Address & Tel. No. _____

_____

_____

_____

_____

BI

Brooke Bond India Limited Institutional Business Service

Brooke Bond Products. Packed with care. Packed for consistent quality.

OBM 2766

This service is intended for institutions only and not for those interested in dealership or exports.

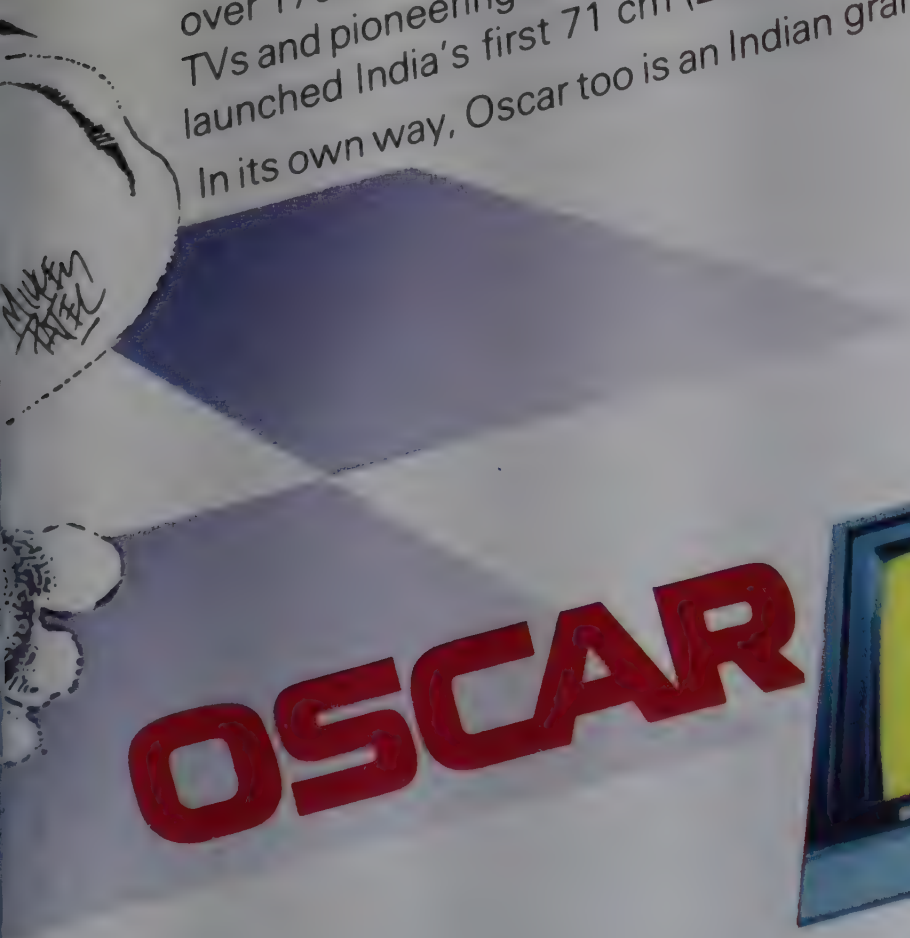
It is not by chance that Oscar is a grandmaster at 4.

In 1984, Oscar began as just another company in the booming, volatile world of consumer electronics.

In the 4 explosive years since, while many others have dropped out, Oscar has made corporate history.

Today, Oscar's turnover is reaching beyond the 50 crores mark. 7 factories Indiawide produce over 17000 perfect Oscars every month. The distinction of making the largest range of Core TVs and pioneering the concept of black & white Cores is Oscar's. And, Oscar has recently launched India's first 71 cm (28 inch) FST "PIP" set.

In its own way, Oscar too is an Indian grandmaster, and at only 4.



On our way

O'KEEFFES. ICARUS 325

CR INDUSTRY

Will it take off?

he government has finally selected four companies for the manufacture of CRs in the country. While the very basis of selection is being questioned, oubts are also being raised about the ability of the Japanese to transfer he technology required. More important, are they giving us a fair deal?

Quality control at BPL

After three years of dilly dallying, in June his year, the government gave the nod or the manufacture of video cassette recorders (VCRs) in the country. Four companies, one in the public sector and three n the private sector, have got the approval to manufacture VCRs with know-how from Japan.

But even as these companies warm up or the race, a number of controversies have cropped up. First, contenders who did not get approvals are questioning the basis on which the selections were made. Second, industry watchers wonder whether the Japanese can fulfil their promise to transfer VCR technology, and whether they will really give their Indian partners a good deal. These questions threaten to delay the setting up of the VCR industry in the country.

Already there has been considerable delay. The government issued a notification in October 1985 and 65 companies submitted their applications for VCR manufacture. Six private sector companies and one public sector company was shortlisted after about a year. Finally, only in June 1988, did the government announce the names of the companies.

Kalyani Sharp (a sister company of Bharat Forge), Videocon International (a Videocon group company) and BPL India are the three private sector companies that have received a letter of intent (LoI) to manufacture 300,000 VCR/VCPs each. The public sector unit, a Electronics Trade and Technology Development (ET&T) and Electronics Corporation India Ltd (ECIL) combine has received permission to manufacture 1 million pieces per annum.

ONLY HALF IN BUSINESS

In addition to this, the government had earlier licensed 45 parties to assemble 500 VCRs a year each with imported SKD kits. Only half of these are in business now, and assemble between 20,000 to 30,000 sets every year. Among these BPL India, which is now promoting BPL Sanyo, is a large assembler and claims to have sold 10,000 VCRs in 1987and 1988.

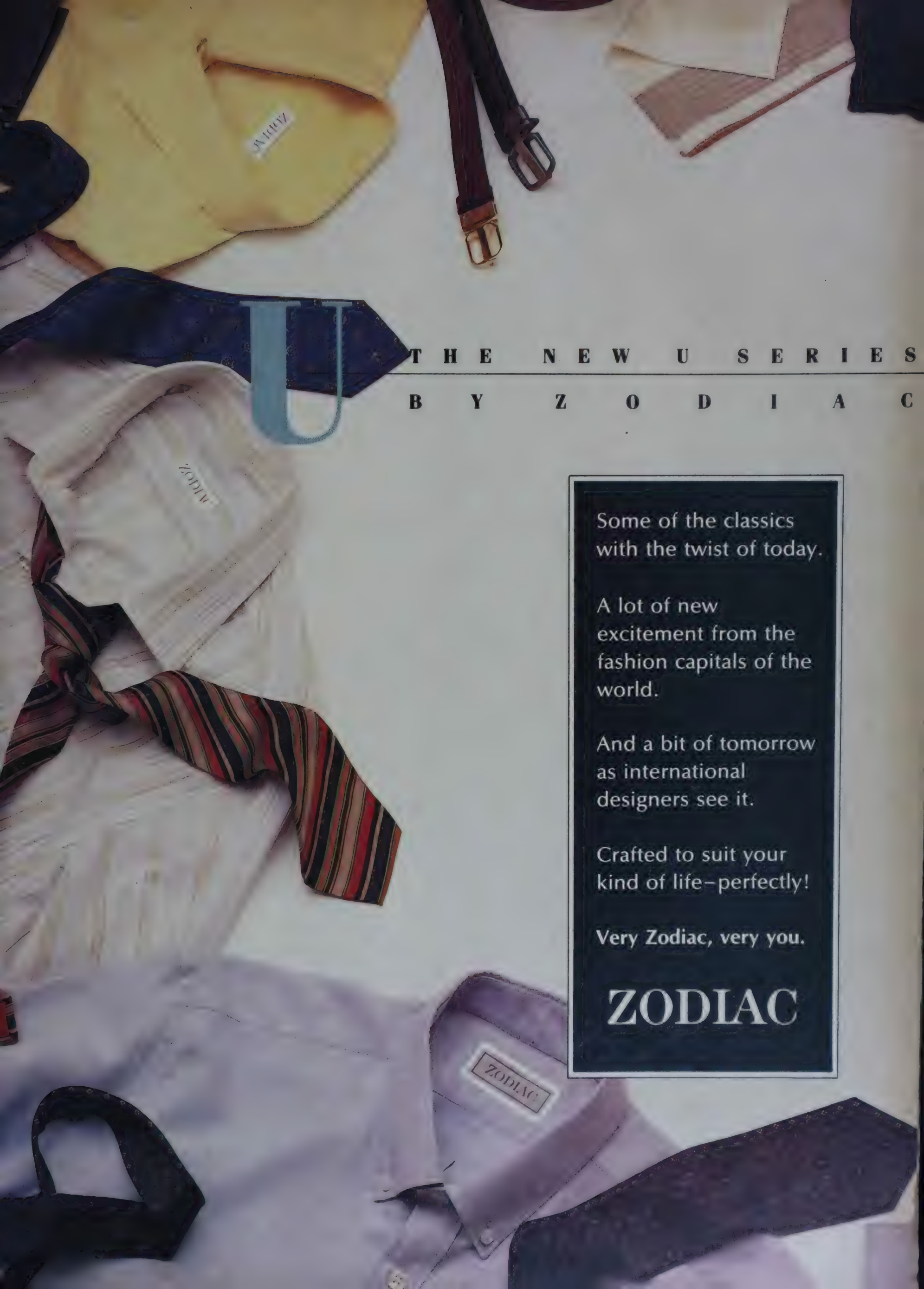
Those who were shortlisted but did not get the LoI finally are Sonodyne International of Calcutta, Peico Electronics (makers of Philips products) and Electronics Consortium Pvt Ltd (ECP), a consortium of eight TV manufacturers, which includes Crown, Weston, Televista, Dyanora and Salora.

These parties are quite unhappy about the government's decision. "We were not even told why our applications were rejected," says one. They see no basis for selecting three and rejecting the other three. "All six applications entirely fulfilled the conditions laid down by the government," says J.S. Jhaveri, managing director of Crown Electronics, makers of Crown TV. Says Ashok Mukherjee, director of Sonodyne International, "They probably just tossed a coin." Others, however, feel that political clout helped. "Kalyani of Bharat Forge and Dhoot of Videocon both have tremendous clout in Delhi; in the process Maharashtra gets two VCR units," says one.

"We were selected because we have a very good track record in TV manufacture and we have made significant investment in the tape deck mechanism the key component for a VCR," says Venugopal Dhoot, managing director of Videocon International Ltd. BPL too was selected on the same ground. Videocon has already invested about Rs.1.5 crores and BPL Sanyo had invested about Rs.8 crores on such facilities. Baba N. Kalyani, president of Bharat Forge Ltd, the company which promoted Kalyani Sharp Ltd (the makers of Optonica TVs), claims that his project got the clearance because his collaborator — Sharp Corporation of Japan — has offered the best technology for VCRs. Critics dismiss this, saying there is very little difference in technology among the Japanese companies.

JAPANESE TIE-UPS

Undeterred by the doubts and accusations, the LoI holders are getting ready to set up their plants. Videocon has tied up with Toshiba, BPL with Sanyo and Kalyani with Sharp, all three from Japan. In the case of BPL and Kalyani, the Japanese will take up 40 per cent of the equity of the new VCR company and in Videocon's project, Toshiba is taking 25 per cent. "We want to keep more controlling power


THE NEW U SERIES
BY ZODIAC
Some of the classics with the twist of today.
A lot of new excitement from the fashion capitals of the world.
And a bit of tomorrow as international designers see it.
Crafted to suit your kind of life–perfectly!
Very Zodiac, very you.
ZODIAC

with ourselves," says Dhoot. Videocon and Kalyani are setting up plants in the Ahmednagar and Pune districts of Maharashtra, and BPL near Bangalore. All the three companies are expected to make a public issue in the first quarter of the next year.

The ET&T-ECIL combine has not been able to finalise a foreign partner. Negotiations with Matsushita Electric Co of Japan (which makes the National brand of products) have fallen through. ET&T is now talking to Hitachi, also of Japan. P.S. Deodhar, chairman of ET&T, however maintains, "We are still talking to both National and Hitachi and we will sign with one of them on terms suitable to us."

Transfer of VCR technology is another problem area. To ensure complete indigenisation in five years, the government has laid down a stricter phased manufacturing programme (PMP) for VCRs than it had for colour TVS. It has linked various stages of the PMP with output. The maximum time limit for complete indigenisation (at least up to 90 per cent) is five years and the manfuacturers are told to get an undertaking from their collaborators to this effect.

SENSITIVE ISSUE

Herein lies the problem. The co-ordinating committee on multilateral export controls (Cocom), an organisation of the NATO group of countries and Japan, restricts transfer of critical defense sensitive technology from its member countries to countries with friendly relations with the Socialist bloc countries *(see Box 2)*.

Since the technology for the hellical drum head (part of the video tape deck mechanism) can also be used for the production of guided missiles, the component is in Cocom's restricted list. Japanese companies will have to get approval from Cocom before they transfer the technology. (An application by Hitachi, which has tied up with a government company in China for the manufacture of VCRs, has been awaiting Cocom clearnace for more than a year now.)

India has friendly ties with many socialist countries. Will Cocom agree to the transfer of technology involved in the Indian VCR industry? The promoters of the VCR companies think so. "VCR technology is not defence sensitive and I am confident we will get it," says Kalyani. Dhoot who echoes this confidence. Surprisingly, the DoE, the nodal agency for the development of the electronics industry in the country, is not aware or refuses to accept the existence of any problem. Says K.P.P. Nambiar, secretary of the DoE, "Our knowledge is limited to the fact that the three parties have given us evidence and proof about valid collaboration and they have not indicated any problems about technology transfers."

But the Cocom approval is bound to be a hurdle. Moreover, according to Nobuhiko Iwata, chief representative of Sharp Corporation of Japan in India, not only the tape deck technology but all the critical components that go into the VCR are on Cocom's restricted list. "In effect, it means we cannot part with any technology concerning the VCR, without Cocom's permission," says Iwata. Furthermore, according to him, even the exports of SKD kits from Japan are not allowed.

The Japanese VCR manufacturers tied up with India are now talking to MITI (the ministry of international trade and industry in Japan) to get the approval from Cocom. Even if Cocom does agree, it may insist that the transfer of technology be phased over a much longer time period than the Indian government's stipulation of five years.

LIMITED SOURCE

Can we get the technology from else where? Probably not. Most of the leading European companies have tie-ups with the Japanese. And South Korean companies, which of late have given a beating to the Japanese in the lower end of the market, cannot pass on the technology either, because they too have developed their industry with Japanese assistance.

Another question, even if we assume a tape deck mechanism, which constitutes nearly 60 per cent of the whole VCR unit. A decision was taken to consider the proposals of such companies in a favourable manner because they would not be able to market their products and the whole investment would become infructous. In addition, Kalyani Sharp was selected because they had a good foreign collaboration.

Box 1

"VCR technology is not defence sensitive"

K.P.P. Nambiar, *secretary, Department of Electronics (DoE), played a major role in formulating the VCR policy in the country.*

What were the criteria for selecting the three private companies out of the six shortlisted?

We had 65 applicants, of which six were shortlisted. We took a decision that, of these, only one private sector party and one public sector company would be finally selected to be given letters of intent. It came to our knowledge that some companies had already invested in facilities to make the

Many people believe that LoIs should have been given on a regional basis.

Why? All the colour picture tubes factory are in the north. If there is any component (or equipment) which needed to be regionally set up it is the picture tube because it is large and transportation is difficult. But no TV manufacture has ever complained of non availability of picture tubes.

There are Cocom restrictions on the Japanese companies. Will this not be a hurdle in transfer of technology?

We will decide this issue as and when it rises. Our knowledge now is limited to the fact that the three parties had given us evidence and proof about valid collaboration agreements and they have not indicated any problems about technology transfers. As a technical man, my view is that VCR technology is not defence, sensitive in any way.

■ ALAM SRINIVAS in Delhi

When the going gets hot, keep your engine cool.

The rigours of peak hour traffic place a heavy burden on your engine. That's when you need high performance VEEDOL lubricants to keep your car cool... even if you lose yours.

TIDE WATER OIL CO. (INDIA) LTD.
CALCUTTA ■ BOMBAY ■ DELHI ■ MADRAS

ARMS-TW V 19

THE MAGIC OF OLD SPICE MUSK

INTRODUCING OLD SPICE MUSK FOR MEN THE LANGUAGE A WOMAN

SPLASH ON THE MASCULINE AROMA. ON YOUR FACE. ON YOUR BODY, AND MAKE HER SECRE

Old Spice
musk
AFTER SHAVE
Old Spice
musk
AFTER SHAVE LOTION
NDERSTANDS.
NTASIES COME ALIVE.
A MENLEN & SHARTON ENTERPRISE

BOX 2

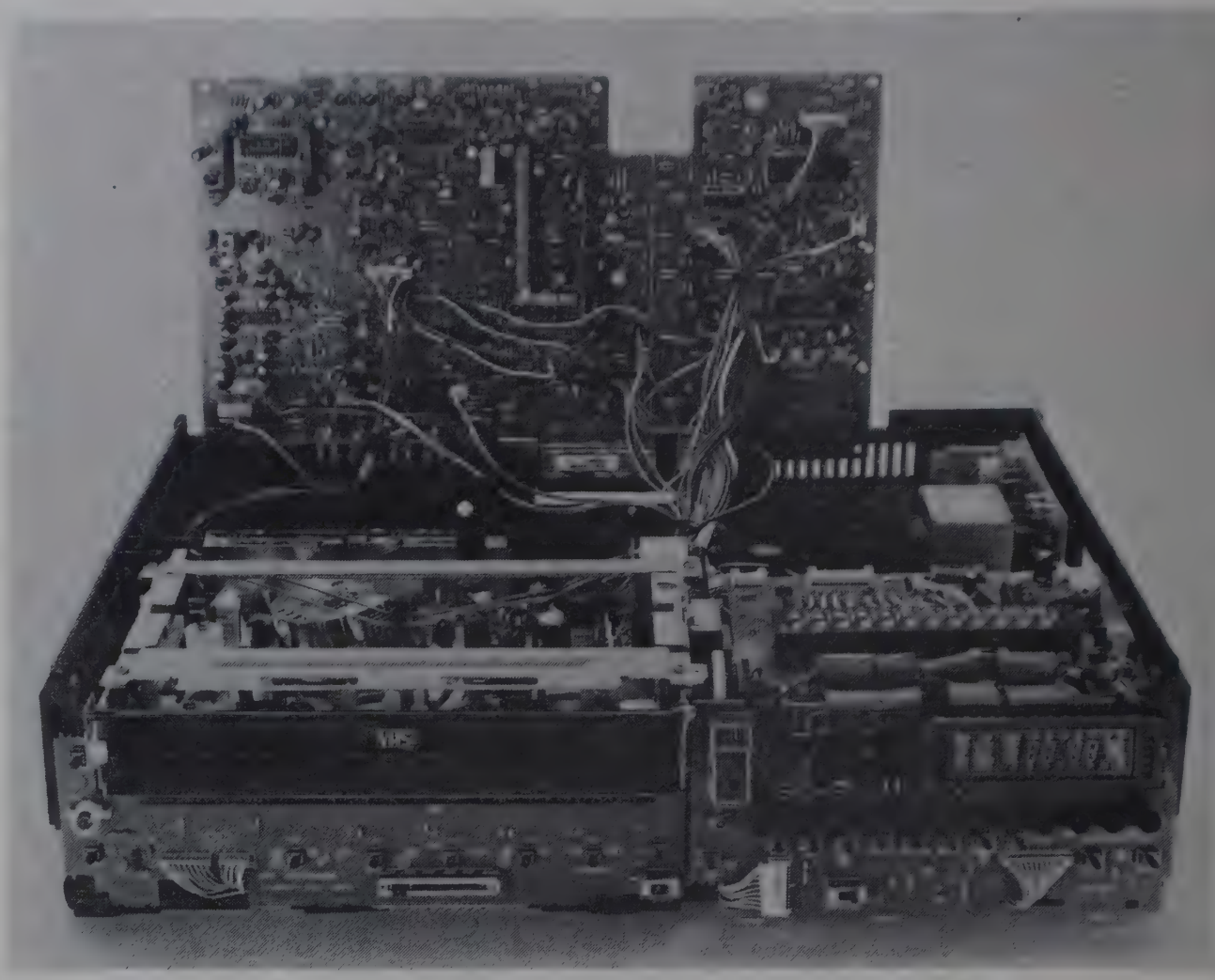
The Cocom cocoon

The Co-ordinating Committee on Multilateral Export Controls (Cocom) is the central organisation monitoring and controlling exports of technology from western countries to the socialist countries. Set up in 1949 and described as an extra-legal, non-treaty based informal group, Cocom comprises all the members of NATO group, plus Japan — 16 members in all. Its 30-strong secretariat operates from an annexe of the US embassy in Paris. The US obviously calls all the shots, purely by virtue of being the largest financier of Cocom's estimated budget of US $2 million a year.

The two main functions of Cocom are to update regularly the list of items that members must not export the technology of to the Soviet Union and other communist countries. And it meets every week to consider applications from members seeking permission for a company to sell a prohibited item. When governments support their companies in a proposal to sell some key technology, the agreement of other Cocom members must be obtained.

What happens when a company in the member country flouts Cocom regulations? The company is blacklisted and sometimes even heavily fined. For instance, Toshiba of Japan, with the Norwegian company Kongsberg Vaapenfabrikk, deliberately understated the capability of computer-controlled milling machines developed by Toshiba, which they sold to the Soviet Union between 1982 and 1984. It was alleged — although some experts dispute this — that the machines enabled the Soviet Union to make quieter submarine propellers, making them much harder to detect. As a result, the US says, it will have to spend billions of dollars to develop better detection devices. Once the contravention was detected, senior Toshiba officials (including the managing director) resigned and some executives were arrested. The company was fined heavily and the US congress was moved to prohibit the sale of Toshiba products in the US for up to five years.

■ DM



BPL-India's assembled VCR

smooth transfer of technology, will it make VCRs manufactured here cheaper? Deodhar of ET&T does not think so. Since Japan is the largest producer of VCRs in the world (it is expected to produce 35 million of the world's total of 45 million VCRs in 1988), its charges for technical assistance have been quite high. In fact, according to ET&T's calculations, over the next five years the foreign exchange outgo on every VCR made by the three private companies will be higher than the price at which the VCR can be bought in Japan. The import of machinery, components and knowhow will easily account for this. Moreover, the PMP for VCRs allows import of components in SKD and CKD form in large numbers and the Japanese companies are known to over-charge on components. "They are taking us for a ride. I will sign the agreement only if they agree on my terms," says Deodhar while discussing ET&T's plan to produce "cheaper and reliable but not exotic and sophisticated" VCRs.

SMALL VOLUMES

Another major problem in adopting Japanese technology is that, with their volumes of production being very large (National, for example, produces 5 million VCRs every year) the assembly job is almost entirely robotised. This technology has little significance to the Indian companies since the volume of production is much lower and robotics are not acceptable here.

Controversies apart, everybody agrees that the VCR market in the country is excellent. Despite the very high rates of import duty (nearly 200 per cent), 80,000 VCRs are imported every year as a part of personal baggage. Another 20,000 to 30,000 sets are assembled locally and these are clearly not enough. With the long tradition of feature films and the fact that most of Doordarshan's programmes are unappetising, the VCR is one of the most sought after consumer products in the country. Authoritative sources estimate that 10 million colour TVS and 200 million B&W sets will be available by 1990. This should provide a good market for the 2 million VCR/VCP sets licensed to be produced in the country.

Of course, the key factor is price. VCRs made here will have to be cheaper than the imported ones. As much as 80 per cent of VCRs imported are National's, which are not going to be made here. Indian VCRs will face stiff competition from them. On the other hand, although the domestic industry will need protection import duties on foreign VCRs will need to be revised to keep Indian manufacturers on their toes.

■ DILIP MAITRA

WHO'S THAT CARRYING A V.I.P.?

Every V.I.P. is created with an accent on style.
Sleek lines. Classy interiors. Exclusive features.
And a choice of muted and metallic shades.
Carry one.
It never goes unnoticed.

V.I.P.

LUGGAGE TO BE SEEN WITH

Franchising Mickey Mouse

The party has just begun

In the make believe world of Mickey Mouse, Snow White, Uncle Scrooge and a host of other Disney characters, there is one thing for real — megaprofits that most people only dream about. In 1987, The Walt Disney Company recorded a revenue of $2.9 billion and a net income of $444.7 million. Of this a whopping third of the revenue came from licensing and franchising. Covering 3,000 companies around the world and 14,000 Disney licence products, the growth of this industry is estimated at 35 per cent per annum.

"Franchising and licensing the world over has been used as an effective marketing tool to catapult a product to centre stage," says Vinod Malhotra, a partner at Famous Communications, a private company which represents Walt Disney in India for licensing. Set up on 1 January 1988 with six licencees, Famous Communications to date has issued 18 licences. Explains Malhotra, "The correct selection of a company is critical, and it involves considerable research from various sources in industry. In evaluating a company we look for strong all-India representation, dynamic people running the company, a wide distribution system and most important — a first rate product."

This year, on 18 November Mickey Mouse will celebrate his 60th birthday. A big bash is being arranged for him in 15 cities in India, which will be co-sponsored by Kwality Frozen Foods Pvt Ltd, a Walt Disney licencee, and the Taj group of hotels. N.K. Seth, executive director of Kwality, justifies the Rs 1.25 crore expenditure. "In a span of 12 months starting October 1988, the exposure Kwality is going to get on account of the Mickey Mouse tie-up is going to be tremendous. Apart from the birthday parties, we are organising the Funtoon Contest on an all-India basis. We are identifying ourselves with something the kids care about; we are riding in on the universal appeal of Mickey Mouse." Seth is confident that the contest and the parties will result in a 30 per cent increase in annual turnover.

Hamid Vasi, a partner at Triace Print Creations, an organisation best known for its stickers, is one of the older licencees. "Not only has the tie-up resulted in a 200 per cent increase in our turnover, the variety and designs we now offer are larger and better than any other manufacturer in the country," he says. Another licencee who is equally enthusiastic about the tie-up is Harmeet Singh, president, Polo Toys, manufacturer of toys and melamine crockery. Says Singh, "I see myself not in the toys or crockery business, I am in the children's business." Singh estimates that the tie-up with Walt Disney will result in a 250 per cent increase in turnover and hopes to end the year with Rs 2.5 crores.

Are children the only target of this innovative marketing strategy? Looking at the range of products that have been licensed in India, it would seem so. But in countries in the West, where licensing has been around a good many years, children form only one part of the segment — stationery and designer clothes for grown ups abound with logos of Mickey Mouse and his gang.

There seems little doubt that using Mickey Mouse to sell your products is a prescription for instant success, but K.G. Dhurandhar, president, Dr Writers Food Products Pvt Ltd, a long time player in the franchising game, cautions the tyros in the business. "No licence is going to last forever. It is crucial that while the campaign is being run with the franchised characters or name, the product should create a separate identity that will be remembered long after the licence expires." Dhurandhar explains further, "The product rides piggyback on sixty years of Mickey's worldwide exposure, but it has to be remembered for itself. If this is not done, success will be temporary at best."

Be that as it may, right now most of the franchisees are rubbing their hands in glee at the thought of increased turnover and market share. Famous Communications, isn't doing too badly either. While Malhotra is reluctant to talk specific, informed sources estimate the royalty to be between 6 and 8 per cent on the revenue for most products, which can go up to 50 per cent in some cases. Famous Communications earns a percentage of the royalty and the rest goes to The Walt Disney Company. Apart from the royalties from publishing licences, with Living Media Publications and Frank Publishing, the Walt Disney share of the royalty has to be banked in India. The royalty on publications can be repatriated.

Speaking about the future of franchising and licensing, Malhotra says, "It's been only 10 months and we already have 18 licencees. While it may be a little too early to comment, I think there is great potential in this business. The real money spinners -- apparel, watches and shoes, have yet to be licensed out." From all accounts, the party has only just begun.

■ SHIV TANEJA

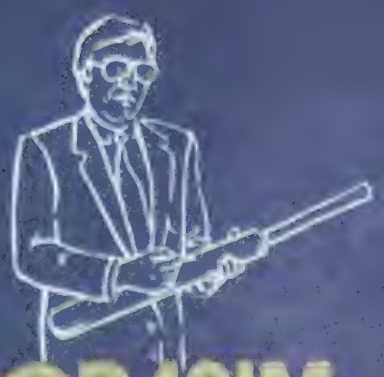
Riding piggyback on Mickey's success

GWALIOR SUITING
INTRODUCES

GRASIM
MASTERWEAR

DISTINGUISHED BY ITS CLASS

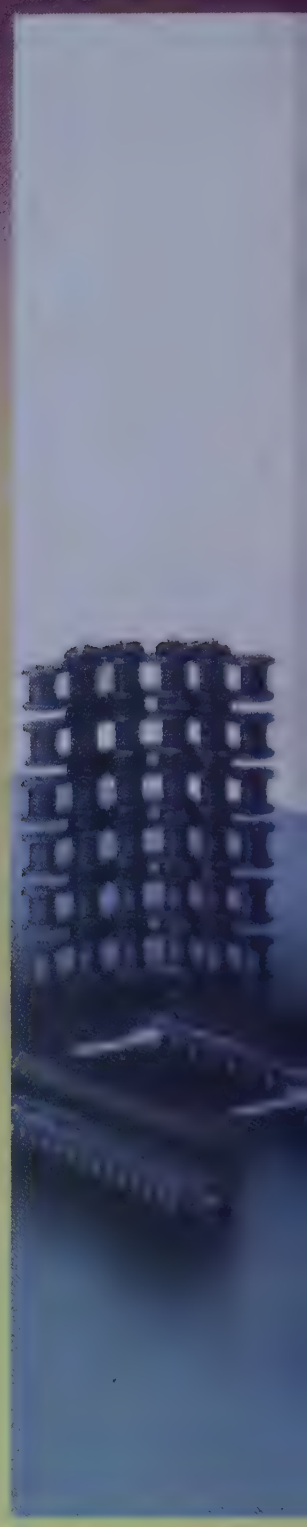
- FAULTLESS CUT
- COMPUTER CONTROLLED SEAMS
- CORRECT AND COMFORTABLE FIT
- PRODUCTS OF EXCELLENCE
  IN DESIGN AND CRAFTSMANSHIP



GRASIM
MASTERWEAR

AN EXCLUSIVE RANGE OF GARMENTS AND ACCESSORIES

WIDIA commitmen
results in a dramatic
T.I. DIAMOND CHAIN



T.I. DIAMOND CHAIN endorses WIDIA:

"Having used Japanese carbide dies in the manufacture of rollers for chain links, we were pleasantly surprised when WIDIA not only indigenised the Japanese dies, but also upgraded performance by offering state-of-the-art coated heading dies which increased tool life by 140%.

WIDIA's superior performance was evident again when they replaced our steel punches with WIDIA tungsten carbide punches, resulting in an increase in tool life by 15 times."

A. Hydari, G.M.
T.I. Diamond Chain Limited, Madras.

WIDIA performs wonders at T.I. Diamond Chain Limited – India's largest manufacturer of transmission chains. By substantially increasing performance and tool life. With a range of metal forming tools such as blanking dies, cold forging tools and piercing punches.

WIDIA Metal Forming Tools have paved the way for large scale import substitution and a tremendous boost in productivity. A clear proof of WIDIA flexibility and product development capability.

While R&D sets the pace at WIDIA its product engineering ensures world class quality and precision. That's what results in extraordinary performance from a high-tech product range – both standard and custom built.

Product Innovation. A constant commitment to customer needs. Effective response. Together with the right technology and support services to upgrade productivity. Ensuring the WIDIA advantage on the customers' shop floor.

WIDIA. The dynamic innovator

o customer needs
ncrease in tool life at

n hard-metal technology

( ) ARICIN BL WIDIA/8845

Touching your life in more ways than one ...

Fourteen years of achievement are behind us now. Achievements that are our credentials in the race to meet emerging needs

Leadership in automotive instrumentation with a 40% market share

Leadership in high accuracy textile machinery counters and monitors

Diversification into wind monitoring instruments and low-cost, high quality machine tools. Electronic products for power stabilisation and control

Railway speed monitors and Oil pumps for two-wheelers are to make their appearance shortly. The list is ever growing.

Today, we continue our commitment to translate front-line technologies into precision grade quality products.

Each new introduction, brings us closer to you. To touch your life in more ways than one

✦ pricol ✦

Premier Instruments & Controls Ltd.

Post Box No. 6331, 1087B, Avanashi Road
Coimbatore-641 037, India
Phone: 0422 31521, 22, 23, 24
Grams: PRICOL, Telex: 0855 376 PIL IN

BASMATI RICE

Looming threats

Basmati rice exports from Punjab touched an amazing Rs.300 crores last year from almost nil eight years ago. This phenomenal achievement was due to the enterprise and skill of the miller-exporters in tapping the high-risk but lucrative markets of West Asia rather than the encouragement extended by the government, which has ignored the growing problems of this export-oriented industry.

The long-standing demand of the industry for the formation of a rice export promotion council has been treated with indifference. It was in October 1985, that then union commerce minister Khurshid Alam Khan had assured the basmati rice industry that the new organisation, the Agricultural Products Export Development Authority (APEDA), would take care of its interests. However, when APEDA was formed, all cereals, including rice, were kept out of its jurisdiction. Nevertheless, APEDA chairman Fateh Singh Jasol is reported to have taken up the case of the Punjab basmati industry with the commerce ministry. Jasol indicated his helplessness to Ashok Sachdeva, president, Punjab Rice Millers-Exporters Association, in a recent letter and urged him to "avoid a controversy on the matter pending some resolution of the anomaly that arises from the fact that these commodities are not scheduled products under the APED Act".

PAK CHALLENGE

Even as the bureaucrats dither on the critical decision of setting up some organisation to take care of the interests of the basmati rice industry, the challenge from Pakistan, Thailand, China and even Japan is gradually eroding the competitiveness of Indian basmati. In fact, the Japanese are reported to have vowed to flood the West Asia market with their own brand of basmati which, according to industry sources, is now in an advanced stage of development.

Contrary to the central government's policy that no sales tax would be imposed on products which are exported, the Punjab government and the state agriculture marketing board have imposed levies amounting to seven per cent on paddy, including basmati. The break-up is purchase tax, four per cent; market fee, two per cent; and cess, one per cent. The industry's demand for relaxation and abolition of the imports has been rejected on the ground that it would entail a massive revenue loss to the state exchequer. The state government has contended that since the entire gain from basmati exports accrues to the Centre, it must either compensate the industry or make good the revenue loss to the state government. Industry sources feel that the elimination of these taxes would result in a cost reduction to the extent of Rs.125 per quintal and enable the basmati exporters to fight off at least the Pakistani challenge.

Old basmati rice is a craze in West Asia and Pakistan has specialised in it. Since basmati is a seasonal crop and harvesting is completed in about two-and-a-half months, the millers have to resort to bulk purchases to keep the mills running throughout the year. This is done in stiff competition with trader-money lenders, who, millers say, have enormous sums of black money at their disposal. The rice industry says that it has time and again represented to the government to direct the banks to extend liberal credit facilities to them. The response, however, has been cool and no application for working capital for purchase of paddy is being entertained by commercial banks in Punjab, despite the severe resources crunch faced by industry due to the peculiar problems thrown up by terrorist activity.

Even as the bureaucrats dither on the critical decision of setting up some organisation to take care of the interests of the basmati rice industry, the challenge from Pakistan, Thailand, China and even Japan is gradually eroding the competitiveness of Indian basmati

PUBLICITY CAMPAIGNS

A positive development in basmati rice export has been that exporters have been able to popularise their own *desi* brand names. Some of them have become household names in the Gulf. However, efforts to sustain the brand names require massive doses of money in foreign exchange for advertisements and regular publicity campaigns. Requests by industry for special incentives to enable them to penetrate lucrative markets with the aid of publicity have fallen on deaf ears.

The industry contends that good quality basmati rice fetches as much as Rs.1200 per quintal in the international market compared with Rs.100 to Rs.115 per quintal for wheat and Rs.250 to Rs.300 for non-basmati rice. As such, there is an obvious advantage in raising the production of basmati paddy for export.

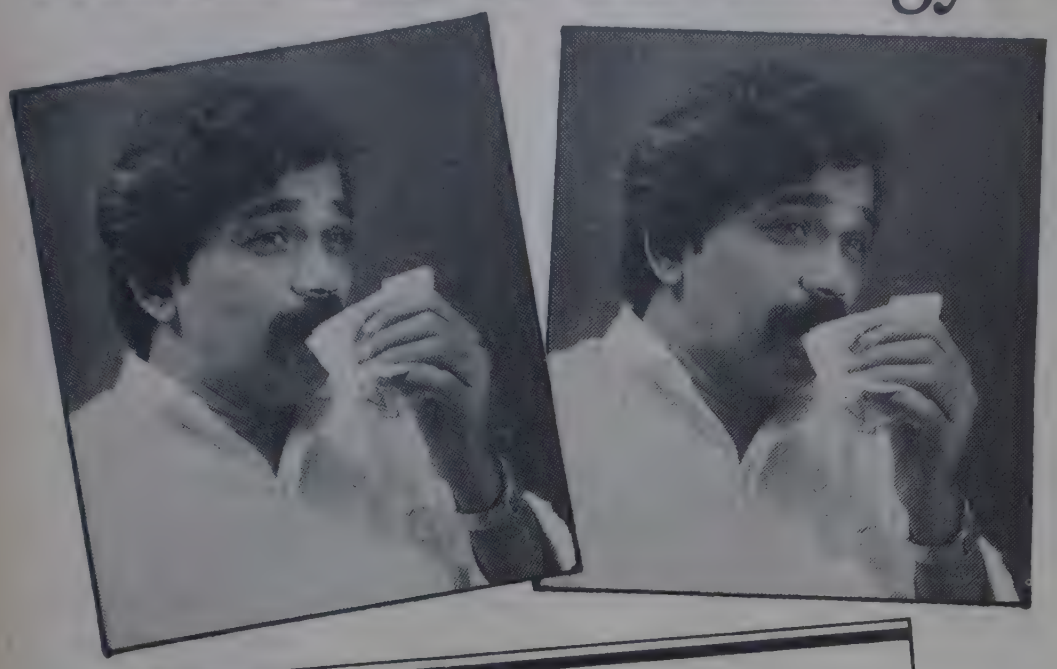
All rice exports have to be statutorily inspected and agmarked. Though this has been necessitated by rampant malpractices which have tarnished the image of the country, the Punjab rice millers feel that there is need for relaxation of this stringent rule in the case of non-specific grade (NSG) basmati rice, which is priced much lower and has a good demand in most of the overseas markets.

The government has reserved the rice milling industry for the small scale sector on the assumption that a unit does not cost more than Rs.35 lakhs. The criterion is sound if applied to units engaged purely in domestic activity, but it works to the detriment of the export-oriented ones because some of the machinery required for producing high quality rice is not available locally and has to be imported from hard currency areas. For example, the landed cost of a 'colour separator', which sifts discoloured and damaged grains from healthy ones, comes to around Rs.35 lakhs. It is a must for export units to enable them to be competitive in the highly sophisticated international markets. If rice export units continue to be treated as small ones, they would not be able to mobilise resources for urgent modernisation. Says Sachdeva, "The government must modify the rule so that export units are registered as medium or large scale projects and become entitled to import facilities."

Apparently, the perception of the state government differs from that of the Centre. But, in this situation, an industry which has proved its mettle on the export front is threatened with stagnation and, if things do not improve and wisdom does not dawn on the bureaucrats, retardation would not be far behind. It is only proper that the central government, which has been shouting from the roof tops that export should be priority number one for industry, intervenes and makes the state government see sense.

■ ANOOP SAXENA

Spot the difference
Which one is the allergy?



If you suffer from:

- *Allergic asthma*
- *Allergic rhinitis*
- *Eczema*
- *Contact dermatitis*
- *Hives*
- *Food allergy*
- *Any other allergy*

maybe the Allergy Clinic can help you

How can you tell?

It isn't always easy. Because an allergy isn't always obvious. A persistent cough, for instance, could be a manifestation of allergic asthma. Sneezing could mean allergic rhinitis. A rash, a food allergy or contact dermatitis. And so on.

What causes allergies?

Allergies are caused by what you inhale, or ingest, or come in contact with. It depends on your body's sensitivity.

How do you treat it?

Only correct diagnosis can define the line of treatment. The earlier you identify the cause, the better the chances of cure.

Who can help you?

The Allergy Clinic can. The Clinic is geared to treat any case. Mild or severe. In adults or children. A highly qualified specialist, who will make a thorough study of your history, and the latest testing facilities the world has to offer make diagnosis doubly sure.

How much will it cost me?

Initial consultation: Rs. 100. Follow-up: Rs 50 per visit.
Blood tests: Rs. 200 (approx.)
Skin tests: Rs. 20 per allergen.

HINDUJA HOSPITAL

THE ALLERGY CLINIC

P.D. HINDUJA NATIONAL HOSPITAL AND MEDICAL RESEARCH CENTRE
Veer Savarkar Marg, Mahim, Bombay 400 016
Call 468740 for an appointment.

CHAITRA-B HNH 50

Can you spot
the Troublemaker?

The gentleman with the long ears is the troublemaker. He's the one who's been inciting other employees and formenting trouble in the organisation.

Littlemore, Detectives and Investigators, after investigation, identified the culprit and brought him to justice, saving the organisation lakhs of rupees.

Today, Littlemore is one of India's leading Investigation agency. With representatives and associates all over the world. And an unrivalled performance record that goes back 28 years.

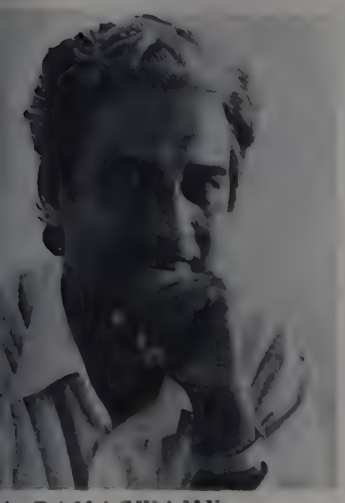
So, whatever be your problem - **strike settlement, violence, wage negotiation, industrial investigation, leakage of technical information etc.**—pay Littlemore a visit today, to discuss the same in a confidential atmosphere.

You can also appoint Littlemore on a retainership basis, for just Rs. 2 per employee, per day.

LITTLEMORE
SERVICES PVT. LTD.
Detectives & Investigators

A-15 Sea Lord, Cuffe Parade, Bombay 400 005
Gram: LITSERDET. Telex: 011 4407.
Phone: (022) 214047/216176/8221936.

Sai—L—535



A. RAMASWAMY

Towards greater productivity

While all organisations desire enhanced productivity, few strive for it systematically. The productivity question is shrouded in so much obfuscation that we must first clear the cobwebs before the issues can be faced squarely.

The most common misunderstanding is that money will buy performance. One often hears it said that workers should do their job because that is what they are paid for. This unfortunately does not happen. There are many intervening variables between money and performance which make impossible a simple and clearcut relationship between the two. That is why we find wage increases, bonus payments and all the rest enthusing employees only for a while, if at all. If people have to do their jobs with diligence, they have not only to be paid well, but motivated in other ways as well.

We must also get over the facile view that there is an invariant relationship between productivity and national character. This is an easy way to explain the industrial might of Japan and Germany and our own failures. After all, the Germans aren't productive merely because they happen to be Germans. Their organisations are also differently structured from ours. For example, they have practiced codetermination for decades. Likewise, we know that the sense of commitment which Japanese organisations evoke in their members contributes handsomely to productivity. We also know that our own people perform quite well in alien societies. It serves no purpose to ignore these realities and speak merely of national character.

The third blinker is the expectation that trade unions should enhance productivity. There is no dearth of managers who hold this view. What they want is that the union leader should use his power over his members to get them to do a decent day's work. The protagonists of this view misunderstand the nature of union power. The union leader is a popularly elected representative empowered to articulate the interests of his flock, and not a policeman authorised to punish members who go astray. It is also strange that managers should expect the union leader to do what they themselves, with their power to reward and punish, are not willing to do.

Even communist societies have failed in their effort to get the labour movement to raise productivity. In the early days of the Bolshevik revolution, this was believed to be the chief purpose of trade unionism. The Soviets built a cult around a coal miner by name Stakhanov, who had mined unprecedented qualities of coal, and Stakhanovism became the *summum bonum* of Soviet trade unionism. Even this did not raise the efficiency of Soviet industry.

What emerges when the cobwebs are cleared is that productivity is not a gift either of an obliging trade union or of workers fired by national fervour, but a consequence of the way the work organisation is built and managed. All other circumstances can play only a supportive role.

With this backdrop, we can examine how the quest for productivity has shaped over time. While the scene is by and large dismal, there are some bright spots which kindle hope.

The most rudimentary method of increasing productivity is the incentive scheme. Although the barter of money for performance sounds quite simple, the method is fraught with problems. If production norms are a bit low, the workers end up earning an incentive for work which they would have in any case done. And if they are a bit high, the scheme may evoke no response. Industrial engineering is expected to tell us where exactly to pitch the norm within these limits, but that unfortunately is not the case. Individual incentives tend to create inequalities in income between employees and sour relations. Group incentives are better from this point of view, but they are not as motivating.

If the method of computing the incentive is complicated, workers end up earning less than they expect to, with all the attendant problems. If materials supply, marketing and other allied services fail to sustain a high level of production, incentives become a problem instead of an advantage. With all these difficulties, one should expect the majority of incentive schemes to fail, which is exactly what happens.

The next step in evolution is productivity bargaining. Beginning sometime in the late seventies and early eighties, employers started to insist that workers should commit themselves to enhanced production norms as a quid pro quo for additional benefits. This was directly in response to the unprecedented demands which trade unions were making. Leaders like Datta Samant had much to do with the evolution of this trend. Till such leadership came on the scene, employers were not really concerned about the utilisation of labour. With the advent of the new leadership, long term settlements became the prime instrument for getting more out of labour.

Wage settlements, which clearly spell out what is expected of workmen, are now quite common in the private sector, especially in engineering, tyre building and similar industries where the production of individuals can be computed. Soon employers began to spell out penalty clauses as well. It was clearly stated in settle-

The author is chairman, Administrative Staff College of India, New Delhi Centre

ments that workers would lose certain benefits if the required production was not achieved for reasons which had nothing to do with management. One can find this provision in all of R.J. Mehta's settlements, although he is not the only one to agree to them.

The initial experience of employers with such settlements was certainly a happy one. Premier Automobiles which signed up a settlement with Datta Samant saw its productivity go up. With this, fear of the new brand of leadership also abated. If these leaders demanded fancy benefits, they also signed up for enhanced production norms.

But the euphoria was shortlived. Diminishing returns set in with successive settlements. Trade unions continued to pitch their demands high. Having got Rs.500 through one settlement, they could not settle for less in the next. On the other hand, a continuous increase in production was not feasible. Many organisations found that the problem lay not just with workmen and their willingness to work, but with support systems as well. The personnel manager of a multinational once remarked that materials procurement was one of the major black holes. With this came the realisation that there was more to productivity in Germany and Japan than the dedication of labour. Can we replicate the zero inventory for which the Japanese are famous?

It also became clear that our technology was not good enough to support continuous increases in the volume of production. Few organisations were making significant investments in machinery and equipment. All that they were expecting was that labour should improve its efficiency. Trade union leaders continued to sign for increased production norms, but implementation became more and more problematic. Even the penalty clause could not be applied because it became clear that want of effort by labour was not the problem. Even as this realisation was dawning, the trade unions continued to ask for more. How could these demands be met in a situation where productivity had already reached a plateau?

Clearly some other strategy was called for. Many organisations saw a way out in contract labour and loan licensing. The growth of these practices on a large scale coincides with growing labour cost and the inability of existing technology and support systems to sustain higher levels of production.

On the positive side, the inherent limitations of the continuous bargain for enhanced production norms has forced industry to look for other innovative methods. The most significant among them is what we may call flexibility bargaining. The thrust here is to identify the restrictive practices of labour and other sources of rigidity which hamper the efficient utilisation of resources.

The most pernicious of these restrictive practices are planned absenteeism, rigid job demarcation, refusal to perform overtime work, refusal to officiate, and rigidities in deployment arising from the unwillingness of workers to shift from one shop or duty shift to another. All these practices have obvious implications for productivity and significant improvements can be achieved by tackling them.

A perusal of some recent settlements shows increasing attention to these areas. Absenteeism is the major concern of many firms. Instead of lamenting the tendency of workmen to abstain from work or harping on standing orders which have atrophied through disuse, they make it expensive for workers to stay away. A number of benefits, including house rent and some miscellaneous allowances, are tied to days worked. It should be emphasised that the linkage is to days worked, and not to days absent, in order to avoid definititional problems over 'absence'. Together with production and attendance incentives, bonus payments and so on, the number of benefits linked to work becomes substantial and dissuades absence.

Other specific provisions are that workers would be deployed in any shop or shift as is necessary; that they would not refuse overtime when offered nor demand it as a matter of right; and that work would not be stopped because of insufficient crew strength. One organisation bargained to restrict canteen services to workers on duty and to enhance canteen prices. Those who are familiar with the problems caused by canteen services would appreciate the import of this provision.

Moving further afield, one needs to look at the content of work. It is simple common sense that the intrinsic satisfaction offered by work is a powerful motivator, and that dull and dreary jobs tend to be demotivating regardless of compensation. Human ingenuity has found some ways to humanise work, although there will always be some jobs which are dirty or dull. Group work, job enrichment, job rotation, flexitime and quality circles are some innovations. There are hardly any developments worth mentioning in our country, with the exception of some tentative beginnings with quality circles.

Beyond involvement in the work lies involvement in the enterprise itself. Although the relevance of a committed workforce to productivity is not immediately apparent, the linkages are profound and far-reaching. Interestingly, some of our own enterprises have been directing their energies to finding ways of bringing workers closer to the enterprise. That is something to be elaborated on a later occasion.

BLUE CHIP SECURITY

Businessmen who are used to taking professional risks that pay off, must have one solid asset to depend on. Try this 2" × 3" piece of blue chip plastic.

You don't have to carry any cash but it carries weight at 7,000 outlets across the country. It buys airline tickets, pays for hotel rooms, picks up restaurant and shopping bills. It welcomes you to the 'club' and offers you a host of advantages: free flight insurance for Rs. 1 lakh with every airline ticket, commission-free travellers' cheques, hotel discounts (upto 40%) in India and abroad, packages and personalised services from the travel agency that bears its name (it's a name that counts). Plus many little things that mean a lot. Like picking up the phone and sending flowers, fruit, chocolates, cakes or mithai to someone special. A world of services offered with style. In other words, the world of Diners Club. The blue chip card. Make the investment. Become a member. There are dividends in every way.

Diners Club

Welcome to our world.

Diners Club, Raheja Chambers, 213, Nariman Point, Bombay 400 021. Tel: 244949 Bangalore – Tel: 567201, 567202. Calcutta – Tel: 432768. Madras – Tel: 475191, 475112. New Delhi – Tel: 602565, 601034. Secunderabad – Tel: 72277

I would like to be a member of Diners Club India Pvt. Ltd. and enclose my cheque of Rs. 1,450/- towards Entrance Fees and one year's subscription.

Name _____ Tel. _____

Address _____

Company & Designation _____

Cheque No. _____ Date _____ Drawn on _____

Signature _____ Date _____

(Pl. mail this coupon to the Diners Club Bombay address)

COUPBUI 9

INTAS DC 150 2318

Type out 3 more copies... Now!

Should dull, repetitive jobs kill more productive work?

If your answer is 'No', call Team Xerox

You have to coordinate the new project. If you're to lead a team, you have to keep each member fully informed. So they can contribute and help get the project off the ground.

You ask your secretary to type out additional copies of the proposal. As she hurries through, you hope there are no mistakes. Misplaced decimal points, for instance, could cause disasters. All the while, valuable executive time is wasted as you fret and your secretary numbingly types away.

Does this sound all too familiar? Scenes like this occur every time typewriters and carbons are habitually used for distributing information, instead of creating it. Mistakes multiply and carbon copies are frequently illegible.

Consider : the information you need is already on paper or in print three-fourths of the time, usually in a convenient format. Think about computer output for example. Forcing your staff to recreate it ties them up needlessly, wasting enormous amounts of time and effort.

The answer is quick, effective communication of your data. And that's where a Modi Xerox photocopier comes in.

With a Modi Xerox copier, information can reach every team member as fast as it is created, without waiting for endless retyping.

Documentation is crisp, clear and can be communicated at the press of a button. A Modi Xerox copier spells an end to dull mechanical jobs, freeing your staff for more productive work.

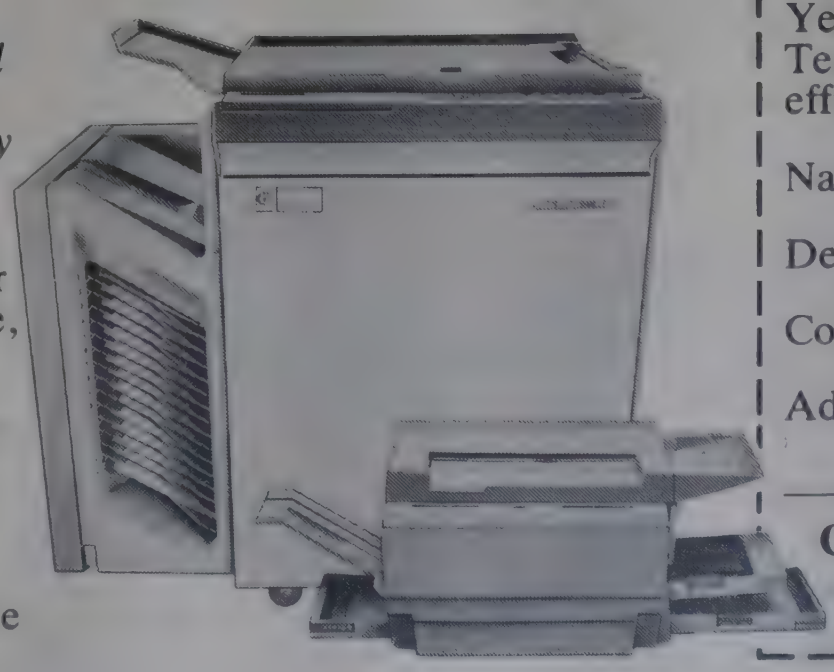
Before you know it, efficiency improves dramatically.

So call Team Xerox. From manufacturing to after-sales support, we provide cost-effective solutions to communication problems.

You'll put an end to dull, repetitive jobs forever and let productivity flourish.

Fill in the coupon and post it today to :

Modi Xerox Limited
Marketing Division
33 Community Centre
New Friends Colony
New Delhi-110 065



Yes. I want to know how Team Xerox can improve the efficiency of my office

Name _____

Designation _____

Company _____

Address _____

_____

Call Team Xerox today!

B1

OBM/165/1

Modi Xerox

Setting the standards for others to copy!

Xerox is a registered trademark of Rank Xerox Limited, U.K., and Xerox Corporation, U.S.A.

When an advertiser is focused on creating awareness, what he really creates is a trap for himself.

So, to his dismay, he finds that advertising that gets noticed and scores high on awareness, often produces little result in the marketplace.

The reason is simple enough. Awareness, though vital, cannot be a goal by itself. It isn't enough if your prospect recognises the existence of your brand. He must *want* it.

At R K SWAMY, this is one thing we are constantly aware of. And our focus is on persuading prospects to consider buying the brand. And on strengthening their commitment to the brand. Increasing the brand's consumer franchise, ensuring its long-term success.

To help us make this qualitative difference to our advertising, we have a one-of-a-kind discipline: HANSYSTEM. A thought process enhanced by research techniques. Which imparts two key qualities to advertising – R & D. *Relevance* and *Difference*.

Relevance, so that the advertising is meaningful to the prospect. And difference, so that it breaks through the clutter, holds his interest.

Today, with the consumer being barraged by a flood of look-alike advertising, R & D alone can separate you from the crowd. Make your advertising work hard in the marketplace, to build your business.

So think about it. Is your advertising drawing attention to itself, without drawing consumers to your product? Is your advertising *Relevant* and *Different*?

R K SWAMY ADVERTISING ASSOCIATES
Private Limited
604 Mount Road, Madras 600 006
An Agency of the BBDO Worldwide Network.

Beware of the awareness trap

The roller coaster

It is probably the most difficult thing to predict short term future trends in the foreign exchange market, given the fact that out of the daily average trading volume of US$ 280 billion, almost 91 per cent is pure speculative position-taking without any underlying merchant transactions.

Nevertheless, most post facto analysis invariably attempts to rationalise the movement of currencies in a direction totally unexpected and divorced from projections.

The month of October started with the announcement of the US employment data for September which showed an unemployment rate of 5.4 per cent (0.2 per cent lower than the previous month's figure of 5.6 per cent, which was the highest since May), and an increase of only 225,000 in the non-farm payroll against an expectation of 300,000. The dollar weakened by one pfennig against the mark and nearly 40 points against the yen as the news revealed slower economic growth and removed immediate hopes of higher interest rates in the US.

DOWNWARD TREND

Even as the market pushed the dollar lower, the trade deficit figures for the month of August were announced at a larger-than-expected $ 12.18 billion, much higher than July's revised deficit of $ 9.47 billion. The dollar immediately fell by two pfennigs and 1.5 yen to a three month low against the mark and a near four month low against the yen. The dollar continued its downward trend ending at 1.7760 marks and 126.15 yen on 21 October. There is also a general belief that the dollar is likely to settle lower than its existing levels in 1989.

During this period, the data on the Indian trade deficit was also released, showing a trade deficit of Rs.66.25 billion for the year ended 31 March 1988. The trade deficit for the first quarter of 1988, however, is alarming at Rs.20.74 billion, which is 49 per cent higher than the corresponding period last year. The foreign exchange reserves fell by Rs.14.50 billion during this quarter. The Indian rupee appears to have a bleak future over the next two years, having lost almost 11 per cent flat in the last six months against the US dollar, and is projected to decline to Rs.18 per dollar by the end of 1989, according to most exchange pundits. The table gives the average monthly rates of major currencies against the US dollar for 1988.

During the month, the Reserve Bank of India devalued the rupee against the pound sterling. Even as this article goes into print, the mid rate has already risen to Rs.26.10, making the dollar reach a peak of $ 6.77 per Rs.100 (Rs.14.77).

The Indian rupee appears to have a bleak future over the next two years, having lost almost 11 per cent flat in the last six months against the US dollar, and is projected to decline to Rs.18 per dollar by the end of 1989, according to most exchange pundits

The British economy seems to be following an extremely tight monetary policy, and interest rates have been revised from 7.5 per cent per annum (June 1988) to 12 per cent per annum in an effort to curb inflation which is likely to exceed 8 per cent this year in the UK. Britain's current account deficit could remain large until 1990 according to the chancellor of the exchequer, Nigel Lawson, who recently forecast that the deficit would be around 2.5 per cent of the gross domestic product this year which would mean a gap of approximately £11 billion.

The West German economy registered a satisfactory growth rate of 3.9 per cent in the first half of 1988. According to Karl Poehl, president of the Bundesbank, West Germany would not like to see a stronger dollar. The Bundesbank has therefore intervened aggressively and sold the dollar each time it threatened to cross the 1.89 mark, reflecting West Germany's strong contention that the depreciation of the DM in the recent past was not justified by economic factors. The Stanford University estimates, (based on the purchasing power parity theory of Ronald Mckinnon), however, show that the long term equilibrium rate of the US dollar/mark is around DM 2.15, sharply in contrast to the bearish short run expectations regarding the US dollar.

The yen appreciated against the dollar and other major currencies during the month as prices of crude oil dropped sharply. The fundamentals of the Japanese economy continue to show a strong trend with the trade surplus registering $7.53 billion during the month of August. Lower oil and commodity prices will, in all likelihood, reduce the cost of imports, while strong overseas demand coupled with price increases are likely to inflate exports. Japan's trade surplus is expected to show a drop of only $ 5 billion in 1988/89 compared with a drop of $ 13.70 billion in the previous year which is primarily due to a double digit increase in exports. The economy is likely to show a real growth of between 4.5 per cent and 5.5 per cent in 1988 compared to 4.9 per cent last year.

The local premia market showed a rising trend to reach 10.5 per cent per annum at 36.5 cents for six months before retreating slightly to 32 cents for six months.

The outlook for the US dollar is very bullish against the Indian rupee over the forthcoming months, and the US dollar is expected to rise to 6.70 per Rs.100 by the end of December.

Importers with short term payables should cover their foreign exchange exposures. Import payments beyond November should be reviewed after the results of the US presidential election is known in November.

■ NEERAJ BATRA

Average monthly rates *(All rates against USD)*

1988	INR	DM	YEN	STG	SFR
JAN	13.28	1.6900	131	1.77	1.3750
FEB	13.16	1.6800	129	1.77	1.3650
MAR	13.02	1.6700	128	1.84	1.3700
APR	13.25	1.6600	124	1.89	1.3750
MAY	13.37	1.7000	125	1.86	1.4050
JUNE	13.80	1.7500	126	1.79	1.4600
JULY	14.28	1.8200	133	1.70	1.5125
AUG	14.29	1.8600	134	1.70	1.5650
SEPT	14.52	1.8500	134	1.69	1.5550

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

ADMISSION NOTICE

THE CFA PROGRAMME

(In collaboration with the Institute of Chartered Financial Analysts, USA)

The CFA Programme is designed to provide specialised training in Corporate Finance, Investment Management and Financial Services leading to the designation of '**Chartered Financial Analyst**'. More than 8000 candidates have already enrolled in the CFA Programme from all over the country.

National institutions like IDBI, ICICI, IFCI, UTI and many companies have approved the CFA Programme for reimbursing the fees.

ELIGIBILITY

Graduates (any discipline). Final year degree students may also apply. Exemption from the Admission Test is granted to certain categories of candidates like CAs/AICWAs/ACSs/MBAs/First Class Graduates etc.

For Prospectus and Application Form please write to The Admissions Officer giving your address and enclosing a DD for Rs. 50 favouring ICFAI, payable at Hyderabad.

The Institute of Chartered Financial Analysts of India
Road No. 3, Banjara Hills, Hyderabad - 500 034.

ARE YOUR JOINTS GIVING YOU TROUBLE?

HOLDTITE
Liquid Sealant
Puts the seal on your jointing problems

Holdtite
* Dries quickly
* Remains stable under severe working conditions
* Offers a choice of grades for your specific applications
* Ideal for pipe jointing, drum sealing, car underbody, engine assembly and various pumps
* Mineral Oil Resistant

HAWCO
Metal Process Division
Hardcastle & Waud Manufacturing Co. Ltd.
Head Office: Brabourne Stadium, 87 Veer Nariman Road, Bombay-400 020
Tel: 222114 Tlx: 011-2972 HWCO

Branches:
Madras: 64, Moore Street,
Tel: 511937 Tlx: 041-7767 HWCO
New Delhi: E-376, Greater Kailash II Tel: 646 1479
Calcutta: 17, Biplabi Trailokya Maharaj Sarani
Tel: 268850/262024 Tlx: 021-4325 HWCA

HOLDTITE–The sealant you can rely on.

CHAITRA-B HAWCO 25 R

BCCI

Drug bust?

It had all the makings of a Hollywood thriller. Except that it was in dead earnest. An invitation to attend a stag party before a wedding should have meant some fun for nine bankers who work for the BCCI (Bank of Credit and Commerce International) group. Instead, when they flew into Tampa, Florida, from various parts of the world, they found themselves being arrested.

The charges were that they had engaged in "laundering" money for Colombian drug dealers. Law enforcement officials in Tampa filed three indictments of which, only one — relating to BCCI Holdings (Luxembourg) SA and its two subsidiaries, BCCI (Overseas) Ltd and BCCI SA, along with its nine officials — has been made public. The nine bankers were among 40 who were arrested and charged. Apparently a total of 85 BCCI officials were being watched under suspicion.

Further drama unfolded on 12 October when BCCI's three branches in Paris were raided by French customs officials at the request of their American counterparts. Subsequently, three officers stationed in Paris were arrested, one in London and two in Tampa. The documents seized allegedly corroborated charges made in the US.

The busts were a result of an elaborate undercover operation conducted over two years by US customs officials, along with their counterparts in Great Britian and France. The operation was an attempt by financial institutions to stem the legitimisation of $ 100 billion — according to one senate subcomittee estimate — of drug-related income by disguising its origin.

In this particular episode, US customs agents, posing as businessmen with high cash turnover, offered their services to a Colombian drug cartel. They offered to push drug money through their businesses and return it to drug traffickers, having disguised its source by issuing cheques drawn on bank accounts abroad.

JETSET LAUNDERING

The agents were in turn approached by a BCCI official in Panama who suggested funneling the money through the bank. According to the US customs, money was collected at a BCCI branch in Tampa, Florida, and then wired through a New York bank to BCCI's headquarters in Luxembourg and then on to London. There it was turned into a certificate of deposit (CD) which was used by BCCI to give a loan to a phony corporation. Returned to its original account in Florida, it was transferred to an account in Uruguay and then taken in cash to Colombia. The difference between the loan given and value of the CD was BCCI's profit.

While other banks, including Bank of America, First Bank of Boston and Crocker National Bank, have been charged with failing to follow US banking regulations of reporting cash deposits and withdrawals of more than $10,000, this is the first time that 400 charges have been brought against a bank. While the amounts were much larger — $2 billion in the case of First Bank of Boston, and $4 billion in case of Crocker National Bank — courts accepted the banks' claims that failure to report the transactions were honest mistakes and there was no conspiracy at a senior level to launder funds.

In the case of BCCI, however, customs officials claim that the conspiracy goes all the way to the top. BCCI spokesmen deny that its corporate managers, directors and shareholders had any knowledge of the episode. In addition, they say, the amounts involved — $14 million over two years — should be compared with their total deposit base of $19 billion and their pretax profit of $185 million.

According to BCCI spokesmen the whole episode is an act of "economic apartheid". BCCI is the most high-profile of the banks from the "south" and its rapid growth over the last two decades has made it the envy of more traditional banks. Set up by Agha Hassan Abedi, a Pakistani banker, in 1972 with a capital of $2.5 million, the bank today has a capital of $1.5 billion and a branch network in 73 countries worldwide.

NON-TRADITIONAL APPROACH

While almost 50 per cent of the shareholding in the bank is held by interests in the Gulf and its initial growth was a result of the tremendous increase in liquidity in the Gulf as a result of the oil boom, BCCI has consciously tried to diversify its deposit base. It has catered to the needs of migrant trading communities, especially from India and Pakistan. Though businessmen from these communities are not able to produce the traditional evidence of creditworthiness BCCI has considered them good credit risks. The bank has capitalised on this factor and its overall success has led to "envy".

According to bank spokesmen, while US officials have been quick to release news of indictments against BCCI, they have been slower to release news of such indictments against other banking institutions.

Be that as it may, the bank has acquired a reputation in both India and abroad of being aggressive, even at the cost of sailing close to the wind. In 1986 some executives of the bank were de-

A BCCI branch in UK: under suspicion

FACULTY OF MANAGEMENT STUDIES
UNIVERSITY OF DELHI

ANNOUNCES

M.B.A. PROGRAMMES FOR EXECUTIVES AND SENIOR GOVERNMENT FUNCTIONARIES BEGINNING JULY, 1989

1. M.B.A. (FULL-TIME) TWO-YEAR PUBLIC SYSTEMS MANAGEMENT PROGRAMME

The objective of this programme is to train and develop a cadre of **senior executives** to manage public systems, public utilities and State and Central Government undertakings. It is being conducted at **Shanti Prasad Jain Advanced Management Research Centre** located at **South Delhi Campus.**

Eligibility

Candidates with Bachelor's Degree from University of Delhi or any other University recognised by the University of Delhi with at least 50 percent marks in aggregate in the first degree examination and working in a public system organisation having at least five years full-time experience at an executive level are eligible. The candidate must be sponsored by the employer and be on leave for the duration of the programme.

2. M.B.A. (PART-TIME) THREE-YEAR PROGRAMME

This is a three-year integrated MBA Degree Programme with several streams of specialisation in various functional areas. Candidates pursuing studies on continuous basis can complete this programme in 3 years. However, this programme has an in-built flexibility for a terminal Diploma in specific area of specialisation at the end of the second year for candidates so desiring. The areas of specialisation are 1. Financial Management 2. Marketing Management, 3. Production and Operations Management, 4. Human Resource Management, 5. Small Business Management. Such candidates may be allowed to enter the third year within two years of completing the Diploma course provided they have secured 60% marks in the Diploma Examination. **All candidates will be required to complete the programme within 5 years.**

Eligibility

(a) Every candidate seeking admission shall have passed a Bachelor's Degree Examination in Arts, Commerce, Science and Engineering or Technology of the University of Delhi or any other University recognised as equivalent thereto with at least 45% of marks in aggregate in the First Degree Examination and possesses other qualifications mentioned hereunder. Relaxation from the minimum marks required in the First Degree Examination may be made for candidates who have obtained less than 45% marks in their first degree examination but 55% marks or more marks in aggregate in any Post-Graduate Degree or at least 60% marks in Post-Graduate Diploma either in Personnel Management or in Marketing and Sales Management or in Administrative Management of the University of Delhi conducted by the Faculty, prior to the implementation of this new integrated programme.

(b) Candidates should have at least five years of experience as an executive or administrator in a Commercial, Industrial or Government establishment after passing the Bachelor's Degree Examination.

(c) Five years experience shall be determined as on 1st August, of the year of admission.

(d) Candidates must be sponsored by the employer.

3. M.B.A. (PART-TIME) HEALTH CARE ADMINISTRATION THREE-YEAR PROGRAMME

This programme is meant for hospital and health care administrators.

Eligibility

(a) Every candidate seeking admission to the programme shall have passed a Bachelor's Degree Examination in Medicine of the University of Delhi or an examination recognised as equivalent thereto.

(b) He/She should have atleast five years of experience in hospital or health care administration after acquiring the Bachelor's Degree in Medicine. He/She should also be sponsored by his/her employer.

(c) Only those candidates who satisfy the above mentioned conditions will be called for interview.

Admission Test and Interview

The admission test for **MBA (Full-Time) Two-Year Public Systems Management Programme** will be conducted at Delhi, Bombay, Calcutta, Madras, Hyderabad, Kanpur, Patna and Bhopal on **Sunday, January 15, 1989.** However, the Faculty reserves the right to cancel any test centre. The Admission test for **MBA (Part-Time) Three-Year Programme** will be held on **January 29, 1989** at **Delhi** only. Candidates qualifying the admission test will be called for an interview. The selection in case of **MBA (Part-Time) Health Care Administration Programme** will be done on the basis of interview only.

Admission forms can be obtained from **October 3, 1988** from the **Administrative Officer, Faculty of Management Studies, University of Delhi, Delhi-110007** on payment of Rs. 10/- (non-refundable) at the counter or through mail by sending Bank Draft in favour of the REGISTRAR, UNIVERSITY OF DELHI **(Bank Draft not drawn in favour of the Registrar, Univeristy of Delhi, Delhi will not be accepted).** Candidates requesting forms by post must send a self addressed stamped (Rs. 2.50) envelope (size 10 cms × 23 cms approx). Last date for receipt of completed application forms in the Faculty Office will be **December 24, 1988.**

Reserved Seats

(i) 22.5% seats are reserved for Scheduled Caste/Tribe candidates.

(ii) 5% seats are reserved for children/widows of armed personnel killed/disabled in action during the hostilities.

NOTE 5% concession of marks is allowed to the above categories of candidates for purpose of determining their eligibility.

B.C. TANDON
DEAN

ained briefly under COFEPOSA here in ndia. The charges stemmed from trav-llers cheques issued to a travel agency, Al Saya Travels, on the basis of insuffi-cient, and in some cases false, documen-ation. A bank spokesman points out that no charges were actually served on S. Muram (the then manager). COFEPOSA charges against other staff members were also dropped. The bank and the travel agency were found guilty of FERA viola-tions by the enforcement directorate.

Whether the charges against the bank in Florida will affect its stability in India and abroad is still unclear. Though BCCI, headquartered in Luxembourg, has no "lender of the last resort", bank spokes-men claim that the bank's high liquidity — last year it had $17 billion in deposits and only $9 billion of loans — is its chief defence. It also expects the central bank of whichever country it operates in to come to its rescue if there is a crisis. Bank spokesmen firmly point out that talk of a crisis is baseless. In India, for example, 65 per cent of the bank's deposits are from NRIs and there is no evidence that funds have been taken out of the country. The future of the bank lies with an unknown factor — the ability of the US customs authorities to prove their charge of com-plicity of the top management and the heaviness with which regulatory authori-ties worldwide come down on the bank if they do.

EAPEN THOMAS

CORPORATE AFFAIRS

SMITH KLINE

Major restructuring

The US pharmaceuticals group, Smith Kline, has announced a $ 400-million re-structuring plan and a pruning of corpo-rate staff by 60 per cent. The company is hard-pressed because revenues from its anti-ulcer drug, Tagamet, are falling due to intense competition from a rival drug, Glaxo's Zantac.

CONSOLIDATED GOLDFIELDS

South African bid

The British mining and finance group, Consolidated Goldfields, is facing an un-welcome 2.9 million pound takeover bid from the South African Oppenheimer mining family, through their Lux-embourg-based investment company, Mi-norco. While the outcome of the bid will not be known for some time, there has been an accusation of insider trading in Consolidated Goldfields shares. The alle-gation is that clients of Swiss Bank Corporation traded in Consolidated Goldfields shares prior to the bid an-nouncement. Swiss Bank Corporation has strongly denied this.

AIR CANADA

Privatisation under way

Air Canada is joining the steadily length-ening list of former state-owned airlines which are making share issues for private subscription. The airline is offering 45 per cent of its shares to raise $ 300 million, which will be used for its fleet renewal programme. In view of the sluggish trend in the North American stock markets, the issue has been priced at $ 10 per share, which is lower than expected.

MGM-UNITED ARTISTS

US $ 200-million rights issue

The leading Hollywood film maker, MGM-United Artists, is planning a $ 200-mil-lion rights issue. In spite of its glorious past, the company has been losing money in recent years and the rights issue is required to improve its liquidity position. Funds were earlier expected to come through a private placement with two Hollywood producers, Bert Sugarman and John Peters. However, that deal fell through and the company is now approaching its own shareholders for money.

INTER CONTINENTAL HOTELS

Sold to Japan

Negotiations have been finalised for the sale of the Inter Continental Hotel chain to Saibu Saison, the Japanese conglome-rate. Inter Continental Hotels is currently owned by Grand Metropolitan, the British food, drinks and hotel group. The sale price is in the region of $ 2.3 billion.

QUANTAS

Preferred bidder for Air New Zealand

In a surprise announcement, the New Zealand government has stated that the Australian carrier, Quantas, would be the preferred bidder for the 25 per cent stake in Air New Zealand which is up for sale. The announcement was surprising be-cause Air New Zealand was known to prefer British Airways, the management believed that a tie-up with British Air-ways would be better for developing busi-ness on South East Asian routes. It is believed that the announcement favour-ing Quantas was made after considerable lobbying by the Australian government.

SAFRA REPUBLIC BANK

US $ 1 billion capital

One of the world's largest capitalised banks is being launched in Europe by Edmund Safra, a leading international banker and consultant to the Republic New York Bank and the New European Bank.

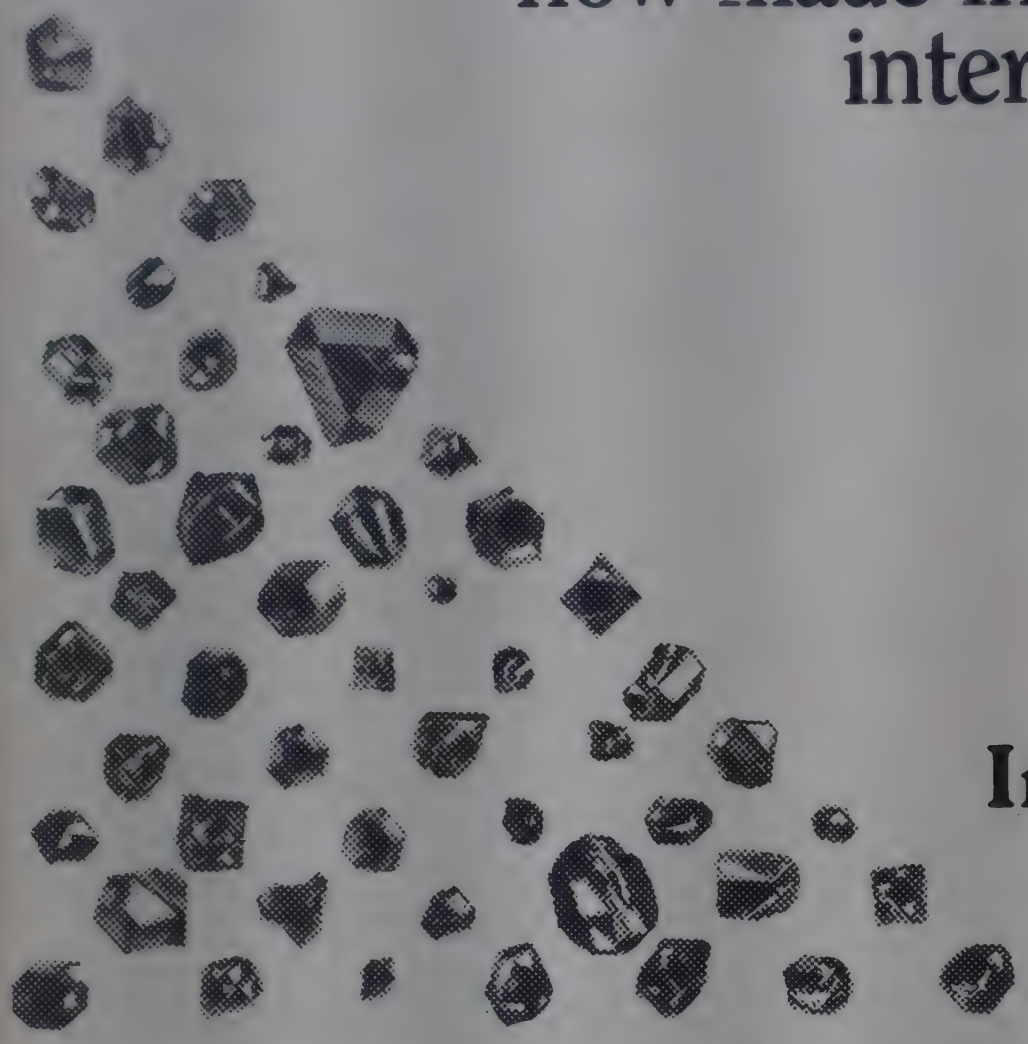
Safra Republic will be formed around the core of the branches of Republic New York Bank in various European coun-tries. Seventy per cent of the capital of US $ 1 billion will be financed by Safra and Republic New York Bank and 30 per cent through a public share offer underwritten by Shearson Lehman Hutton. With Safra Republic, Safra re-enters the European banking scene. In 1983 he had sold his Geneva-based trade development bank to American Express for $ 520 million.

YULE CATTO

Rise in profits

Yule, Catto and Co of London (previously the holding company of Andrew Yule & Co, India) has reported a 17 per cent rise in profits of 8 million pounds. The in-crease in profits is attributed to the en-hanced demand for and consequent rise in the price of natural rubber and latex; Yule Catto operates in both these areas. It is understood that in the years to come, the company intends to concentrate on chemicals.

All grades of Industrial Diamonds now made in India – to exacting international standards.



Now you don't have to look beyond the Indian borders for Industrial Diamonds.

IDIL, with Finnish collaboration, manufacture Saw Grade, Metal and Resin Bond Industrial Diamonds, comparable to the world's best.

Industrial Diamond India Limited

Regd. Office: 17-A, Vallabhai Road
Madurai 625 002
Phone: (0452) 45282/42434
Telex: 0445-249 PCL

the India magazine

of her people and culture

If you have missed some of the back issues of **the India magazine** and would like to order them to complete your set, fill in the coupon alongside and send it to our editorial office in New Delhi.

You can buy these either as individual copies or sets of copies. In addition complete leather-bound sets, with elegant lettering on the front cover are also available, making attractive additions to any library shelf.

Or better still, GIFT a volume to a friend.

BACK ISSUES

the India magazine
59 Regal Building, Connaught Circus, New Delhi 110001

Please send me the following issues ☐ sets ☐ leather-bound volumes ☐ by V.P.P. (postage charges extra) I have ticked the appropriate box.

Volume IV
Dec 1983 to Nov 1984 at the rate of Rs. 20 per issue ☐ Rs. 200 per set of 10 issues ☐ Rs. 320 per leather bound volume of 10 issues ☐

Dec *	Jan *	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume V
Dec 1984 to Nov 1985 at the rate of Rs 15 per issue ☐ Rs. 180 per set of 12 issues ☐ Rs. 300 per leather-bound volume ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume VI
Dec 1985 to Nov 1986 at the rate of Rs 10 per issue ☐ Rs 120 per set of 12 issues ☐ Rs 240 per leather-bound volume ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume VII
Dec 1986 to Nov 1987 the the rate of Rs 10 per issue ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

★ These issues are not available

Volume I, Volume II & Volume III are not available

NAME _____

ADDRESS _____

_____

Gujarat Ambuja Cements

Maiden dividend; various fiscal benefits give competitive edge in marketing; doubled capacity; proposal to set up downstream petrochemical project

Gujarat Ambuja Cements (GAC) has declared a maiden dividend of 10 per cent for the year ended 30 June 1988. Its 700,000 tonne cement plant (estimated to cost Rs.62.5 crores) began production in October 1986, six months behind schedule. To part finance the project cost, GAC had made a public issue in November 1985. The cost escalated by about 35 per cent due to higher investments in plant and machinery.

Various fiscal benefits have given a strong competitive edge to GAC in marketing its products. These benefits include octroi exemption and concessional power tariff for the first year of production, lower interest rates on term loan up to Rs.2 crores, and sales tax deferment for a period of 14 years. Thus, in spite of higher capital costs and a recessionary market situation, the above benefits enabled GAC to report profits in the first year of production and declare a maiden dividend in the second year.

For the year ended 30 June 1988, GAC produced 820,000 tonnes of cement (previous year: 370,000 tonnes) and sold 810,000 tonnes (350,000 tonnes). The capacity utilisation works out to 115 per cent. Due to severe drought conditions, the growth in demand for cement was lower, and input costs escalated sharply. Still, GAC has shown a 143 per cent jump in net profit to Rs.4.22 crores. Total income went up by 122 per cent to Rs.90.44 crores.

Due to a higher capital base of Rs.20 crores, the EPS works out to just Rs.2. GAC reduced its working capital by Rs.6.38 crores to keep interest costs under check. It repaid various term loans to reduce borrowings by Rs.7.33 crores. However, it has not provided for minimum tax (Rs.66 lakhs) under section 115 J of the Income Tax Act. As required by section 3 of the Act, the tax will be computed for the period from July 1987 to March 1989.

The excise rebate of Rs.50 per tonne granted during 1987 has resulted in savings of Rs.4 crores. The recent increase in levy cement price by Rs.47 per tonne and further excise rebate of approximately Rs.12 per tonne will partially offset the increases in input costs. GAC is implementing its plan to double the capacity to 1.4 million tonnes per annum. It is proposing to set up a downstream petrochemical project for which necessary clearances are awaited. The scrip, which has been shifted to the specified group of the Bombay stock exchange, has appreciated by more than 100 per cent from its 1988 low of Rs.11.

The cement industry is keenly awaiting the government's decision on total decontrol of cement. With the better monsoons this year, the prospects for the industry have improved.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
SALES AND OTHER INCOME	90.44	40.79
OPERATING PROFIT	21.10	16.30
INTEREST	9.80	9.13
DEPRECIATION	7.08	5.12
PRE TAX PROFIT	4.22	2.05
TAX		0.31
NET PROFIT	4.22	1.74
EQUITY CAPITAL	19.99	19.99
RESERVES & SURPLUS	2.95	0.84
LOAN FUNDS	70.20	75.98
NET BLOCK	76.24	73.52
NET CURRENT ASSETS	16.90	23.28
EPS (%)	21.10	8.70
DIVIDEND (%)	11.00	
MARKET PRICE (Rs)		
CURRENT	22.00	
1988: HIGH	22.00	
LOW	11.00	

Mukand Iron & Steel

Bonus issue declared; improved performance; interruption in orders from Indian Railways; sharp increases in cost of inputs

The company has paid a dividend of 23 per cent for the year ended June 1988, an increase of 5 points compared to last year. Mukund is celebrating its golden jubilee this year and shareholders are being rewarded with a bonus issue in the ratio of 1:2.

Turnover increased by 14 per cent to Rs.303.02 crores (previous year: Rs.266.26 crores). This was mainly due to a planned shift from production of mild steel to special steel; mild steel now accounts for only 20 per cent of the total output of steel.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
GROSS SALES	303.02	266.26
OTHER INCOME	3.08	2.30
OPERATING PROFIT	33.49	27.95
INTEREST	11.95	11.72
GROSS PROFIT	21.54	16.23
DEPRECIATION	7.33	6.81
TAXATION	2.30	1.43
NET PROFIT	11.91	7.99
CASH PROFIT	19.24	14.80
EQUITY	9.82	9.82
RESERVES & SURPLUS	25.45	15.27
GROSS BLOCK	99.35	90.25
TOTAL CAPITAL EMPLOYED	118.01	95.00
EPS (%)	121.00	81.00
DIVIDEND (%)	23.00	18.00
MARKET PRICE (Rs)		
CURRENT	83.50	
1988: HIGH	114.00	
LOW	83.50	

The operating profits have gone up from Rs.27.95 crores to Rs.33.49 crores, an increase of 20 per cent; operating margins are more or less the same at 10 to 11 per cent. After interest charges of Rs.11.95 crores (Rs.11.72 crores) the gross profit is up by 33 per cent at Rs.21.54 crores (Rs.16.23 crores). After depreciation charges of Rs.7.33 crores (Rs.6.81 crores) and taxation provisions of Rs.2.30 crores (Rs.1.43 crores) the net profit works out 49 per cent higher at Rs.11.91 crores (Rs.7.99 crores).

Mukand's good performance was reflected in its six monthly result for the half year ended December 1987. The net profit was higher at Rs.4.03 crores, compared to Rs.3.83 crores in the corresponding period of the previous year on a higher turnover of Rs.141.68 crores (Rs.128.95 crores).

The company produced 240,282 tonnes (226,453 tonnes) of billets/blooms registering a capacity utilisation of 72 per cent (71 per cent). Production of finished steel castings dropped to 12,530 tonnes (13,688 tonnes).

Interruption in the flow of orders from the Indian Railways and frequent changes in their inspection parameters resulted in delays in approvals and in lower despatches. The company's Machine Building Division registered sales of Rs.20.30 crores (Rs.21.60 crores). Orders for 91 cranes valued at Rs.18.10 crores were received (47 cranes valued at

Rs.7.90 crores). The company also received repeat orders from the Visakhapatnam Steel Project.

The cost of major inputs — melting scrap and nickel — has registered sharp increases during the year. Scrap prices went up by 40 per cent. The price of nickel reached dizzy heights and is 274 per cent higher now than it was at the beginning of the year.

Operating practices for the ultra high power furnace installed in the previous year are being stabilised. These are expected to help the company increase production and reduce energy costs.

Bakelite Hylam Ltd

Improved dividend and sales; significant increase in profits; new plant to be commissioned this month; collaboration with Japanese company

For the year ended June 1985, the company has paid a dividend of 18 per cent (previous year: 16 per cent). The company has improved sales at Rs.67.03 crores by 14 per cent (Rs.58.71 crores). Operating profit has increased by 8 per cent to Rs.7.31 crores (Rs.6.74 crores). After interest of Rs.3.22 crores (Rs.3.13 crores) the profit at gross level is Rs.4.09 crores (Rs.3.61 crores). After depreciation of Rs.1.46 crores (Rs.1.36 crores) and taxation of Rs.1.19 crores (Rs.1.17 crores), there is a net profit of Rs.1.44 crores which is higher by 33 per cent (Rs.1.08 crores).

The company has spent Rs.4.64 crores on the continuous plant for the manufacture of thermal insulation foam based on phenolic resin which is under erection in the company's chemical division. This is expected to be commissioned this month.

The sales for the second six months of the year ended June 1988 were higher by 20 per cent at Rs.26.99 crores. At net level, the profit is Rs.96 lakhs up from Rs.43 lakhs.

The company produced 6,263 tonnes of laminate sheets which was 96 per cent of its installed capacity. The sale price has gone up from Rs.65.60 per kg to Rs.71.50 per kg in the year under review. The company introduced a few products such as refractory grades of phenol formaldehyde resins, fire retardant grades of unsaturated polyesters and FRA epoxy laminates for PCB applications.

Bakelite has signed an agreement with a Japanese company for transfer of technology for the manufacture of a complete range of decorative wall covering materials. The project will cost Rs.4 crores.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
GROSS SALES	67.03	58.71
OTHER INCOME	2.27	1.53
OPERATING PROFIT	7.31	6.74
INTEREST	3.22	3.13
GROSS PROFIT	4.09	3.61
DEPRECIATION	1.46	1.36
TAXATION	1.19	1.17
NET PROFIT	1.44	1.08
CASH PROFIT	2.90	2.44
EQUITY	4.50	4.50
RESERVES & SURPLUS	8.85	8.21
GROSS BLOCK	18.21	16.20
CAPITAL WORK IN PROGRESS	4.64	0.28
EPS (%)	32.00	24.00
DIVIDEND (%)	18.00	16.00
MARKET PRICE (Rs)		
CURRENT	51.10	
HIGH	51.10	
LOW	[illegible]	

S.I. Viscose

Good performance; VSF unit does well after seven years

The company fared exceedingly well during the year ended 31 March 1988. It has stepped up the dividend by 5 points to 25 per cent on enlarged capital; last November, bonus shares were issued in the ratio of 1:2.

		(Rs crores)
Year ended March	**1988**	**1987**
NET SALES	63.93	53.19
OTHER INCOME	0.96	0.43
OPERATING PROFIT	15.90	13.77
INTEREST	1.87	1.33
DEPRECIATION	2.12	2.28
TAXATION	3.75	4.30
NET PROFIT AFTER TAX	8.16	5.86
DIVIDEND (Rs)	2.76	1.47
EQUITY CAPITAL	11.02	7.35
CASH RESERVES	13.08	12.31
FIXED ASSETS	20.90	18.47
INVESTMENTS	0.16	0.02
NET CURRENT ASSETS	9.72	7.40
TOTAL CAPITAL EMPLOYED	30.78	25.89
EPS (%)	74.00	80.00
DIVIDEND (%)	25.00	20.00

Sales are up by 28 per cent to Rs.72.42 crores (previous year: Rs.56.76 crores). However, the operating profit failed to keep pace with the sales; it increased by 15 per cent to Rs.15.90 crores. The company has provided Rs.1.87 crores (Rs.1.33 crores) for interest charges, Rs.2.12 crores (Rs.2.28 crores) for depreciation and Rs.3.75 crores (Rs.4.30 crores) for taxation, leaving a net profit of Rs.8.16 crores (Rs.5.86 crores). After other adjustments the profit available for appropriation amounts to Rs.10.62 crores. Out of this the proposed dividend will take up Rs.2.76 crores.

The increase in the sales is mainly because of higher production and sales of viscose staple fibre (VSF). After a gap of seven years, this product has added substantially to the company's turnover. The production of VSF stood at 6,592 tonnes, earning Rs.18.19 crores. Though the cost of production of VSF has increased, its sales realisation has decreased. VSF accounts for 25 per cent of total sales today. There was a continued emphasis on cost reduction and productivity; production has increased in spite of a 40 per cent power cut because captive power capacity was augmented substantially during the year.

The company continued to produce rayon filament yarn at over 100 per cent capacity. It produced 4,491 tonnes whereas the installed capacity is 4,000 tpa. While the cost of production of rayon yarn has gone up so has the selling price.

The manufacture of polynosic staple fibre is still unremunerative; the company therefore plans to utilise this facility to manufacture coloured staple fibre in view of the higher demand for this product.

A major revamping of spinning machines at the rayon plant is being undertaken during the current year. Its capacity has already been raised from 9 tonnes per day to 14 over the last three years. Besides, the company is undertaking a project to manufacture 12,000 tonnes of lignosulfonates, using waste liquor obtained from wood pulp used in the existing viscose unit. This Rs.5-crore project has been set up in technical and financial collaboration with Dresser Industries, USA.

The company is carrying out feasibility studies for a number of new projects. Among them is a plan to set up a Rs.500 crore pulp and paper unit in collabor-

PLAYBOY
FASHIONSPORT

■ T.SHIRTS ■ SHIRTS ■ TROUSERS ■ JEANS ■ SHORTS ■ SHOES ■ LEATHER ACCESSORIES

THE RABBIT'S SHOW 91-NEW FRIENDS COLONY, **NEW DELHI** TEL: 6837678

THE RABBIT'S SHOW 6, HASTINGS PARK ROAD, ALIPORE, **CALCUTTA** TEL: 491761

THE RABBIT'S SHOW 129, USMAN ROAD, OPP. PANAGAL PARK, **MADRAS** TEL: 444040

THE RABBIT'S SHOW 943, TILAK ROAD, ABID'S, **HYDERABAD** TEL: 240252

THE RABBIT'S SHOW 12, SWAPNALOK, SAROJINI DEVI ROAD, **SECUNDERABAD**

THE RABBIT'S SHOW SHYAM GOKUL COMPLEX, DRIVE-IN ROAD, **AHMEDABAD** TEL: 461011

THE RABBIT'S SHOW SAHU BUILDING, HAZRATGANJ, **LUCKNOW** TEL: 43313

THE RABBIT'S SHOW SAMARTH SHOPPING, OPP. PARLE POINT, ATHWA LINES, **SURAT**

THE RABBIT'S SHOW BAJAJ NIWAS, 712, LINKING ROAD, KHAR, **BOMBAY** TEL: 6496011

MADE IN INDIA UNDER LICENCE FROM PLAYBOY ENTERPRISES INC. U.S.A. BY FASHIONSPORT (INDIA) PVT. LTD
104-B, SUKH SAGAR, HUGHES ROAD, BOMBAY 400 [illegible] TEL: [illegible]

Exclusive features, perfected for the first time in India by Camlin, put **Unique** writing instruments in international class.

The pen incorporates a unique Converter mechanism perfected by Camlin, and found only in famous international pens. The Converter unit can also be easily replaced by disposable, Continental-size ink cartridges. Unique capillary action ensures uniform ink flow without clogging.

The matching, elegant ballpen features an easy-to-use twist mechanism.

Qualities like these make Camlin's **Unique** truly exclusive writing instruments that speak of your thoughtfulness... reflect your personality.

Ask to see the full range of Camlin Pen & Ballpen Gift Sets to suit every taste, every pocket!

camlin

Unique — in so many ways!

CAMLIN LIMITED, STATIONERY DIVISION, BOMBAY 400 059.

tion with an Australian company; the project will receive assistance from international financial institutions.

The price of viscose filament yarn has been shooting up in the local market mainly due to a strike in a competitor's plant. This will add to the profitability of the company.

TRENDS

Klockner Windsor

The company's performance in the first half year ended June 1988 is more than encouraging. Sales are significantly higher at Rs.21.09 crores (Rs.13.35 crores). The company has earned Rs.0.67 crores (Rs.0.25 crores) as miscellaneous income.

Costs too have kept pace with the rising sales. The cost of raw materials at Rs.13.84 crores (Rs.8.54 crores) is high. The expenditure on wages is Rs.2.21 crores (Rs.1.53 crores) while selling and administrative expenditure is Rs.2.12 crores (Rs.1.35 crores). Even so, the company was able to earn higher operating profits of Rs.3.59 crores (Rs.2.18 crores).

The interest burden is higher at Rs.0.41 crores (Rs.0.26 crores). After making substantially higher provisions for depreciation — Rs.0.78 crores (Rs.0.69 crores), and taxation — Rs.1.08 crores (Rs.0.57 crores), the company has managed to earn a much higher profit of Rs.1.32 crores (Rs.0.66 crores).

(Rs. crores)

	Jan-June 1988	Jan-June 1987	Jan-Dec 1987
SALES	21.09	13.35	31.79
OTHER INCOME	0.67	0.25	1.01
TOTAL INCOME	21.76	13.60	32.80
RAW MATERIAL COST	13.84	8.54	20.06
SALARY & WAGES	2.21	1.53	3.75
OTHER EXPENSES	2.12	1.35	3.30
OPERATING PROFIT	3.59	2.18	5.69
INTEREST	0.41	0.26	0.75
GROSS PROFIT	3.18	1.92	4.94
DEPRECIATION	0.78	0.69	1.71
TAX	1.08	0.57	1.26
NET PROFIT	1.32	0.66	1.97
OP/SALES (%)	17.02	16.32	17.89
RM/SALES (%)	65.62	63.97	63.10

Though the cost of raw materials as a percentage of sales went up to 65.62 per cent (63.97 per cent), the company was able to earn better working margins of 17.02 per cent (16.32 per cent). Meanwhile, the order book position is also better.

The production of ferromatik small range machines with open loop controls which began this year is reflected in the profits. The company plans to start production of the Desma range of machines.

The company's new plant at Chhatral (near Ahmedabad) is expected to start production of open and closed loop micro-processor controlled injection moulding machines in the ferromatik range by the end of the year. It will add Rs.15 crores to Rs.20 crores to the annual sales figure, at full capacity. This year the company has extended its accounting period to March 1989.

The annual results are expected to be much better as the new items will add to sales significantly, thereby sustaining the growth.

The company will have to service a higher equity capital this year because of the 1:2 bonus issue declared last year.

Hindalco

The company has reported encouraging results in the first six months ended June 1988. Net sales have increased by 12 per cent to Rs.156.37 crores (previous year: Rs.139.07 crores). However, the operating profits have leaped forward by 36 per cent to Rs.22.82 crores (Rs.16.76 crores). This is mainly due to the reduction in the cost of raw material and other direct and indirect expenses as a percentage of sales. Raw materials costs as a percentage of sales have decreased to 35.02 per cent (37.46 per cent). The operating margins have therefore increased to 14.44 per cent (12.05 per cent). The company has provided Rs.5.44 crores (Rs.5.67 crores) for interest and other financial charges, a significantly lower provision for depreciation of Rs.4.73 crores (Rs.Rs.8.08 crores) and a higher tax provision of Rs.4 crores (Rs.1.41 crores). The net profit of the company has jumped up to Rs.8.44 crores (Rs.1.40 crores).

However in the first six months, Hindalco had to face some reverses. Production at its rolled and extrusion plants at Renukoot stopped completely due to power failure caused by a fire which partially damaged the electric control system. This could have badly affected the company's commitments to its clients, but it managed to strike a deal with Indal to take up conversion jobs to manufacture rolled aluminium products.

(Rs crores)

	Latest 6 months June 88	Corresponding 6 months June 87	Full year ending Dec 87
SALES (net)	15,637	13,907	29,321
OTHER INCOME	167	131	308
TOTAL INCOME	15,804	14,038	29,629
RAW MATERIALS COST	5,534	5,209	11,081
SALARY & WAGES	963	841	1,744
OTHER EXPENSES	7,025	6,312	12,300
OPERATING PROFIT	2,282	1,676	4,504
INTEREST	544	567	1,128
GROSS PROFIT	1,738	1,109	3,376
DEPRECIATION	473	808	953
*PROV. FOR PREM. ON DEBRED	21*	20*	41*
TAX	400	141	380
NET PROFIT	844	140	1,401
OP/SALES (%)	14.44	12.05	15.36
RM/SALES (%)	35.02	37.46	37.79

** adjustments*

The company hopes that the technical support of its erstwhile partner, Kaiser Aluminium of Canada will continue even after disinvestment. The company is going to issue bonus shares soon after the rights allotment.

Samtel

Sales of the company have galloped to Rs.29.80 crores (previous year: Rs.17.85 crores) which is a 67 per cent jump. Profits have outpaced even the sales growth. Operating profits have jumped to Rs.4.47 crores (Rs.2.61 crores). There is a noticeable fall in the interest burden to Rs.79 lakhs (Rs.93 lakhs). After providing Rs.52 lakhs (same) for depreciation and a tax provision of Rs.60 lakhs (nil) the company has more than doubled its net profits to Rs.2.52 crores (Rs.1.16 crores).

All this is mainly due to increased sales, as margins have not shown any significant improvement at 14.72 per cent (14.62 per cent) of sales. Also, raw material costs per unit are higher at 72.82 per cent (70.98 per cent) of sales realisation.

			(Rs crores)
	Latest 6 months June 88	Corresponding 6 months June 87	Full year ending Dec 87
SALES (Net)	2,980	1,785	4,271
OTHER INCOME	57	6	14
TOTAL INCOME*	3,037	1,791	4,285
RAW MATERIALS COST	2,170	1,267	3,068
SALARY & WAGES	45	31	68
OTHER EXPENSES	375	232	524
OPERATING PROFIT	447	261	625
INTEREST	79	93	185
GROSS PROFIT	368	168	440
DEPRECIATION	56	52	112
TAX	60		64
NET PROFIT	252	116	264
OP/SALES (%)	14.72	14.62	14.63
RM/SALES (%)	72.82	70.98	71.83
** major reduction in interest burden*			

The company is going ahead firmly with its export drive.

The company's new venture Samtel Colour Ltd is doing well and its products have been well received in the market. It manufactures 21" FST and 14" colour picture tubes.

The company is in the process of establishing another company Samcor Ltd to manufacture glass shells for television sets in collaboration with Corning Glass of US. Meanwhile, this year, the company will be servicing a higher equity capital, due to the bonus issued last year in the ratio of 1:3.

RESULTS ANNOUNCED

Titan Watches

Titan Watches Ltd has reported a total income of Rs.19.12 crores for the year ended 30 June 1988, its first full year of operation, compared with Rs.2.88 crores during the previous year, comprising four months of operations.

Profit before depreciation and interest for the year was Rs.2.51 crores (1986-87: Rs.18.25 lakhs). Interest for the year was Rs.1.36 crores (Rs.8.01 lakhs), resulting in a cash profit of Rs.1.15 crores (Rs.10.24 lakhs). After providing depreciation of Rs.84.80 lakhs (Rs.15.28 lakhs), the profit for the year amounts to Rs.30.11 lakhs as against a loss of Rs.5.04 lakhs After adjusting the brought-forward loss and a tax provision of Rs.4 lakhs, the profit carried forward amounts to Rs.21.07 lakhs. In view of the limited profits for the first full year of operations, the directors have not recommended any dividend.

Sales during 1988-89 are expected to be substantially higher than in the previous year. Sales in the first three months of the year were twice those achieved in the corresponding period of the previous year.

Indrol

Indrol Lubricants and Specialities Ltd has reported improved results for the year ended 30 June 1988. Sales and profit after taxes exceed the previous year's results by 25.8 and 53.7 per cent, respectively. The directors have recommended an equity dividend of Rs.2.60 per share of Rs.10 each (26 per cent) for the year on 5.08 million equity shares, up from the dividend of Rs.2 per share for the year 1986-87.

The company's sales and other income have risen from Rs.91.88 crores in 1986-87 to Rs.115.35 crores. The gross profit after providing for interest but before depreciation, has also increased from Rs.73.72 crores to Rs.88.36 crores.

After providing Rs.11.91 crores (Rs.18.79 crores) for depreciation and Rs.32 crores (Rs.26 crores) for taxation, there is a disposable surplus of Rs.4.44 crores (Rs.2.8 crores).

The proposed dividend will absorb Rs.13.22 crores (Rs.10.17 crores) and the balance sum of Rs.30.22 crores (Rs.17.75 crores) has been transferred to several reserves.

Steel Tubes of India

After disappointing results in 1986-87, Steel Tubes of India Ltd has come back registering an impressive growth. Sales accounted for Rs.48.72 crores (Rs.35.65 crores), registering a growth of 37 per cent. Production of tubes was 26,822 tonnes (24,682 tonnes) and strips 16,842 tonnes (6,962 tonnes). The gross profit for the year was Rs.5.98 crores (Rs.3.58 crores). After providing for higher interest at Rs.3.31 crores (Rs.2.84 crores) and depreciation at Rs.1.44 crores (Rs.1.20 crores), the profit before taxation was at Rs.1.22 crores. After adjusting the brought-forward loss of Rs.37.79 lakhs and providing for taxation liability of Rs.14.96 lakhs, the net profit works out to Rs.69.86 lakhs. The proposed dividend at 10 per cent on equity capital of Rs.3.7 crores will absorb Rs.36.90 lakhs.

IN BRIEF

Lloyds Steel Industries Ltd has shown improved results for the six-month period ended 30 September 1988. Sales increased to Rs.13.50 crores compared to last year's Rs.11.22 crores. Net profit was Rs.1.15 crores (Rs.52.59 lakhs) and gross profit was Rs.1.70 crores (Rs.1 crore). The company has orders on hand worth Rs.44.25 crores.

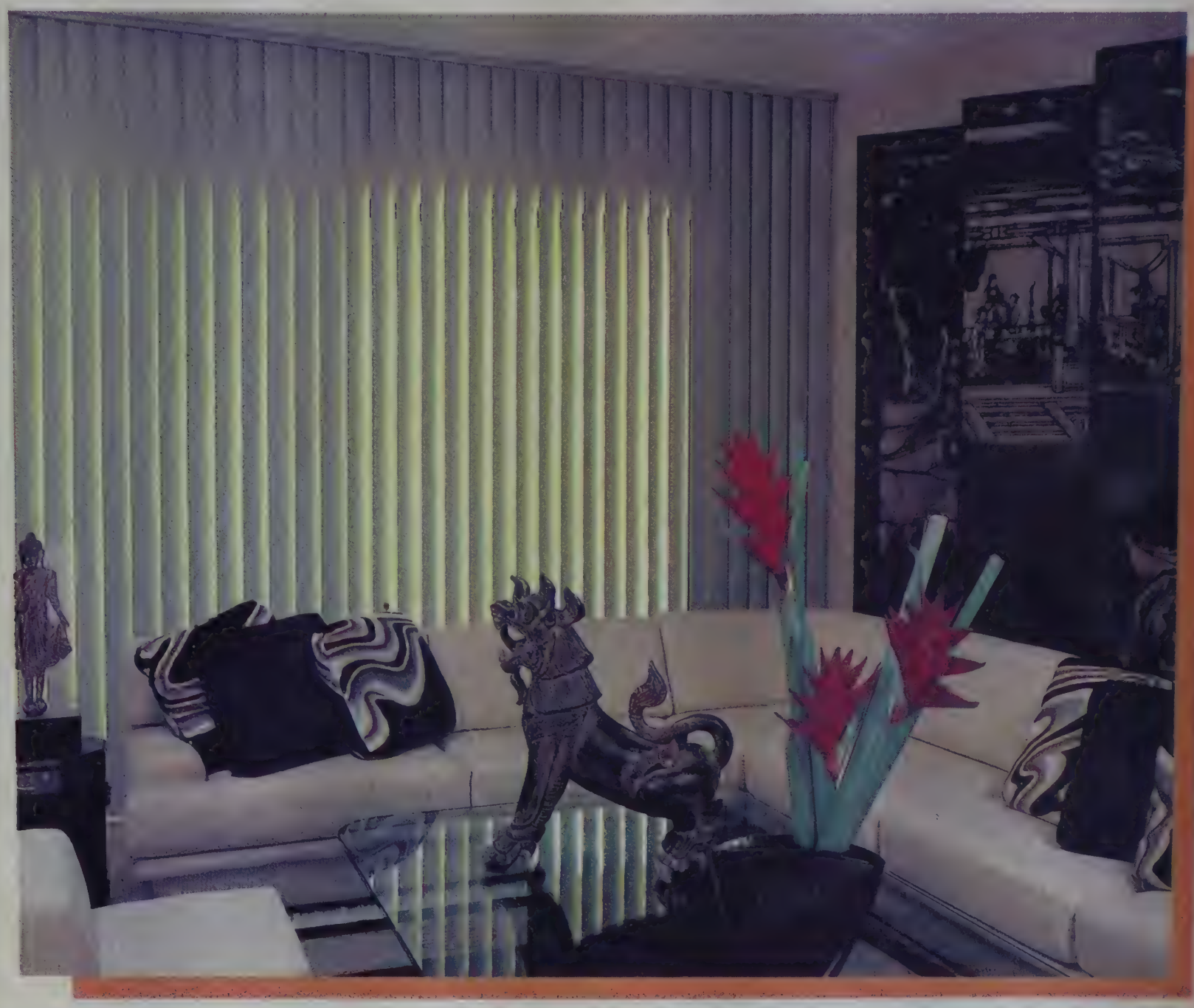
J.B. Chemicals and Pharmaceuticals Ltd's board of directors has recommended a dividend of 20 per cent for the year ended 30 June 1988. Sales went up from Rs.26.15 crores to Rs.31.78 crores. Gross profit was Rs.3.40 crores (Rs.2.81 crores) while net profit increased to Rs.1.30 crores (Rs.61.15 lakhs). Exports increased to Rs.3.93 crores from Rs.98.2 lakhs.

Standard Organics Ltd has registered an increase in sales, profits and exports for the year ended June 1988 and the board of directors has recommended a dividend of 22 per cent. Gross profits rose to Rs.2.81 crores from Rs.2.21 crores and net profits were Rs.87.78 lakhs. Exports increased to Rs.6.69 crores (Rs.2.64 crores) and the company has drawn up plans for growth.

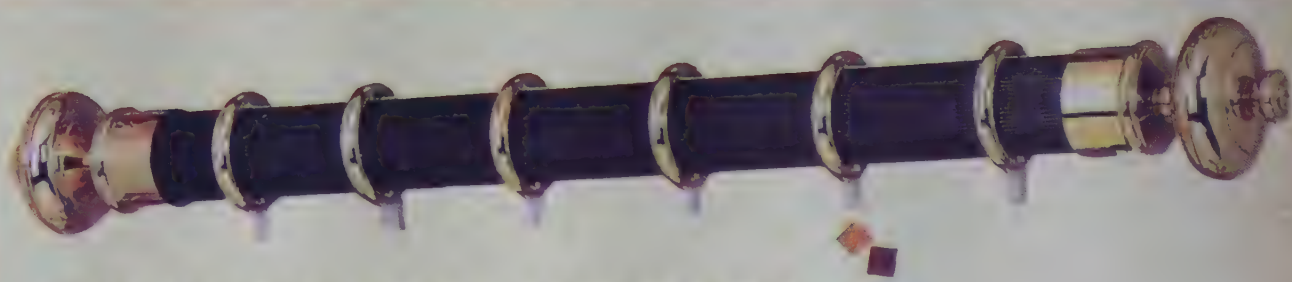
Shri Ishar Alloy Steels Ltd has declared a dividend of 17 per cent. Gross profits earned were Rs.3.49 crores and net profits were Rs.1.90 crores. Turnover for the first five months of the current year was 17 per cent higher than the corresponding period last year.

Spartek Ceramics India Ltd has reported good working results for the half year ended 30 June 1988. The net sales was Rs.6.34 crores (corresponding period in the previous year: Rs.5.37 crores). Gross profit went up to Rs.2.45 crores (Rs.1.97 crores). The net profit is also higher at Rs.1.42 crores (Rs.1.14 crores). Spartek has also successfully implemented its expansion programme at a cost of Rs.7 crores, doubling the capacity to 26,000 tonnes. The company is also planning to launch a new company for setting up a 100 per cent export oriented unit for the manufacture of ceramic tiles for industrial application.

FASCINATING



Introducing



WINDOW COVERINGS BY VISTA

Now, a beautiful new direction
in window fashion-from Vista.
Vista Vertical Blinds and
Vista Drapery Rods.
Perfectly adjustable to any window and door size.
And, as always, smooth, reliable Vista operation.
Various combinations.
Easy installations.Reduced maintenance costs.
Plus a touch of Vista quality.

Vista
WINDOW COVERINGS

Solid Vinyl Vertical Blinds,
for the first time,only by Vista.

New Ideas in Window Fashion

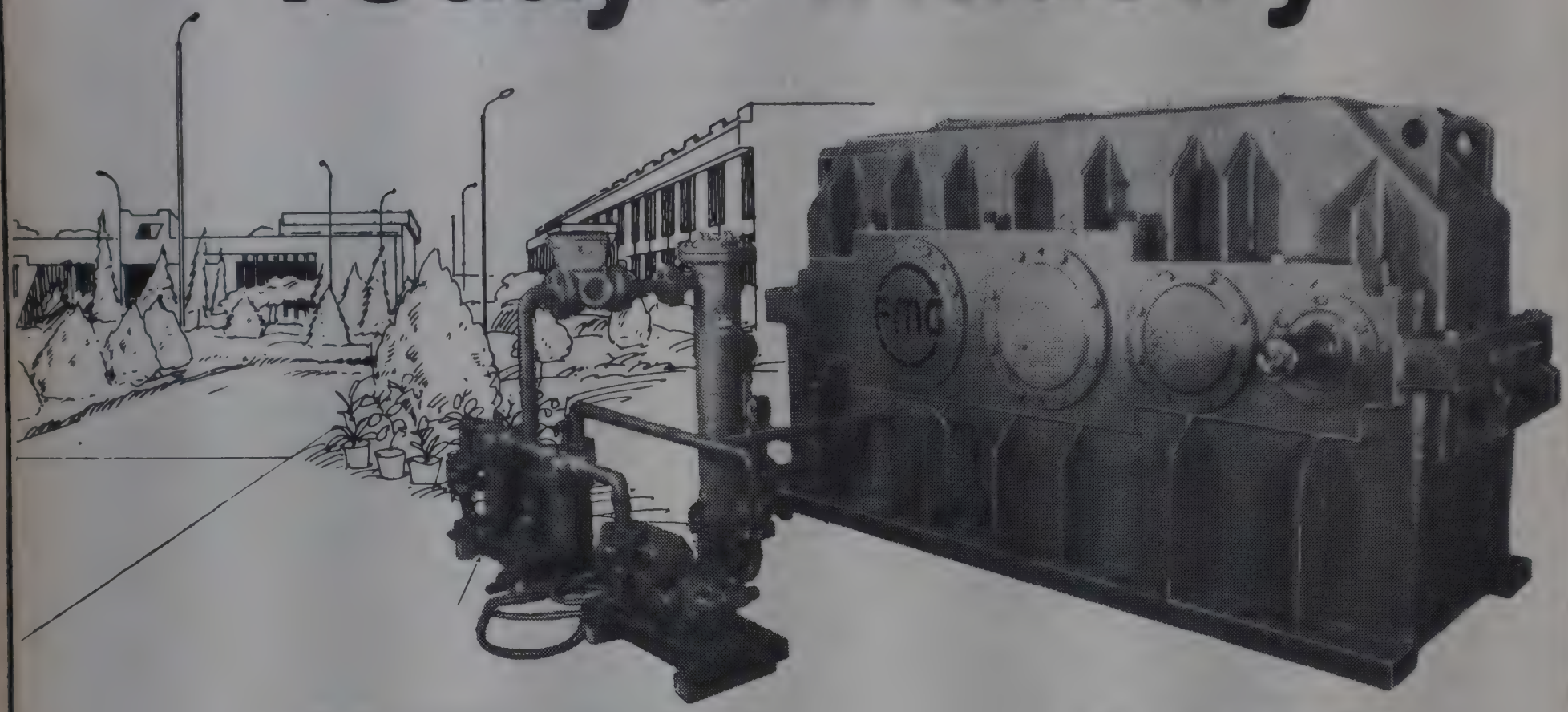
A product by Alps Textiles Pvt. Ltd.

ALPS TEXTILES PVT. LTD. Showroom: B/4, D-3, Shopping-Cum-Facility Centre, DDA Alaknanda, New Delhi- 110 019 Ph 6412576, 6413216, Fax No. 5715332. Telex: 0592-217. **Ahmedabad:** PRIYADARSHINI Ph. 401454 **Allahabad:** SUN BEAT INTERNATIONAL Ph 4800 **Bombay:** MODELLE COLLECTIONS Ph 2043652, 2040277. **Bangalore:** GIRDHAR BALDEV & CO. Ph 567343, 579609 **Bhopal:** AIRCON CONSULTANTS Ph 61098 65477 **Cochin:** SKYLINE SYSTEMS Ph 369822, 369822 **Coimbatore:** ELECTRO DIESEL PVT. LTD. Ph 22595, 31804. **Chandigarh:** COMFITS INDIA Ph 43303 **Indore:** HOME DECOR Ph 35933 **Jaipur:** INTERIORS INDIA Ph 49646, 45011 **Jamshedpur:** FOURBRO ENTERPRISES. Ph: 0657-25155 **Kanpur:** SHREE RADHEY AGENCIES Ph 64062 **Lucknow:** TRIVENI HOUSE Ph 42297 **Madras:** ARVEE & CO. Ph 475837, 453125, REKHA FABRICATORS. Ph: 428199. **Nagpur:** FORTUNE TRADING CO. Ph. 46913. **Secunderabad:** HOME DECOR Ph 77133, 820443

DEALERS ENQUIRIES SOLICITED

Art Beat AT 153 88

Gearing-up Today's Industry



Flender Macneill have been gearing-up thermal power stations, steel re-rolling mills, material handling and industries such as sugar, cement, rubber, paper, etc., since 1963

Manufactured under German supervision and in collaboration with A FRIEDR FLENDER AG BOCHOLT, WEST GERMANY-World leaders in power transmission equipments, FLENDER MACNEILL GEARS are custombuilt as well as available in the standard range

A leading brand of Helical and Bevel-Helical Gear-boxes, the Flender Macneill product range also include Couplings—for specific industrial needs

FLENDER

FLENDER MACNEILL GEARS LIMITED

(A Member of Macneill & Magor Group)

34 Diamond Harbour Road CALCUTTA 700 027
Telephone 45 8551/49 2047/ 45 7867
Telex 21-8062 MACM IN

REGIONAL OFFICES

CALCUTTA Post Box No. 61, 2 Fairlie Place. Calcutta 700 001
Telephone 20 7275, 20 4301 (6 lines) Cable TASCONIUM
Telex 021 7365 & 021 2504

BOMBAY Post Box No. 565, Mackinnon Mackenzie Building, Shoorji Vallabhdas Marg, Bombay 400 038
Telephone 26 9511 (10 lines) Cable TASCONIUM
Telex 011 75937. 011 73540

MADRAS Post Box No. 2416, 768 Anna Salai, Madras 600 002
Telephone 86 2869, 86 0176/0166 Cable TASCONIUM
Telex 041 298

NEW DELHI 28 Kasturba Gandhi Marg
New Delhi 110 001 Telephone 332 4535. 331 3511. 331 2357
Cable TASCONIUM Telex 031-66639/66657

Griffin

Widespread rise in stock prices

(For the period 10 October to 22 October 1988)

Stockmarkets continued to rise strongly through the fortnight under review. *The Economic Times* All-India Index of share prices recorded a gain of 5.6 per cent, rising from 334.9 to 353.7, although with a marginal dip to 332.3 midway through the fortnight on expectations of higher badla rates and on expectations of the announcement of the *pari passu* rule. Both expectations proved correct, but stock prices rebounded quickly thereafter. However, the BSE Index, weighed down by falling Reliance and weak Tata Locomotive shares, gained 1.6 per cent.

Transfer of Mastershares. The market was aided by the transfer of Mastershares to the forward list of the Bombay Stock Exchange, thus giving speculators a chance to trade in an "unaided" share that broadly reflects the market without the uncertainties of institutional support (since UTI is not permitted to trade in Mastershares). The gap between the net asset value (NAV) and the market price of Mastershares was as high as 40 per cent in September, when its market price was Rs.10.50 and NAV was Rs.14.76. That gap has now been closed with the market price of Mastershares crossing the most recently announced NAV of Rs.18 to close at Rs.18.50.

The announcement of the *pari passu* rule had earlier been specified for February but was deferred because of legal complications and, possibly, suspicions of its adverse effects on the depressed market of that time. Its activation from settlements after 12 October was better timed: some share prices which were directly affected because of unconverted rights shares fell off, but the decline was largely temporary, while the market was generally unaffected. The affected shares included Reliance which fell from Rs.198 to Rs.168, but recovered to Rs.186 at the close of the fortnight. Similarly, Escorts fell from Rs.66 to Rs.61 before recovering to close at Rs.68, while Ceat Tyres was a more permanent loser falling from Rs.130 to Rs.115.

The other temporary depressant was the prospect of higher badla rates, which averaged over 50 per cent per annum. The market, however, shrugged off this spectre as well. In fact, trading opened on the ex-badla day at rates that were almost exactly the sum of the previous closing price plus the badla charges. This happened even for shares like Century Enka in which the badla charge (which included a twenty rupee dividend) was as high as Rs.200 or almost 10 per cent for three weeks. Thus, Century Enka opened (ex-badla) at Rs.2,350 after closing the previous trading day at Rs.2,170. Similarly, SKF Bearings which had attracted badla charges of Rs.50, opened ex-badla at Rs.1,980 against the previous closing of Rs.1,930.

Useful signal. Such sharp jumps indicate a strong willingness to buy; a high badla rate should, therefore, be expected again in the coming settlement. This should not alarm anyone. Notwithstanding the allegations of manipulated badla rates that have been appearing in the financial press recently, it should be realised that a high badla rate is an effect of a rising market and not an externally imposed event. In this sense, the badla charge is the price of money which is determined by the market's need for funds. It, therefore, acts as a useful signal of the market's view of future prices. Badla rates are high because most traders believe that the market is set to rise sharply in excess of the badla rates and so are willing to pay the high rates. History supports this view, with badla rates averaging below 18 per cent in the bear phases of 1986 and 1987, but being over 25 per cent in 1985 and during the current upward movement of market prices. Nevertheless, badla rates are unlikely to rise to over 50 per cent in the coming settlement even if prices continue to rush upwards. This is because the high rates of the previous settlement caught money suppliers unawares to an extent. The flow of funds is likely to increase in the future which should keep badla rates lower, but still at an attractive level of over 30 per cent per annum. In fact, in unofficial badla trades after the official session, the flow of funds increased sufficiently to bring badla rates down significantly.

Notwithstanding the allegations of manipulated badla rates that have been appearing in the financial press recently, it should be realised that a high badla rate is an effect of a rising market and not an externally imposed event

Telco disappoints. Although most shares rose with the market, Larsen & Toubro, Reliance and Telco declined over the fortnight. L&T weakened after the formal announcement of the Ambani involvement, as speculators took profits, causing the share to fall from Rs.145 to Rs.128 before closing at Rs.136. Telco fell on expectations of poorer six monthly results than expected. Although announced six-monthly profits were almost double those of the previous year, the market, which is expecting a profit after tax of over rupees sixty crores from Telco this year, was disappointed with a six-monthly profit of rupees six crores. As a result, the share was marked down to Rs.700 upon announcement before recovering to close the fortnight at Rs.740, still below the fortnight's opening of Rs.752.50. Given that the results of the first six months of the financial year are no guide to Telco's performance in the upcoming six months when demand for trucks will peak, the market's expectations may yet be satisfied. Other automotive shares were strong, however, with Bajaj Auto in particular rising strongly from Rs.339.75 to Rs.400. With automotive companies expected to announce record results, the bearings industry is likely to be a big gainer. SKF Bearings continued its upward spiral to Rs.2,190, up from Rs.1,940, while Bimetal Bearings rose from Rs.80 to Rs.102.50 and Antifriction Bearings rose from Rs.26.50 to Rs.35.

Paint company shares were also in strong demand, with Asian Paints rising to Rs.227.50 from Rs.193.75, Berger Paints to Rs.135 from Rs.112.50 and Goodlass Nerolac to Rs.75 from Rs.67.50. Cement company shares were also strong on news of a further rise in cement prices by Rs.2.50 per 50 kg bag and the formation of a cement cartel. ACC rose to Rs.308 from Rs.260 and Gujarat Ambuja Cements from Rs.20 to Rs.26.50. Pharmaceuticals were in strong demand as the increased cash flow from the new drug price control order becomes more apparent. Glindia rose from Rs.72 to Rs.84, Pfizer from Rs.78 to Rs.88 and Boehringer Knoll from Rs.140 to Rs.185.

Good performance. Corporate results continued to be strong, with good performances by Rathi Alloys, Indrol and Procter and Gamble. The next most awaited corporate announcement is of Tata Steel's half-yearly results. Its market price rose to Rs.987.50 from Rs.960 over

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable * Maintenance - free * 100% Leakproof and Rustproof * Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes. * Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: **The Bharat Vijay Mills Ltd.,**
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Bidhan-SPC-131-A

Sintex - World's No.1 Plastic Water Tanks

• Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras

the fortnight in anticipation of good news. Although its expansion of capacity by a million tonnes of steel has reportedly been cleared by the government, there is some uncertainty about the exact effect of escalating labour costs on its current profitability. Siemens was also actively traded in anticipation of an Ambani involvement, rising to Rs.120 from Rs.88, before closing at Rs.110. With turnover crossing Rs.100 crores a day towards the end of the fortnight, and with the possibility of future takeovers or alliances by the Ambanis and other active participants to add to the effect of the expected inflow of continued good corporate news, the market could keep bubbling for a while.

■ RAFIQ DOSSANI

SBI NRI BONDS

A new savings instrument

For non-resident Indians, with long-term disposable surpluses who want to park their funds in India, the State Bank of India (SBI) is issuing NRI bonds, 1988. The issue opened on 14 October, and will close on 15 December.

By their very nature the bonds will compete with the Foreign Currency Non-Resident (FCNR) deposit scheme that the Reserve Bank of India (RBI) introduced a few years ago. (In recent months, deposits under the scheme swelled to an estimated Rs.7000 crores. Most of the money is by way of remittances by Indians working abroad.)

Under the 3-year FCNR scheme, the deposits currently earn interest at 10.5 per cent while being repatriable. Thus they have instant liquidity. The NRI bonds carry a one per cent higher interest, which makes for a current yield of 11.5 per cent. The interest would be compounded half-yearly in US dollars and would be payable along with the principal on maturity after seven years *in Indian rupees*. The catch is that the bonds are encashable after an initial lock-in period of three years from the date of allotment, "on agreed terms and conditions". (These have not been disclosed.)

Possible deterrent. You don't have to be a genius to know that any lock-in period is anathema to investors anywhere in the world. The first concern of any small to medium-sized investor would be "Will I be able to get my money out when I need to?"

Safety of investment in the case of the SBI NRI bonds is assured. But the seven year maturity could be perceived as a deterrent. It is felt that affluent NRI investors would perhaps not think too hard before adding the bonds to their portfolio. It remains to be seen how many of them would really be interested. Confesses D. Basu managing director SBI Capital Markets Ltd, the managers to the issue, "This is the first attempt of its kind. We are testing the waters. I don't know what the response is going to be like, so I would not like to hazard a guess."

What this means is that the SBI NRI bonds which the chairman of SBI D.N Ghosh describes as "another instrument of savings" will have to try really hard to find takers. Comments a stockbroker, "It will be important to concentrate on a particular segment of Indians working abroad who are today decided on returning to India in the near future." And who else but Indian banks with branches in West Asian countries are better equipped to identify and market to this lot of NRIs?

> Any lock-in period is anathema to investors. The first concern of any small to medium-sized investor would be "Will I be able to get my money out when I need to?"

But there is another point of view. As a financial analyst expresses it, "This could serve as a wonderful vehicle for laundering of funds as the bonds can be transferred to any other NRI by endorsement, delivery and registration with the issuing office without any permission or clearance from any authority."

What makes these bonds more attractive (in this regard) is that they will remain in US dollars till maturity even if the NRI becomes a resident in India. The analyst is confident these features will make it attractive for Indians here to bring back their money parked overseas.

Does SBI and SBI Cap share this view? None of the SBI officials were willing to comment.

If the NRI bonds do become a fast moving item, you won't have to look far to know how a market niche was carved out.

■ BASUDEV DASS

Features of the NRI bonds

Denominations	Maturity	Yield	Transfer
US $ 500, 1000, 5000, 10,000	7 years	1% above 3 yr FCNR US $ deposits	By endorsement

PARI-PASSU CLAUSE

The great leveller

With the introduction of the pari-passu clause on the Bombay Stock Exchange earlier this month, company managements can no longer play around with share prices to attract more investors. The decision to introduce the clause followed the Bansal Committee's recommendation earlier in the year.

The working group under G.L. Bansal had conmented on the disproportionate difference in prices of existing shares and new shares arising out of fresh issues of equity and convertible debentures. The group said that the unjustifiable difference in prices, largely attributable to manipulative operations, deprives investors of a fair price. The group recommended that this could be prevented by having only one quotation for both old and new shares, as soon as the new shares were listed, instead of two quotations. More importantly, it recommended that the new shares should be permitted to be delivered against old share quotations, after adjusting for dividend amount if any for the previous year.

Comments Mahendra Kampani, former president of the Bombay Stock Exchange, "For brokers this would increase the work load tremendously — at least initially. Everytime there is a delivery of share certificates we will have to verify whether it is eligible for dividend or not." Today this is not evident from the share certificates in every case. "The logical step would be to insist on different colours for old and new share certificates," he says. The implementation of the pari passu clause has started to level off differences in share prices in several scrips which include, Reliance, Bombay Silk Mills, Great Eastern, TISCO, etc.

STOCKMARKETS

Company Face value	Year Ended	Equity Rs Cr	Re- serves Rs Cr	Book value Rs	Price 21.10.88	1988 High	EPS in Rs Low	 Year	PE Half-yr	 Times	Divi- dend %	Yield %	Bonus Year	 Ratio
A.P SCOOTERS,10	07/87	9.94	-13.25	-3.61	4.50	6.24	2.00	-4.81						
ACC,100	07/87	40.85	106.60	360.95	398.00	309.00	120.50	0.83	-0.59	371.08	10.00	3.25	86	1:5
AHM CALICO,125	06/87	13.58	16.43	276.46	38.00	41.00	25.00	134.66		0.28	0.18	0.59	77	1:7
AHM ELECTRIC,100	03/80	18.30	65.26	456.61	142.50	150.00	120.00	35.46		4.02	16.00	11.23	87	1:5
ALFA LAVAL,10	12/87	5.21	15.07	38.93	80.00	85.00	46.00	5.83	1.42	13.72	18.00	2.25	86	1:2
ALLWYN NISSAN,10	06/87	16.54	0.15	10.09	10.50	12.50	3.76	-2.20	-1.27					
AMAL RASAYAN,10	03/88	1.46	2.81	28.99	122.50	130.00	42.00	12.16	10.80	10.07	10.00	0.82		
AMB SARABHAI,10	03/88	22.20	-1.72	8.37	12.75	16.00	10.00	0.85		15.00			82	1:5
AMFORGE,10	03/88	5.33	8.92	26.99	48.00	60.00	23.00	3.75	4.29	12.80	22.00	4.58		
ANDHRA CEMENT,10	03/87	9.51	11.54	22.13	16.25	16.25	7.75	0.72	-3.99	22.57	10.00	6.15	87	1:2
ANDHRA VALLEY,100	03/88	10.51	38.33	464.70	230.00	230.00	142.50	110.94	121.79	2.07	16.00	6.96	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	19.25	24.00	15.50	2.17		8.87	10.00	5.19	87	2:5
ANNAPURNA FOILS,10	03/88	9.05	0.00	10.00	11.00	12.25	6.00							
APOLLO HOSP,10	06/87	5.44	0.14	10.26	15.00	17.00	8.50	1.47	3.16	10.20	10.00	6.67		
APOLLO TYRES,10	10/87	7.75	1.34	11.73	54.00	56.00	22.75	17.22	7.29	3.14				
APPLE LEASING,10	09/87	3.56	0.81	12.28	17.00	20.00	11.50	2.03	3.93	8.37	23.00	13.53		
ASEA,10	12/87	3.00	7.33	34.43	60.00	70.00	38.00	3.80		15.79	18.00	3.00		
ASHOK LEYLAND,10	12/87	21.39	72.03	43.67	64.50	66.00	29.00	3.80	1.70	17.92	18.00	2.79	76	1:2
ASIAN CABLES,10	12/86	3.03	5.00	26.50	52.50	52.50	30.00	4.32	7.70	12.15	17.00	3.24	81	1:3
ASIAN HOTELS,10	09/87	-13.64	1.30	10.95	44.00	44.00	26.00	1.79	2.80	24.58	10.00	2.27		
ASIAN PAINTS,10	12/87	12.45	32.81	36.35	227.50	232.50	128.75	10.07	3.67	22.59	30.00	1.32	87	1:2
ASSAM CO,10	06/87	7.00	18.20	36.00	107.50	112.50	90.00	6.43	-5.49	16.72	40.00	3.72	85	1:1
ASSAM FRONTIER,10	06/88	3.00	8.90	39.67	115.00	120.00	91.00	12.00		9.58	50.00	4.35		
ASTRA IDL,10	06/88	2.50	2.17	18.68	41.00	45.00	27.00	2.24		18.30	10.00	2.44		
ATLAS COPCO,10	12/87	7.26	7.96	20.96	63.00	66.00	33.50	1.65	0.17	38.18	16.00	2.54	87	1:2
ATLAS CYCLE,10	06/87	1.15	4.73	51.13	75.00	82.50	36.00	5.00	4.60	15.00	20.00	2.67	87	1:2
AVERY INDIA,10	12/87	4.20	9.34	32.24	131.00	134.00	93.00	8.57		15.29	35.00	2.67	84	2:5
BAJAJ AUTO,10	06/88	18.81	195.82	114.10	400.00	410.00	182.50	15.55		25.72	40.00	1.00	87	1:1
BAJAJ PLASTIC,10	12/87	1.50	4.94	42.93	26.00	36.00	17.00	1.20	-3.86	21.67			86	1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.79	100.00	100.00	65.50	3.15	2.53	31.75	12.50	1.25	86	1:1
BAKELITE HYLAM,10	06/88	4.50	18.48	51.07	30.00	31.00	15.00	3.20		9.38	18.00	6.00	80	2:3
BALLARPUR,10	06/87	13.98	266.25	200.45	58.00	61.00	34.00	3.52	2.02	16.48	22.00	3.79	75	1:5
BARODA RAYON,100	06/88	12.14	20.14	265.90	322.50	345.00	140.00	35.50	-0.66	9.08	15.00	4.65	82	1:2
BASF,10	12/87	2.84	11.14	49.23	112.50	112.50	63.33	7.01	4.61	16.05	20.00	1.78	88	1:2
BATA INDIA,10	12/87	10.50	17.18	26.36	81.00	81.00	52.25	3.70		21.89	15.00	1.85	87	1:1
BATLIBOI,10	09/87	2.79	3.90	23.96	15.50	18.00	10.50	-0.50	0.04		10.00	6.45		
BAYER INDIA,100	12/87	16.22	11.19	168.99	580.00	640.00	285.00	27.25	25.46	21.28	16.00	2.76		
BEST & CROM,10	03/88	4.73	18.85	49.85	54.00	79.00	30.00	1.65		32.73	9.60	1.78	82	3:5
BHADRA PAPER,10	09/87	10.57	17.51	26.57	39.00	41.50	22.50	4.16		9.38	20.00	5.13		
BHARAT FORGE,10	09/87	5.27	24.50	56.49	192.50	192.50	103.00	10.21	7.84	18.85	25.00	1.30	81	1:1
BHARAT GEARS,10	07/87	4.03	6.98	27.32	13.50	18.00	10.00	2.08	-2.48	6.49	12.50	9.26		
BIHAR ALLOY,10	12/87	8.20	-11.24	-3.71	28.00	28.00	12.75	1.45		19.31				
BIMETAL,10	06/87	1.91	7.73	50.47	102.50	102.50	50.00	7.80	7.83	13.14	21.00	2.05	81	1:2
BINDAL AGRO,10	12/87	3.79	2.85	17.52	95.00	120.00	52.00	11.35		8.37	50.00	5.26		
BIRLA JUTE,10	03/88	20.37	83.19	50.84	48.00	49.00	32.00	0.11		436.36	14.00	2.92	86	1:1
BIRLA YAMAHA,10	06/87	8.00	0.17	10.21	10.50	16.00	8.25	0.21	-1.82	50.00				
BLOW PLAST,10	07/87	2.00	3.61	28.05	53.75	62.50	29.00	15.40	-1.85	3.49	30.00	5.58	87	1:1
BLUE STAR,10	06/88	3.55	9.53	36.85	60.00	65.00	37.00	8.06		7.44	18.00	3.00	86	3:5
BOM BURMAH,100	09/87	5.52	14.56	363.77	420.00	510.00	330.00	36.59	21.74	11.48	20.00	4.76	78	1:4
BOM DYEING,10	03/88	11.24	55.99	59.81	142.00	159.50	94.00	17.22		8.25	30.00	2.11	79	1:1
BOM SUBURBAN,100	03/88	5.85	71.00	1313.68	230.00	240.00	150.00	104.79		2.19	20.00	8.70	81	1:3
BOOTS,10	03/88	8.10	8.76	18.35	125.00	145.00	64.00	4.95		25.25	18.00	1.44	87	1:1
BOROSIL GLASS,10	12/87	2.25	6.83	40.36	72.50	96.00	50.00	5.29		13.71	20.00	2.76	82	1:2
BRITANNIA,10	11/87	12.38	20.98	26.95	117.50	125.00	75.00	6.37	2.57	18.45	24.00	2.04	87	2:5
BROOKE BOND,10	06/87	24.73	22.90	19.26	120.00	125.00	74.50	5.83	5.43	20.58	30.00	2.50	86	3:5
BURROUGHS,10	09/87	3.00	11.76	49.20	222.50	235.00	115.00	3.93	4.17	56.62	15.00	0.67		
C.E.S.C.,10	03/87	16.94	62.17	46.70	14.70	18.50	12.50	5.59		2.63	16.00	10.88		
C.P.TOOLS,100	12/87	4.57	9.43	306.35	530.00	790.00	405.00	57.02	7.88	9.29	18.00	3.40	77	1:3
CABLE CORP,10	12/87	9.00	10.99	22.21	66.00	70.00	26.00	5.19	3.17	12.72	18.00	2.73		
CARRIER AIRCON,10	03/88	6.25	0.00	10.00	30.00	34.00	10.50							
CEAT TYRES,10	06/87	9.32	65.94	80.75	115.00	140.00	52.50	13.20	7.73	8.71	25.00	2.17	86	1:2
CEMINDIA,10	09/87	1.26	7.27	66.89	112.50	130.00	82.50	10.16	7.48	11.07	27.00	2.40	84	3:5
CENTURY ENKA,100	12/87	16.61	65.10	688.46	2365.00	2400.00	1080.00	84.03	100.71	28.14	38.00	1.61	88	2:5
CENTURY SPIN,100	12/87	26.62	203.09	862.92	1375.00	1400.00	617.50	59.91	23.78	22.95	24.00	1.75	86	2:3
CHAMPAGNE,10	12/87	2.50	-1.46	4.16	15.50	30.00	12.00	-3.24						
CHLORIDE,10	06/87	20.65	13.55	16.58	75.00	79.00	60.00	4.46	5.20	16.82	31.00	4.13	86	3:5
CIFCO FINANCE,10	07/87	4.60	0.41	10.85	9.00	11.60	3.50	1.79		5.03	14.00	15.56		
CITURGIA,10	03/88	3.50	5.02	24.85	110.00	120.00	62.00	8.63		12.75	35.00	3.18		
COLGATE,10	12/87	5.72	16.18	19.66	325.00	332.50	180.00	9.63	6.62	33.75	50.00	1.54	87	1:1
COLOUR CHEM,100	03/88	7.94	17.98	252.27	460.00	460.00	320.00	37.86		11.95	20.00	4.44	80	2:5
COMET STEEL,10	03/87	6.13	0.00	10.00	15.00	20.00	9.00							
COROM FERT,10	03/87	24.32	38.61	25.05	36.00	36.00	21.00	-0.53	-3.57		8.00	2.22	86	1:2
COSMO FILMS,10	03/88	2.32	7.24	41.21	65.00	77.50	41.25	5.47		11.88	18.00	2.77		
CROMPT GREA,100	09/88	9.60	62.92	755.42	570.00	570.00	285.00	64.27	55.42	8.87	18.00	3.16	79	1:3
CYANAMID,10	11/87	5.25	10.26	29.54	70.00	72.50	34.50	2.46	1.47	28.46	10.00	1.43		
DCM MILLS,10	06/87	23.02	52.94	33.00	38.00	49.00	28.75	-1.81	-7.18				71	4:5

Company Face value	Year Ended	Equity Rs Cr	Re- serves Rs Cr	Book value Rs	Price 21.10.88	1988 High	EPS in Rs Low	 Year	PE Half-yr	 Times	Divi- dend %	Yield %	Bonus Year	 Ratio
DCM TOYOTA,10	06/87	15.00	-7.25	5.17	10.00	13.50	6.50							
DEEPAK FERT,10	03/88	14.62	7.05	14.76	45.50	51.50	23.00	3.03		15.02	18.75	4.12		
DEEPAK NITR,10	10/87	2.43	4.01	26.50	51.00	53.00	27.50	3.99	1.85	12.78	15.00	2.94	85	1:2
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00							
DHARAMSI,10	12/87	6.24	10.44	26.73	37.00	37.50	14.00	1.04	1.47	35.58	10.00	2.70	79	2:5
DR.REDDYS,10	12/87	1.37	0.81	15.91	77.50	87.50	46.25	4.53		17.11	20.00	2.58		
DUNCAN AGRO,100	12/86	2.03	14.11	795.07	150.00	176.00	150.00	92.12		1.63	15.00	10.00	77	1:2
DUNLOP,10	03/88	18.99	64.48	43.95	83.00	85.00	65.00	10.64		7.80	30.80	3.67	76	1:3
E. MERCK,10	12/87	5.94	5.04	18.48	70.00	77.50	44.00	2.22		31.53	16.00	2.29	86	3:5
E.I.HOTELS,10	03/88	23.84	37.31	25.65	55.00	62.50	36.00	2.91		18.90	20.00	3.64	84	2:5
EICHER MOTORS,10	04/87	3.96	1.02	12.58	12.50	13.50	5.50	6.39	-4.85	1.96	12.00	9.60		
EID PARRY,10	06/88	6.28	6.72	20.70	36.00	39.50	29.50	4.55		7.91	20.00	5.56		
ELECON ENG,10	12/87	5.65	24.76	53.82	65.00	73.00	42.00	4.80	2.25	14.13	15.00	2.31	87	3:5
ENFIELD,10	06/88	5.04	9.45	28.75	10.00	11.50	8.25	-10.38					85	1:1
ENGLISH ELECT,10	03/88	9.00	16.38	28.20	54.00	66.00	47.75	4.86		11.07	15.00	2.78	87	1:1
ESCORTS,10	12/87	27.65	91.43	43.07	68.00	72.50	36.00	0.26	2.36	261.54	22.00	3.24	86	3:5
ESKAYEF,10	11/87	7.50	14.26	43.52	155.00	157.50	97.00	7.72	4.04	20.08	25.00	1.61	88	1:2
ESSAR SHIPPING,10	12/87	34.87	37.98	20.89	23.75	26.50	15.50	2.23		10.65	20.00	8.42		
EXCEL,10	09/87	4.62	7.12	25.41	118.00	126.00	34.00	1.30	3.60	90.77	10.00	0.85	84	4:5
FAG PRECISION,100	12/87	3.36	7.09	311.01	140.00	140.00	105.00	9.79	12.80	14.30	10.00	7.14		
FERRO ALLOYS,100	06/87	5.52	18.78	440.22	520.00	580.00	122.50	13.41	63.42	38.78	5.00	0.96	80	1:2
FGP,10	03/88	4.89	5.82	21.90	35.00	37.50	23.75	4.09	3.73	8.56	16.00	4.57	87	1:2
FICOM ORGANIC,10	09/87	1.29	3.07	33.80	200.00	250.00	125.00	17.03	9.69	11.74	30.00	1.50	87	1:1
FINOLEX,10	11/87	3.24	13.72	94.22	403.75	405.00	154.00	25.06	34.61	16.11	40.00	0.99	86	4:5
FIRST LEASING,10	11/87	3.77	8.78	33.29	15.00	20.00	14.00	6.37		2.35	25.00	16.67	83	1:3
FLAKT INDIA,10	12/87	3.40	2.85	18.38	70.00	87.50	44.00	4.35		16.09	20.00	2.86	86	1:3
FOOD SPECIAL,10	12/87	19.20	20.16	20.50	175.00	180.00	93.75	5.56		31.47	25.00	1.43	86	1:1
FORBES FORBES,10	06/88	4.25	4.96	21.67	42.00	42.00	22.00	2.36	-0.19	17.65	15.00	3.57	82	2:5
FULFORD,10	12/87	0.80	2.26	77.00	390.00	400.00	50.00	8.75		44.57	22.00	0.56	66	1:1
G.E.SHIPPING,10	06/88	67.37	39.18	15.82	40.50	42.50	20.50	2.44		16.60	15.00	3.70	81	2:3
G.K.W.,10	12/86	24.06	20.83	18.66	9.00	11.00	5.50	-1.67	-1.52				83	1:3
G.T.C.INDUST,10	06/87	5.00	9.32	28.64	15.00	16.00	12.50	3.94	3.79	3.81	25.00	16.67	72	1:4
GABRIEL,10	11/87	2.64	3.33	22.61	24.00	37.00	17.00	1.72	1.67	13.95	18.00	7.50	78	3:5
GAMMON INDIA,10	07/87	2.16	13.44	72.22	155.00	155.00	29.00	1.63	5.14	95.09	15.00	0.97	82	2:5
GARDEN SILK,10	03/88	10.01	63.07	73.01	73.75	160.00	66.25	13.99		5.27	30.00	4.07		
GARWARE NYLON,10	06/87	9.72	13.31	23.69	52.00	56.00	20.00	1.15	2.65	45.22	15.00	2.88	83	1:2
GARWARE POLY,10	06/87	5.81	19.53	43.61	105.00	118.75	72.00	4.39	6.26	23.92	22.00	2.10		
GARWARE SHIP,10	03/88	3.75	0.03	10.08	23.00	25.00	10.50	-3.57						
GEN ELECTRIC,10	03/88	7.20	18.92	36.26	57.00	57.00	26.00	3.94		14.47	12.00	2.11		
GENELEC,10	03/88	2.16	5.79	36.81	72.50	88.00	43.75	6.48		11.19	14.70	2.03	84	1:1
GEORGE WILL,10	06/87	6.30	19.69	41.25	110.00	115.00	90.00	7.57	9.98	14.53	35.00	3.18	86	4:5
GERMAN REME,10	12/87	3.26	4.93	25.12	69.00	70.00	30.00	2.85		24.21	10.00	1.45	82	3:5
GLINDIA,10	06/88	20.00	30.27	25.14	84.00	87.00	51.50	5.08		16.54	20.00	2.38	80	1:3
GODFREY PHILIPS,10	12/86	2.60	3.24	22.46	21.00	21.00	10.00	3.35	2.35	6.27	25.00	11.90	75	1:1
GOETZE,10	06/88	6.93	12.40	27.89	48.00	48.00	25.00	5.47		8.78	22.00	4.58	76	4:5
GOKAK PATEL,10	06/88	6.52	16.51	35.32	80.00	85.00	60.00	10.66	4.22	7.50	20.00	2.50	87	1:1
GOOD NEROLAC,10	06/87	3.24	5.06	25.68	75.00	75.00	45.00	4.16		18.03	20.00	2.67	78	5:7
GOODYEAR,10	12/87	7.48	24.67	42.98	81.00	82.50	48.00	11.58		6.99	30.00	3.70	77	2:5
GRAMOPHONE,10	09/86	1.81	-16.59	-81.66	4.50	5.87	4.00							
GRASIM,10	03/88	21.59	178.17	92.52	79.00	79.00	46.60	7.11		11.11	27.50	3.48	88	3:4
GREAVE COTTON,100	06/87	6.57	18.42	380.37	500.00	510.00	295.00	66.60	80.76	5.77	20.00	4.00	84	1:2
GUJ ALKALIES,10	03/88	10.72	22.59	31.07	58.00	62.00	29.00	2.39		24.27	26.00	4.48	87	1:5
GUJ AMB CEM,10	06/88	19.99	4.01	12.01	26.50	28.00	11.00	2.11		12.56	11.00	4.15		
GUJ NARMADA,10	06/88	88.97	103.48	21.63	58.50	59.50	27.00	2.87		21.91	18.00	3.08		
GUJ STATE FERT,10	12/87	26.95	170.03	73.09	143.75	174.00	75.00	10.11	5.24	14.22	30.00	2.09	87	3:1
HARRISON,10	03/88	9.10	15.62	27.16	73.00	75.00	36.00	5.57	3.02	13.11	25.00	3.42	87	2:5
HERDILLIA CHEM,10	06/88	7.35	36.31	59.40	72.00	72.00	41.00	7.63		9.44	21.00	2.92	78	1:2
HERO HONDA,10	06/88	15.60	1.94	11.24	27.50	31.00	15.00	1.24		22.18				
HIND ALLOY,10	12/87	5.89	2.20	13.74	75.00	81.00	28.75	2.41	2.04	31.12	20.00	2.67		
HIND ALUM,10	12/87	15.89	166.64	114.87	124.00	127.00	72.50	8.61	5.81	14.07	22.50	1.81	88	1:3
HIND BROWN,100	04/88	5.47	23.08	521.94	700.00	700.00	265.00	64.17		10.91	23.00	3.29	78	1:3
HIND CIBA,100	12/87	17.71	31.79	279.50	670.00	691.00	332.50	38.11	15.47	17.58	30.00	2.99	80	1:2
HIND COCOA,10	06/88	8.40	9.53	21.35	120.00	120.00	67.50	4.45		26.97	20.00	1.67	87	1:1
HIND DEVELOP,10	12/87	8.92	82.99	103.04	105.00	107.00	65.00	5.76	6.45	18.23	20.00	1.90	86	1:1
HIND DORR-OLIVER,10	11/87	2.36	10.79	55.34	200.00	215.00	95.00	16.43		12.17	37.50	1.88	86	1:1
HIND FERODO,10	12/87	5.50	1.19	12.18	22.00	23.00	16.00	1.33		16.54	5.00	2.27	83	4:5
HIND LEVER,10	12/87	93.32	90.17	19.66	88.00	91.00	59.50	4.98	2.25	17.67	25.00	2.84	87	1:1
HIND MOTOR,10	03/88	26.35	52.67	29.99	33.00	34.00	15.50	-1.02			7.50	2.27	86	1:1
HMM,10	04/87	14.18	8.12	15.73	177.50	195.00	121.00	7.58	8.52	23.42	55.00	3.10	87	1:1
HOECHST,100	12/87	9.58	25.35	364.61	680.00	680.00	437.00	14.30	3.13	46.15	10.80	1.52	82	1:2
HOGANAS,10	10/87	1.15	0.00	10.00	55.00	62.00	34.00		-1.55					
HOTEL LEELA,10	06/88	8.97	-3.39	8.65	18.50	19.00	11.50	-2.43						
HOUSING DEV FIN,100	09/88	20.00	33.00	265.00	175.00	175.00	65.00	65.45		2.67	17.00	9.71		
HYD.ALLWYN,10	07/87	8.10	10.70	23.21	13.00	16.00	7.90	3.66	4.23	3.53	15.00	11.54		
ICIM,10	12/87	4.18	5.86	24.02	23.00	40.50	23.00	2.54		9.03				
IEL,10	09/87	40.87	72.49	27.74	52.50	58.00	30.00	1.21	0.94	43.39	12.50	2.39	78	1:3

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.10.88	1988 High	1988 Low	EPS in Rs Year	PE Half-yr	PE Times	Divi-dend %	Yield %	Bonus %	Bonus Year	Bonus Ratio
INDIA CEMENT,10	03/88	4.90	46.92	105.76	27.00	27.00	14.50	1.05		8.85	12.00	4.44	70		2 5
INDIA GYPSUM,10	04/87	4.50	0.00	10.00	17.00	17.00	9.50								
INDIA POLYFIBRES,10	12/87	29.75	-2.73	9.08	7.00	8.50	4.24								
INDIA STEAMSHIP,10	03/88	4.95	-85.15	-121.62	10.15	10.15	4.15	-16.87					75		1 1
INDIAN ALUM,10	12/87	41.16	49.09	21.93	35.00	35.00	24.00	0.90	1.21	38.84	14.00	4.00	77		2 5
INDIAN DYESTUFF,100	03/88	7.50	35.96	579.73	300.00	330.00	177.50	818.00	10.62	0 37	15.00	5.00	80		1 4
INDIAN HOTEL,10	03/88	9.92	42.12	52.46	130.00	140.00	85.00	6.81		19.09	30.00	2.31	82		2 5
INDIAN ORGANIC,10	03/88	18.40	17.03	19.44	45.00	47.50	15.00	-6.16					85		1 2
INDIAN OXYGEN,10	09/87	14.60	29.94	30.51	43.50	43.50	29.00	2.16		20.14	16.00	3.68	85		1:3
INDIAN RAYON,10	06/88	16.14	160.90	109.69	81.00	84.50	46.00	3.09		26.21	28.00	3.46	80		1 4
INDIAN SEAMLESS,10	12/87	2.21	4.01	28.14	110.00	135.00	47.00	9.50	5.88	11.58	18.00	1.64			
INDOGULF FERT,10	03/88	165.00	0.00	10.00	20.75	21.00	10.50								
INDROL,10	06/88	5.09	14.66	38.80	280.00	291.25	135.00	8.72		32.11	25.00	0.89	86		1:1
INDU NISSAN,10	12/87	6.00	1.21	12.02	22.00	26.00	18.00	5.57		3.95	10.00	4 55			
INGERSOLL,10	12/87	7.89	21.32	37.02	345.00	370.00	212.50	10.99	4.58	31.39	30.00	0.87	86		1 1
ION EXCHANGE,10	04/88	3.46	7.20	30.81	75.00	87.00	38.75	4.28		17.52	20.00	2.67	88		4 5
ITITATA,10	06/87	12.00	0.83	10.69	15.00	15.00	8.75	2.44		6.15					
ITC,10	06/88	33.17	144.82	53.66	58.00	64.00	39.00	7.47		7.76	35.00	6.03	81		1:5
J.B.CHEMICAL,10	06/88	3.00	2.79	19.30	38.00	38.00	21.00	4.37	2.52	8.70	20.00	5.26			
J.K.INDUST,10	06/88	13.76	18.78	22.19	54.00	54.00	25.00	12.03		4.49	20.00	3.70	67		1.1
J.K.SYNTHETIC,10	03/88	27.25	207.02	85.97	87.50	90.00	45.50	3.06		28.58	20.00	2.29	83		1:3
JAYANT VITAMIN,10	06/88	3.87	4.91	22.69	48.00	54.00	24.50	4.81		9.98	21.00	4.38	87		2:5
KALYANI BRAKES,10	06/88	3.90	-4.84	-2.41	30.00	30.00	14.50	1.31		22.90					
KALYANI STEEL,10	06/87	1.13	8.76	87.52	525.00	525.00	250.00	31.24	14.34	16.81	50.00	0.95			
KELVINATOR,10	06/87	3.55	19.61	65.24	142.50	150.00	36.00	6.87	10.53	20.74	15.00	1.05	84		1:1
KESORAM,10	03/88	8.85	52.23	69.02	66.00	66.00	32.50	3.41		19.35	23.50	3.56	79		1:2
KHODAY DIST,10	06/87	6.00	8.88	24.80	41.00	56.00	33.00	3.08	2.99	13.31	20.00	4.88			
KINETIC ENGG,10	06/87	1.20	14.87	133.92	340.00	410.00	161.25	20.08	22.13	16.93	30.00	0.88	88		1:1
KINETIC HONDA,10	01/88	9.99	2.63	12.63	32.50	37.50	16.75	-5.89	0.56						
KIRL CUMMINS,10	09/87	27.10	37.16	23.71	82.50	88.75	48.00	3.71	1.28	22.24	20.00	2.42	86		1:1
KIRL PNEUMATIC,10	09/87	3.85	3.36	18.73	57.50	62.50	15.00	1.84	1.30	31.25	12.50	2.17			
KIRLOSKAR OIL,10	06/88	6.71	11.55	27.21	47.00	55.00	12.00	4.40		10.68	8.00	1.28	76		3:7
KLOCKNER WIND,10	12/87	4.50	3.27	17.27	115.00	122.50	81.25	4.38	2.93	25.26	21.00	1.83	88		1:2
KSB PUMPS,10	12/87	4.35	11.98	37.54	327.50	398.25	220.00	12.34	6.28	26.54	20.00	0.61	86		1:1
LAKME,10	06/88	1.83	5.81	41.75	132.50	132.50	61.25	6.12		21.65	27.50	2.08	86		2:5
LARSEN TOUBRO,10	09/87	56.37	235.96	56.23	136.50	148.50	75.50	4.90	2.18	27.86	20.00	1.47	86		3:5
LIPTON,10	06/88	15.75	8.19	15.20	79.00	79.00	52.00	4.57		17.29	22.00	2.78			
LLOYD STEEL,10	03/87	3.38	4.13	22.22	36.00	38.00	17.00	4.73	4.48	7.61	21.00	5.83			
LML,10	10/87	21.05	8.64	14.10	15.00	19.50	9.00	-2.88					80		4:5
MACNEIL MAGOR,10	06/86	2.74	41.38	161.02	47.50	47.75	43.75	2.33		20.39	7.00	1.47			
MADRAS CEMENT,100	12/87	3.02	18.65	717.55	820.00	860.00	315.00	-153.31	-79.47						
MADURA COATES,10	06/88	21.96	92.32	52.04	94.00	95.00	60.00	6.16		15.26	30.00	3.19	86		1:2
MAFATLAL FINE,100	03/88	14.48	24.38	268.37	215.00	225.00	140.00	5.00		35.83	16.00	7.44	80		1:3
MAFATLAL IND,100	03/88	18.20	52.98	427.04	335.00	350.00	200.00	14.38	12.22	23.30	20.00	5.97	78		1:5
MAHIN & MAHIN,10	10/87	19.26	102.06	62.99	107.00	109.00	48.50	5.48	2.33	19.53	22.00	2.05	84		2:3
MAHINDRA UGINE,10	06/87	7.30	17.76	34.33	92.50	97.50	48.00	6.63		13.95	20.00	2.16			
MANGALAM CEM.,10	12/87	7.11	11.31	25.91	26.50	27.50	13.00	2.81	1.70	9.43	15.00	5.66			
MANGALORE CHEM,10	12/86	12.45	13.87	21.14	36.00	41.00	15.25	4.53		7.95	12.00	3.33			
MASTERSHARE	06/88	150.00	63.00	14.20	18.50	19.50	9.25	4.20		4.40	13.00	7.03			
MATHER PLATT,10	06/88	10.24	6.57	16.42	85.00	85.00	27.35	3.00		23.61	25.00	2.94	87		3:5
MAX INDIA,10	09/87	2.79	0.94	13.37	53.00	58.00	30.00	4.30	1.76	12.33	15.00	3.40			
MAY & BAKER,10	12/87	4.50	7.18	25.96	52.50	55.00	34.00	3.09	1.24	16.99	10.00	1.90			
MAZDA INDUST,10	06/87	4.32	2.32	15.37	13.00	18.50	13.00	4.54	2.22	2.86	25.00	19.23			
MCDOWELL,10	06/88	7.74	33.05	52.70	100.00	105.00	72.50	11.16		8.96	20.00	2.00	86		1 1
MCLEOD RUSSEL,10	06/87	6.25	17.13	37.41	112.50	130.00	86.25	5.06	5.20	13.96	45.00	4.00	87		1 1
METAL BOX,10	03/87	14.68	-12.54	1.46	6.00	6.00	4.24	-3.96	-5.01				67		1 2
MILES INDIA,10	12/87	0.64	0.91	24.22	167.50	180.00	52.00	5.84	4.64	17 02	30.00	1.79	87		3 5
MILKFOOD,10	12/87	1.14	4.49	49.39	227.50	290.00	75 00	8.05	24 82	25 42	25 00	1.10	87		1 1
MODI INDUSTRIES,10	09/86	2.17	12.66	68.34	47.50	85.00	37 00	-11.94			12 00	2.53	69		1 5
MODI RUBBER,10	04/87	10.36	29.36	38.29	76.00	82.50	40.00	4.13	3.06	18 40	25.00	3.29	84		2 5
MODI XEROX,10	04/88	17.46	0.17	10.10	71.00	75.00	21 50	2.90		24.48					
MOTOR INDUST,100	12/87	38.05	46.32	221.73	680.00	867.00	447.50	28.38	14.48	23 14	12.00	1.76	86		1 1
MRF,10	09/87	3.86	23.30	70.36	282.50	290.00	127.00	26.14		10 81	40.00	1 42	75		1 2
MUKAND IRON,10	06/88	9.82	72.22	83.54	117.00	119.00	73 50	12.13		9 65	23.00	1 97	88		1 2
MYSORE CEMENT,10	06/87	11.48	19.23	26.75	26.00	28.00	16.00	1.12	0.48	23 21	17 50	6 73	85		2 5
NAGAR FINANCE,10	09/87	2.44	2.70	21.07	14.00	14.00	10 75	5 49	0 37	2 55	23 00	16 43			
NATION PEROXIDE,100	03/88	2.30	9.02	142.03	1250.00	1575.00	820.00	77 83		16.06	30.00	2 40			
NATIONAL RADIO,100	12/87	6.62	2.77	141.84	175.00	175.00	97.50	10 57		16.56					
NIRLON,10	09/87	15.76	27.06	27.18	13.50	14.75	5.00	-27.12	-0.12				82		1 2
NOCIL,100	12/87	36.00	55.62	254.50	870.00	900.00	394.00	48 22	32 64	18.04	20.00	2 30	86		1 2
ORISSA CEMENT,10	12/87	5.40	31.50	68.33	35.00	35.50	25.25	7 28		4 81	20.00	5.71	87		1 1
ORKAY,10	03/88	41.29	59.15	24.33	39.50	51.00	17 00	1.72		22 97	21 00	5 32			
OSWAL AGRO,10	06/87	28.52	81.67	38.64	112.50	129.50	87 00	2 82		39 89	50.00	4.44	87		3 5
OSWAL FURANE,10	12/87	18.00	0.00	10.00	63.00	66.00	22 25								
OTIS ELEVATORS,10	11/87	5.04	9.82	29.09	220.00	225.00	161 25	7 58	2 58	29 02	25.00	1 14	85		1 1
PARKE DAVIS,10	11/87	7.53	3.66	14.86	48.00	55.00	31.00	2 32		20.69	25.00	5 21	78		3 5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 21.10.88	1988 High	1988 Low	EPS in Rs Year	PE Half-yr	PE Times	Divi-dend %	Yield %	Bonus %	Bonus Year	Bonus Ratio
PEICO,10	12/87	39.32	53.59	26.08	37.00	40.00	21.50	1.21	-1.25	30.58	10.00	2.70	82		1:5
PFIZER,10	11/87	11.72	15.65	23.35	88.00	90.00	50.00	0.27	0.44	325.93	10.00	1.14	77		4:5
POLYCHEM,10	03/88	4.10	9.92	38.94	93.00	94.00	55.00	13.25	13.11	7.02			86		1:2
POLYOLEFINS,100	12/87	19.30	24.65	227.72	900.00	920.00	515.00	53.01	45.13	16.98	28.00	3.11	86		1:2
PONDS,10	06/87	6.68	11.38	27.04	210.00	250.00	127.50	5.40	3.80	38.89	40.00	1.90	87		1:1
PREMIER AUTO,10	06/88	16.20	106.27	75.60	48.50	50.00	23.00	6.91		7.02	25.00	5.15	86		1:1
PROCTER & GAM,10	06/88	3.71	9.29	35.04	390.00	410.00	257.50	12.53		31.13	50.00	1.28	88		4:5
PSI DATA,10	09/87	1.38	0.65	14.71	23.00	27.50	10.25	1.80		12.78	17.00	7.39			
RALLIS,10	04/88	9.52	30.00	41.51	115.00	120.00	60.00	5.87	3.17	19.59	27.50	2.39	77		3:1
RANBAXY,10	12/87	5.22	12.72	34.37	77.00	82.50	68.00	5.23	2.59	14.72	20.00	2.60	88		2:5
RAYMONDS,10	03/88	22.47	50.11	32.30	63.00	63.00	41.50	3.79		16.62	25.00	3.97	87		1:1
RECKITT COLMAN,10	12/87	4.20	13.60	42.38	152.50	155.00	140.00	12.74	7.62	11.97	30.00	1.97	88		1:1
REGENCY CERAMIC,10	04/87	3.97	-1.29	6.75	17.00	24.00	12.25	-3.88	-2.70						
RELIANCE,10	12/86	158.26	873.55	65.20	186.50	231.00	69.00	0.90	1.28	207.22	25.00	1.34	83		3:5
REMINGTON,10	03/88	2.67	4.34	26.25	32.00	32.00	24.75	4.08	2.58	7.84	20.00	6.25	86		1:2
REVATHI C.P,10	06/88	1.60	3.12	29.50	122.50	135.00	51.50	7.21		16.99	20.00	1.63	87		1:1
ROCHE PRODUCTS,10	12/87	4.81	5.38	21.19	80.00	82.00	34.00	2.33	1.41	25.75	14.00	2.33	80		1:3
ROSS MURARKA,10	06/87	3.74	3.29	18.80	16.00	17.00	10.50	4.85	3.42	3.44	26.00	16.25			
S.I.VISCOSE,100	03/88	11.03	13.08	218.59	525.00	550.00	215.00	74.04		7.09	25.00	4.76	87		1:2
SAMTEL,10	12/87	2.74	7.92	38.91	85.00	87.50	33.25	6.27	9.20	13.56	25.00	2.94	88		1:3
SANDOZ,10	12/87	5.30	19.68	47.13	82.50	87.50	59.00	2.96		27.67	16.00	1.94	84		2:7
SANDVIK ASIA,100	12/87	5.76	7.54	230.45	665.00	690.00	575.00	23.62	10.73	28.15	20.00	3.01	84		1:1
SCINDIA,20	06/87	18.95	-89.23	-74.17	7.50	8.00	1.76	-28.80					77		2:5
SEARLE,10	12/87	3.48	14.57	51.87	190.00	195.00	93.00	8.02	1.24	23.69	20.00	1.05	86		1:1
SESA GOA,10	03/87	5.15	9.42	28.29	42.00	45.00	16.00	7.05	-4.49	5.96	18.00	4.29	86		2:5
SHAW WALLACE,10	06/87	12.00	17.86	49.43	76.50	76.50	52.00	7.01	7.33	10.91	17.50	2.29	87		1:1
SHRI RAM FIBRES,10	09/87	10.33	22.69	31.97	52.00	60.00	34.50	2.70		19.26	20.00	3.85	82		1:2
SIEMENS,10	09/87	20.77	33.08	25.93	110.00	120.00	56.50	3.84	2.18	28.65	16.00	1.45	86		1:4
SILTAP CHEMICAL,10	03/88	1.80	-0.76	10.00	68.75	80.00	47.50	-4.22							
SIPTA COATED,10	10/87	9.42	1.84	11.95	21.50	25.50	15.00	3.08	2.65	6.96	15.00	6.98			
SKF BEARINGS,100	12/87	12.35	30.44	346.48	2190.00	2250.00	1058.00	87.77	68.08	24.95	22.00	1.00	86		2:5
SOUTHERN PETRO,10	12/87	34.00	267.86	88.78	54.00	60.00	22.75	1.49	-7.21	36.24	15.00	2.78	86		1:1
SPARTEK,10	06/88	2.85	6.19	31.72	90.00	110.00	58.00	13.23	5.02	6.80	25.00	2.78			
SPECIAL STEEL,100	12/87	7.59	10.79	242.16	800.00	825.00	575.00	104.74	67.33	7.64	15.00	1.88	73		1:1
STANDARD MILLS,100	03/88	11.06	75.27	780.56	350.00	390.00	190.00	36.98		9.46	16.00	4.57	82		2:5
STANDARD MOTOR,10	12/86	2.32	3.98	27.16	11.85	11.85	7.50	-18.15					85		1:1
STRAW PRODUCTS,10	12/87	10.14	73.61	82.59	46.00	48.00	29.50	3.99	1.29	11.53	20.00	4.35	72		1:2
SU-RAJ DIAMOND,10	04/88	4.77	4.37	19.16	64.00	65.00	15.00	9.10		7.03	15.00	2.34			
SUND CLAYTON,10	05/88	9.48	23.99	52.16	50.00	52.50	29.25	9.94		5.03	25.00	5.00	87		2:3
SUND FASTENERS,10	03/88	3.19	11.70	46.68	82.50	82.50	53.75	7.43		11.10	25.00	3.03	88		3:5
SUND FINANCE,10	03/88	6.00	11.46	29.10	39.50	39.50	25.50	7.77		5.08	20.00	5.06	86		1:1
SUPREME INDUST,10	06/87	1.80	3.70	30.56	210.00	210.00	137.50	10.11	5.67	20.77	36.00	1.71	87		1:1
SWAD POLYTEX,10	09/86	3.90	36.01	102.33	42.50	42.50	21.50	8.51	8.72	4.99	30.00	7.06			
SYNTH & CHEM,10	03/87	5.81	3.75	16.45	50.00	54.00	28.50	1.41	2.60	35.46	10.00	2.00			
TATA CHEMICALS,10	03/88	37.18	150.35	50.44	105.00	108.00	56.00	7.32		14.34	30.00	2.86	85		2:5
TATA LOCO,100	03/88	90.97	212.99	334.13	740.00	785.00	340.00	45.00	6.82	16.44	23.00	3.11	82		2:5
TATA OIL,25	03/88	8.11	19.78	75.30	75.00	87.00	55.00	4.24	4.31	17.69	10.00	3.33	81		1:5
TATA POWER,100	03/88	21.22	68.24	421.60	355.00	372.00	175.00	89.11	111.31	3.98	16.00	4.51	75		1:5
TATA PRESS,10	03/88	1.57	5.86	47.32	55.00	55.00	33.00	4.46	2.14	12.33	18.00	3.27			
TATA STEEL,100	03/87	136.01	476.33	450.22	987.50	992.50	568.75	67.76	61.71	14.57	25.00	2.53	86		2:5
TATA TEA,10	12/87	12.21	54.82	54.90	149.00	151.00	105.00	8.89	2.09	16.76	45.00	3.02	79		1:3
TATA UNISYS,10	12/87	4.38	3.62	18.26	102.50	107.50	60.00	3.54	2.17	28.95	22.00	2.15	87		2:5
TEXMACO,10	12/86	1.87	11.06	69.14	35.00	35.00	17.00	-208.56							
TINPLATE,10	03/88	10.14	8.26	18.15	24.00	24.00	15.50	2.63		8.48	10.00	4.17			
TUBE INVESTMENT,10	12/87	5.73	28.62	59.95	38.50	38.50	22.00	7.05		5.46	20.00	5.19	85		1:3
TUTICO ALKALIES,10	12/87	12.94	-2.63	7.97	16.00	20.00	11.00		-1.26						
TVS SUZUKI,10	02/88	23.10	-8.59	6.26	16.00	17.50	8.50								
TWENT.CENT,10	03/88	6.34	12.26	29.34	20.00	29.00	17.00	5.91	5.33	3.38	36.00	18.00	88		2:5
UNION CARBIDE,10	12/87	32.58	38.04	21.68	22.50	22.50	10.00	1.06		20.83	12.00	5.33	80		1:2
UNIT BREWERIES,10	06/87	4.00	9.53	33.82	39.50	40.75	36.50	5.40		7.31	15.00	3.80	86		1:1
UNIT PHOSPHORUS,10	12/87	2.80	2.66	19.50	41.00	52.00	32.50	0.43	-1.11	95.35	10.00	2.44			
UPCOM CABLES,10	12/87	5.92	0.04	10.07	40.00	49.00	21.75	0.07	0.88	571.43					
VAM ORGANIC,10	04/88	5.16	11.72	32.71	137.00	142.00	78.00	9.17		14.94	30.00	2.19			
VARELI,10	03/88	7.29	13.49	28.50	37.50	62.50	29.50	5.65	6.79	6.64	22.00	5.87			
VIDEOCON,10	09/88	2.75	1.59	15.78	47.00	52.00	18.87	6.51		7.22	18.00	3.83			
VINDHYA TELE,10	03/88	3.90	3.34	18.56	140.00	142.50	68.00	11.26		12.43	20.00	1.43			
VOLTAS,100	08/87	12.78	24.40	290.92	415.00	500.00	230.00	53.51	18.31	7.76	16.00	3.86	81		1:4
VST INDUSTRIES,10	09/87	6.03	12.00	29.90	27.50	30.50	19.00	4.64	2.32	5.93	29.00	10.55	77		3:5
WAL NAGAR,100	09/87	3.00	35.39	127.97	12.50	12.50	7.00	1.13	-5.77	11.06			82		1:2
WARREN TEA,10	03/88	3.90	11.49	39.46	68.75	68.75	50.50	8.87		7.75	30.00	4.36	66		1:5
WIMCO,10	12/87	8.45	9.56	21.31	29.00	29.00	11.00	-5.79	-4.64				70		1:5
ZENITH,10	06/87	9.15	13.04	30.31	71.00	73.00	36.00	2.47	3.54	28.74	30.00	4.23	87		1:4
ZF STEERING,10	06/87	2.25	0.06	10.27	62.00	62.00	30.00	1.07	1.66	57.94					
ZUARI,10	12/87	12.43	49.38	49.73	80 00	80.00	34.00	3.50	0.28	22.86	25.00	3.12			

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.

21 October 1988
The Ring

In Wall Street when the market indices touch new peaks, champagne corks pierce the air like missiles from a Bofors gun. Brokers dressed in button-down shirts and pink ties fantasise about their next vacation to Rio.

But Dalal Street has its own way of celebrating. The juicewallahs, channawallahs, and bhelpuri guys are working overtime handing out the stuff to jubilaint brokers and their ecstatic clients. And of course there is that compulsory bow to the Great God.

In Wall Street they thank the investors (the few that they still have, that is) but here we can't do the same because, as Lewis Carroll would tell you, there are no investors to thank. But that is a small price to pay and I would be the last one to complain. After all, what I've made in the last two months all the brokers in Wall Street could not have made in the past one year. Poor guys, they are still trying to get investors to return to the markets.

But we Indians are different. Thousands of years of history have made us not only thick-skinned but also quaintly philosophical. Our job is not to analyse what is causing this upsurge in equity prices or what will happen if the Great One stops carrying the world on his shoulders. That is the job of these foreign-educated so-called share analysts who have theories and hypotheses for everything — from market rises to sunrises. No, the job of any true Indian is to do his karma. Nothing more and nothing less.

Though I must confess that it was touch and go for a while. Those same fancy share analysts that I mentioned earlier were threatening to expose the conspiracy *a la* V. P. Singh. The analysts, my sources tell me, were all set to run a set of stories in a leading publication sympatheic to the bear cause (and I am not referring to the Russian bear) about how this market was correctly priced when the BSE Index was at the 390 level. These ivory-tower analysts were all set to make a case that Century Spinning was correctly priced at Rs.670, Tata Steel bearable at a price of Rs.720, and that Reliance was grossly overpriced even at Rs.85.

As fate would have it the monsoons seemed to be coming on time and the market took a fling at the 450 level before the first of these horrendous stories was to be released. Luckily for the good guys one of these flaky analysts leaked out their grandiose plan in exchange for a confirmed allotment of this large issue which was billed as the hottest thing since fire was invented. After "having looked into it", and "examining the problem", and "looking at it from all angles", the prime minister's office decided to crack down on the bear media by introducing the Defamation Bill. It was only after "assurances were received" that this nonsensical hype on the Great Indian Crash of 1986 would not be carried that the Bill was withdrawn and the markets were left to find their own level.

My sources also confide that this bear syndicate had a lot more hot stuff than V.P. Singh claims he has but probably not as much firepower as the Bofors field guns. There are rumours that the government has received various trade enquiries for exporting the draft of the Defamation Bill to the United States, U.K., Hong Kong, and Singapore. The governments of these countries, it is being suggested, may also use the threat of imposing this Bill on their media if they don't stop carrying stories on the Crash of 1987. Grapevine has it that, in order to drum up support for the clampdown on that section of the media who are still making a big thing out of little technical correction, an Indian ad agency has suggested printing posters, sleeveless t-shirts, and car stickers with mighty Rambo giving you the immortal line straight from his smoking bazooka: *"Teri nani yaad ayegi"*.

But seriously, having the west ape our style for a while won't hurt at all. In fact, after having continuously failed to curtail our growing trade deficits, New Delhi should view this as our last chance to earn ever-precious foreign exchange.

26 October 1988
Bada Miya

Jerry is an India-watcher with one of those think-tanks in America. Sometimes Jerry takes his job a bit too seriously. I mean. why would you want to eat this strange meat behind the Taj when you could be at the Taj eating slightly better food. But Jerry insisted that the Taj was not India and he would be wasting his time watching that small percentage of so-called Indians gliding in luxury.

"Well", said Jerry, "who are you voting for?"

"Fortunately, my good man, I cannot vote since I am not an American citizen. What a choice: Bush or Dukakis!"

"I am talking about your elections — in India."

"I seemed to have missed something in the papers", I remarked rather curtly irritated at the bones in the meat. "From what I have read we are not due for an election until January, 1990."

"Where have you been, my man? Why do you think your stock market is up? Everyone knows that the sure sign of any upcoming election is a sharp run-up in share prices."

"But our prime minister has categorically ruled out an early election."

"All the more reason to hold one then, don't you think? Indians do exactly the opposite of what they say they will do. It's part of your culture. Take the case of this guy here. He said he'd give us the best meat in town, not to worry. Who is he fooling? Lucky for me, I stopped by in Seoul and ate my share of dog-meat and snakes. Toughens the system."

"Really, Jerry. This guy has sharp knives. Do you mind passing your comments when I'm out of here?"

"Who do you think is buying shares in the market? Even your financial institutions know a ruse when they see one. The political parties are buying. They zone in on a group of eight or nine shares, bid up the prices to abnormal levels, attract the interest of your stairway speculators, and then get out in a jiffy. Come settlement time and they have made a huge profit which they give out on *badla*. Money, said a wise man, makes money."

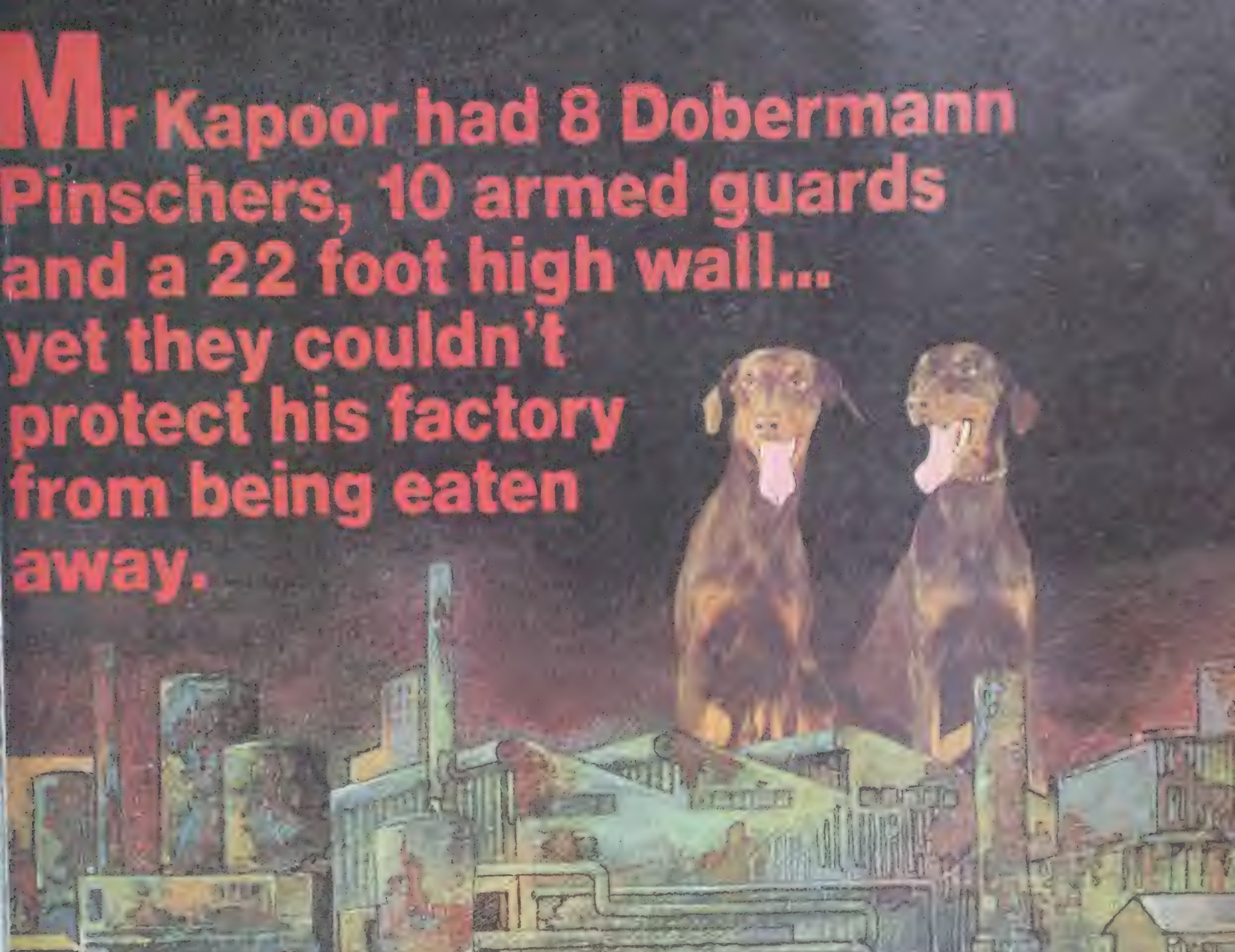
"Jerry, are you out of your mind or is it the meat?" I queried amazed at Jerry's Theory of Runaway Prices.

"You forget, my friend, I observe every move that goes on in your country", said Jerry, eyeing a vivacious eighteen year-old getting into her spruced-up Maruti.

"And, pray, where have you watched our politicians rehearse their moves to outwit the legendary shrewdness of my brethren on the floor of the BSE?"

Jerry turned to me in utter amazement: "You mean you don't know?! What do you think those guys have been doing in Parliament? They were not making laws out there for the last four years. Why do you think there has been all that yelling in Parliament? Oh, I assure you it's not for Fairfax and Bofors. Those were smokescreens to fool you guys. They have been rehearsing for the Great Day when they make their appearance on the floor of the BSE and push their way around."

Mr Kapoor had 8 Dobermann Pinschers, 10 armed guards and a 22 foot high wall... yet they couldn't protect his factory from being eaten away.



Yes, Mr Kapoor's factory was attacked by rust. Because he neglected one vitally important security measure: lasting protection against corrosion. So what with unending repairs and renovations over the years, his profits kept getting swallowed up.

Fortunately, 7250 factories, 310 dams, 1830 underwater structures and many other constructions in India have escaped the same fate... Thanks to STP Limited. The most trusted name in corrosion protection: pioneers and leaders for over 50 years. Only STP has developed such a wide range of durable products and systems. Like Tarstil Tar for general corrosion protection, Tankmastic for steel and concrete, and solutions to specific corrosion problems like Carseal.

STP Limited also offers a range of high-quality mastic asphalting treatments, both for roads and industrial floors. And it has an equally impressive record in pipe coating and waterproofing.

So, invest in STP protection for your factory today—and avoid the continuous maintenance expenses that eat away your money.

Because STP protection means the longest-lasting protection.

STP Limited
SHALIMAR TAR DIVISION

Your shield against corrosion

For further details contact:
Head Office : 13th floor, Shantiniketan, 8 Camac Street, Calcutta-700017 Tel 447136/447662
Divisional Offices : 6, Lyons Range (1st floor), Calcutta-700001 Tel 205191/201300 16, N.G.N. Vaidya Marg, Bombay-400023 Tel 2364643/2862314
PNB Building, 3rd floor, 5, Parliament Street, New Delhi-110001 Tel 384155/384156 6, Indian Chamber Building Annexe, 2nd Floor, Esplanade,
Madras-600018 Tel 560719/561022
Branch & Unit Offices : Ahmedabad, Asansol, Bangalore, Baroda, Bhopal, Chandigarh, Cochin, Cuttack, Dhanbad, Guwahati, Haldia, Jaipur,
Jamshedpur, Kanpur, Kathmandu, Kolhapur, Lucknow, Nagpur, Patna, Pune, Raipur, Rajkot, Ranchi, Rourkela, Secunderabad, Surat,
Visakhapatnam.

STP/CAL/STP 43C 2828

Zenith Technologies brings you the state of the art.

Long awaited news for all entrepreneurs, purchase managers and engineers in the electronics industry. Zenith Technologies is the single source that gives you trouble-free and speedy access to top-quality components, peripherals and media from the world's most quality-conscious manufacturers.

Texas Instruments
The corporation with net sales of $ 5 billion. Inventors of the Integrated Circuit and America's largest overseas semi-conductor manufacturer. With 50 manufacturing plants in 17 different countries and more than 90 sales/support offices in 40 nations worldwide.

Zenith Magnetics Ltd.
A sister concern of Zenith Technologies. India's premier manufacturer of floppy diskettes.

ESSEN Peripherals Pvt. Ltd.
Industry leaders in the manufacture of 150 cps, 300 cps dot matrix printers in collaboration with C. ITOH, Japan; flat-screen and colour monitors in collaboration with SAMSUNG, Korea; and PC/XT/AT keyboards.

Ramtek (U.K.) Ltd.
Pioneers in Raster scan colour graphics technology for computer graphic terminals and imaging applications.

Time Electronics
Manufacturers of DEC compatible VT 52, VT 100, VT 220, colour graphic terminals, and CAD/CAM systems.

QUME
Manufacturers of laser printers and VT 220 and colour graphic terminals.

Other Zenith Technologies branches:

Bangalore: 30/1, 3rd Floor, Leeman's Complex, Cunningham Rd., Bangalore 560 052. Tel: 76548, 24999. Tlx: 0845-8619. **Calcutta:** 27/1 Monoharpukar Rd., 1st Floor, Calcutta 700 029. Tel: 483561, 483872. **Hyderabad:** 2-2-18/18/3-19 Bagh Ambarpet, Hyderabad 500 013. Tel: 66102. **Madras:** 15/1 Narasinghapuram St., Mount Rd., Madras 600 002. Tel: 562063. **New Delhi:** 1108, Pragati Towers, 26, Rajendra Place, New Delhi 110 008. Tel: 5715250, 5724465. Tlx: 031-66781.

Harris Corporation
Producer of CMOS and military-grade ICs approved for space and defence applications in the US.

Graham Magnetics
The manufacturer of topmost quality computer magnetic tapes and data cartridges of $^1/_2$" and $^1/_4$" for data recording.

ICIM
India's single-largest computer company.
Manufacturers of heavy-duty 400 lpm and 800 lpm line printers.

Jalex
Largest manufacturer of superior-quality connectors for the electronics industry in collaboration with Molex, USA.

Celcon
Pioneers in developing axial cooling fans for computer - and instrument-cooling applications.

At Zenith Technologies, we do not handle products whose quality needs to be double-checked by the ultimate user. You can count on us for technological expertise to advise you on your best options.
Contact any of our offices for more details.

ZENITH TECHNOLOGIES LIMITED

A-3 Annexe Bldg., A-Z Ind. Estate,
G.K. Marg, Lower Parel,
Bombay 400 013.
Tel: 4941677, 4947457, 4946027.
Tlx: 011-73772 ZNTH IN.
Fax: 91 (22) 4941680.

daCunha/ZT/67/88

UNISTAR.
Illuminates the path of progress.

The versatile cable. UNISTAR

● PEX Power Cable LT/HT/EHT ● Flamuni Cable FRLS/FS/HF. ● PILC Cable MIND/ Draining. ● PVC Power and Control Cables ● Elevator Cable PVC/Rubber ● Railway Signalling and Loco Cables ● Aircraft Wiring/Air Field Lighting Cables ● Mining Cables Fixed and Trailing ● High Temp. Cable Silicone/Fluoroplastic ● Oil Exploration Cables (Rig and Data-Logging) ● Welding Cables GP & HR ● Ship Wiring Cable ● Nuclear Radiation Resistant Cable ● DC HV Cable Precipitator/X-Ray ● High Frequency Cables Audio/Video/RF/Cable TV, Microwave ● Multi Pair Screened Instrumentation/Data Cable.

UNISTAR CABLES AND CAPACITORS

The all pervading element in industries.

UNIVERSAL CABLES LIMITED P.O. Birla Vikas, Satna-485 005 (M.P.) Tel. 2551, 2552, 2708, Telex No.: 0766-202 UCL IN

BOMBAY: Industry House, 159, Churchgate Reclamation, Bombay 400 020. Tel. 202 6340, 202 8019, 202 3170 Telex: 011-3732 BPLA IN

CALCUTTA: 27-B Camac Street, Calcutta 700 016, Tel. 44 4351, 446198 Telex: 021-7653 RMCO IN.

NEW DELHI: UCO Bank Bldg. Parliament Street, New Delhi 110 001 Tel. 384851, 382750 Telex: 031-62646, 031-62598.

BANGALORE: 5, Palace Cross Road, Bangalore 560 020. Tel. 362674, 368179. Telex: 084-653.

MADRAS: 20 Greams Road 1st floor, P.B. No. 737, Madras 600 006 Tel. 472487, 477551 Telex: 041-428

AMA-UC-293 X R

Company	Face Value	Market lot	Type	Rate %	Size Rs lacs	Price Rs	Date	Yield %	Interest due date	Redemption date	Book closure
ASEA	100	10	NCD	13.5	252.0	86.25	5/10/88	15.65	30.6,31.12	17/9/93	31/12/88
ASHOK LEY.A	64	5	NCD	13.5	521.0	53.00	21/10/88	16.30	31.3,30.9	3/4/96	16/9/88
ASHOK LEY.B	64	5	NCD	13.5	1043.0	53.00	21/10/88	16.30	31.3,30.9	3/4/96	16/9/88
ASHOK LEY.C	100	5	NCD	15.0	815.0	95.00	10/10/88	15.79	31.3,30.9	3/4/91	16/9/88
ATASH IND	75	10	CD	15.0	300.0	58.00	21/10/88	19.40	31.3,31.7	17/3/94	18/7/88
BATLIBOI	100	25	NCD	15.0	510.0	95.00	21/10/88	15.79	30.4,31.10	11/4/93	15/10/88
BIRLA JUTE	200	5	NCD	13.5	999.0	170.00	4/10/88	15.88	30.9,31.3	7/2/69	15/9/88
BLUE BLEND	200	10	NCD	13.5	625.0	167.50	21/10/88	16.12	31.1,30.6	4/11/96	1/6/88
CONT. CONST.	100	10	NCD	15.0	1750.0	82.50	18/10/88	18.18	1.1,1.7	4/10/95	14/6/88
DR REDDY'S	100	10	CD	15.0	163.0	95.00	18/10/88	15.79	30.6,31.12	4/6/96	16/6/88
DUNLOP	150	5	NCD	13.5	120.0	135.00	21/10/88	15.00	15.7,15.1	1989/91	31/12/88
E.I.HOTELS	50	10	NCD	13.5	1566.0	43.50	14/9/88	15.52	10.4,10.10	10/4/94	21/9/88
ELECON ENG	45	5	NCD	13.5	247.0	40.00	18/10/88	15.19	30.6,31.12	12/3/94	1/6/88
ESSAR SHIP	75	10	NCD	13.5	1667.0	75.00	13/10/88	13.50	15.4,15.10	15/4/94	21/6/88
F.G.P.	100	5	NCD	13.5	168.0	90.00	3/8/88	15.00	31.3,30.9	19/11/92	13/9/88
FERRO ALLOY	250	2	NCD	13.5	750.0	230.00	14/10/88	14.67	30.6,31.12	1991	8/6/88
FORBES	100	10	NCD	13.5	600.0	87.00	18/10/88	15.52	1.4,1.10	2/4/94	10/9/88
GARDEN SILK	100	10	NCD	12.5	2197.0	72.50	21/10/88	17.24	31.3,30.9	1995/97	1/9/88
GRASIM IND	120	5	NCD	13.5	100.0	112.50	21/10/88	14.40	31.3	1997	15/3/88
GUJ ALKALI	140	5	NCD	13.5	700.0	127.50	18/10/88	14.82	28.2,31.8	1/8/93	17/8/88
HIND FERODO	100	5	CD	13.5	206.0	82.50	10/10/88	16.36	30.6,31.12	14/12/92	10/6/88
HOECHST	100	5	NCD	15.0	383.0	105.00	7/10/88	14.29	1.5,1.11	14/9/91	12/4/88
I.T.C.	500	1	NCD	15.0	500.0	510.00	18/10/88	14.71	1.7,1.1	1990/91	14/6/88
IND HOTEL	75	10	NCD	13.5	1123.0	71.00	21/10/88	14.26	1.4,1.10	26/4/92	23/8/88
IND HOTEL	100	10	NCD	12.5	2708.0	85.50	21/10/88	14.62	15.6,15.12	14/6/94	3/5/88
IND RAYON	80	5	NCD	12.0	801.0	71.00	21/10/88	13.52	30.6,31.12	6/4/93	10/6/88
IND RAYON	112	5	NCD	13.5	1668.0	103.00	10/10/88	14.68	30.6,30.12	18/2/95	10/6/88
J.K. SYNTH	120	4	NCD	13.5	1875.0	107.00	21/10/88	15.14	1.1,1.7	1/4/92	1/6/88
JINDAL STR	100	10	NCD	15.0	600.0	91.25	21/10/88	16.44	30.6,31.12	14/4/94	15/6/88
KALY STEEL	100	5	NCD	15.0	67.0	105.00	30/9/88	14.29	30.6,31.12	7/6/91	19/6/88
KESORAM	90	5	NCD	13.5	1890.0	78.00	12/10/88	15.58	30.6,31.12	11/3/95	6/9/88
KLOCK WIND	100	10	CD	13.5	138.0	89.00	12/10/88	15.17	28.2,31.8	1993/95	17/8/88
KOTH FOOD	100	10	CD	15.0	475.0	80.00	21/10/88	18.75	31.3,30.9	1991/95	7/9/88
L & T RTC	60	5	CD	13.5	360.0	57.00	21/10/88	14.21	1.1,1.7	1990/94	13/9/88
L & T-IV	60	10	CD	13.5	2626.0	56.00	11/10/88	14.46	1.4,1.10	1/10/88	13/9/88
LAKME	75	10	NCD	13.5	202.0	70.00	18/10/88	14.46	30.6,31.12	9/6/94	1/6/88
LML	115	5	CD	13.5	828.0	71.00	12/10/88	21.87	30.4,30.10	1991/93	16/4/88
LYKA LABS	100	10	NCD	15.0	240.0	87.50	18/10/88	17.14	30.6,31.12	1993/96	15/6/88
MAY & BAKER	100	5	NCD	15.0	300.0	100.00	21/10/88	15.00	30.6,31.12	9/9/94	16/6/88
MAZDA IND	100	10	NCD	13.5	625.0	74.00	21/10/88	18.24	1.4,1.10	5/4/93	6/9/88
MUKAND	125	5	NCD	13.5	437.0	117.00	12/10/88	14.42	1.1,1.7	1988/92	10/6/87
PRESTIG FOOD	150	10	CD	13.5	25.0	60.00	21/10/88	33.75	31.12,30.6	1992/94	5/6/87
RAYMOND WOOL	400	1	CD	12.0	480.0	345.00	5/10/88	13.91	31.3,30.9	1989/93	1/9/88
RAYMOND WOOL	400	1	NCD	13.5	1920.0	360.00	21/10/88	15.00	30.4,31.10	30/10/92	1/9/88
REL F CUM	100	10	NCD	15.0	3000.0	144.00	14/10/88	10.42		30/9/95	11/8/88
RELIANCE E	100	5	NCD	13.5	5335.0	85.00	21/10/88	15.88	30.4,31.10	30/6/97	17/4/88
RELIANCE F	100	10	NCD	15.0	27000.0	97.00	21/10/88	15.46	20.2,31.8	30/9/95	1/8/88
SANDOZ	100	10	NCD	13.5	69.0	93.00	13/10/88	14.52	30.6,31.12	24/4/95	11/6/88
STEELAGE	100	10	NCD	13.5	132.0	87.00	21/10/88	15.52	1.5,1.11	1994	12/10/88
TATA PRESS	120	5	NCD	13.5	195.0	108.75	21/10/88	14.90	31.3,30.9	11/11/96	14/9/88
TATA STEEL	200	5	NCD	13.5	2011.0	200.00	18/10/88	13.50	1.4,1.10	1/3/92	11/3/88
TATA UNISYS	100	10	CD	12.0	250.0	82.00	21/10/88	14.63	1.1,1.7	1998	10/6/87
TITAN WATCH	200	10	NCD	13.5	1312.0	167.00	21/10/88	16.12	15.6,31.12	5/3/97	15/11/88
TRANSPORT CO	100	10	NCD	15.0	400.0	67.50	21/10/88	22.22	31.3,30.9	1993/96	13/9/88
TTK PHARM	100	10	NCD	15.0	143.0	90.00	21/10/88	16.67	30.5,30.11	1/3/92	12/5/88
TWENT CENT	100	5	NCD	13.5	300.0	77.50	7/7/88	17.42	30.4,30.10	23/8/90	21/9/88
UNITECH	100	15	NCD	15.0	264.0	80.00	10/10/88	18.75	30.6,31.12	25/4/94	16/6/88
UNIV LUGGAGE	100	10	NCD	15.0	144.0	75.00	13/10/88	20.00	1.6,1.12	26/3/96	12/11/88
USHA MARTIN	100	5	NCD	13.5	934.0	80.00	21/10/88	16.88	31.3,30.9	29/10/95	15/9/88
V.I.P. IND	100	10	NCD	15.0	960.0	88.00	21/10/88	17.05	31.1,31.7	22/4/93	8/7/87
VARELI TEXT	100	10	NCD	15.0	862.0	92.00	21/10/88	16.30	31.3,30.9	1993/95	1/9/88
VARUN SHIP	100	10	NCD	15.0	175.0	80.00	7/10/88	18.75	31.5,30.11	20/8/93	16/11/88
VOLTAS	300	1	NCD	15.0	900.0	300.00	12/10/88	15.00	28.2,31.8	1/3/91	2/8/88
VOLTAS	150	2	CD	13.5	300.0	137.50	6/10/88	14.73	30.6,31.12	1991	2/6/88
W.I.ENTER	100	5	CD	15.0	615.0	92.50	21/10/88	16.22	1.10,1.4	12/6/95	16/9/88

Note: CD: convertible debenture; NCD: non-convertible debenture; Yield interest rate as a precentage of market price.

Time to renew your subscription?

Not at the eleventh hour please

Our computer is fussy. It requires renewals to be recorded four weeks in advance. And it would like to know that your payment is against a renewal. That's not all. It would also like to know your subscription number.

Who said computers were meant to make life simpler?

Help us to help you

Business India

Bullish fervour

The stockmarkets are going up up and away. Market watchers are already saying that the 1985 boom will soon pale in comparison to what is happening currently. However, our contestants are a cautious lot. Against spectacular increases in all the six scrips for IC 275 their predictions did not match up.

How to enter

On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these shares as on 25 November 1988, and send in your entry by 15 November 1988. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 25 November 1988, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 25 November 1988, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 15 November 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of **the Business India group of publications** is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 21 October 1988 (Rs)	Variations permitted from correct prices up to (Rs)	Prices as on Friday, 25 November 1988 (Please fill) (Rs)
Bajaj Auto	Bombay	400.00	2.00	
Food Specialities	Bombay	175.00	1.50	
Hind. Lever	Bombay	88.00	1.50	
Reliance	Bombay	186.50	1.50	
Siemens	Bombay	110.00	1.50	
Tata Tea	Bombay	149.00	1.50	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC278

The Chola Sheraton Business trip

There is a fine difference between a business trip completed and a complete business trip.

It takes more than just a hotel to prove it. It takes the Welcomgroup Chola Sheraton. And the discerning business traveller.

For whom we have created the **Executive Club,** a new world of hospitality with specially appointed rooms and suites, extensive business support facilities and personalised valet service.

And the **Executive Club Lounge.** Quiet, elegant and distinctive. Ideal for informal meetings and private entertainment.

But the 'complete' business trip means more than business. And we at the Chola know this.

The new, fully equipped **Health Club** not only smoothes away the creases of your hectic schedule, it also helps you unwind—for the leisure hours.

So that you can revel in the pleasures of dining at our speciality restaurants, and, of course, the **Peshawri**—the North-West Frontier restaurant that brings you an unforgettable gourmet experience!

All this in an environment which exudes the inimitable Chola warmth and hospitality.

WELCOMGROUP

Chola Sheraton

The complete business experience.

10, Cathedral Road, Madras, Tamil Nadu Tel.: 473347 Telex: 041 7200 WELC IN Fax: 478779 Cable: HOTEL CHOLA, MADRAS

HTA 6143

SENSATIONAL

Cool & Quiet Profile

Sealed cavities, EPDM gaskets and an effective glazing unit keep noise, heat and dust infiltration at its minimum. Ideal for airconditioned areas.

Hi-Fashion Profile

Profile is modern and elegant. Contemporary designs blended with traditional care.

Water-Resistant Profile

The double sealing and built-in drainage system do not let the rainwater come through. Profile is unaffected by water, salts, acids, alkalis, humidity and all other atmospheric pollutants.

Tough Profile

Its high impact base material, zinc galvanised steel insert and highly effective multi-point locking mechanism offer maximum durability and security. It is fire-resistant too.

Distributors **Ahmedabad**: KARTIK PATEL, 11, Nathalal Society "Kunwar Bhawan"-14 Ph 442180 **Bombay**: STAR ENTERPRISES, 307, Buss Udyog Bhawan, Torershi Juraj Road Sewree Ph (Off.) 413550 (Res.) 548897, 544146 **Hyderabad**: SOUTHERN AGENCIES, Flat No.103, Ph Lane Complex, Road No. 12 Banjara Hills Ph 227422 **Kanpur**: LAXMI ENTERPRISES, Vivek Cinema Buildings 1 Ph 210640, 210644. **Madras**: SOUTHERN AGENCIES, Flat No-2, 5, Cha... Ph... 44440... **Meerut**: FOAM TRADING CO. 184, Abu Lane 2 **Patna**: BIHAR COMMERCIAL CORP., S.P. Verma Road, Ph 23015.

PROFILES

Care-Free Profile

Maintenance free, in effort and cost. Once installed, Profile is totally immune to rotting, swelling, warping, peeling, moths, termites and rust.

Perfect Profile

Doors & Windows that look elegant and perform wonders. Fabricated on highly sophisticated machinery with German technology. Installed by trained company personnel. A perfect need for every perfect setting.

10 years guarantee

PROFILE

"Magnifique"

That's how any Frenchman, wi his Gallic eye for beauty, woul describe Profile Doors & Windows. He'd be right of course, but there's much more than just beauty Profile Doors & Windows are a marvel of attention t technical details.

Profile Door & Window systems-created by expe German designers—are processed to high standard and skillfully assembled. Perfectly glazed with a foo proof locking mechanism and flawless hardware Strict quality assurance procedures ensure its incredib le strength and long term operational reliability.

Profile Doors & Windows are even installed by tra ned company personnel.

Profile's faultless technology is a must for every Hos pital, Hotel, Computer Centre, Food Processin Unit, sensitive Electronic and Chemical Industry Laboratory, Commercial and Public Building an any dust free environment and, of course... your home.

The wide range of Profile offers you Picture windows Open-out windows, Main doors, and Sliding doors.

Custom built doors and windows are fabricated withi 7 days.

Profile has a 10 years guarantee that says these doors & windows have come to stay.

Vinyl Door & Window Systems

In technical collaboration with Brügmann Frisoplast GmbH, West Germany

Manufactured by: SHEELA FOAM PVT. LTD. (Building Product Division) Regd. Office: E-326, East of Kailash, New Delhi-110 065. Phone: 6410912, 6432806. Telex No. 31-62304 MMA-IN. Grams: SOFTFOAM.

"2" that's paved the way for "4"

The popular two-wheeler tyre — TVS Srichakra — now comes to you for your four-wheeler.

A tyre that will not only give you excellent mileage but will also offer you peace of mind: added safety.

'Lock-In Tread' for added safety

TVS Srichakra is designed with a unique tread pattern.

'Lock-in Tread'.

It provides the firmest grip on any surface.

On wet roads, it helps draw out water so that there's no slip, no skid. Its broader contact area holds tight dry roads. And gives your vehicle the stability you need on steep slopes and sharp corners. No shakes... no wobbles.

All that adds to that extra safety you need in today's driving conditions.

TVS Srichakra :

Safety you can trust

R K SWAMY/STL/8099

An open door approach

Nair with workers: a legend of sorts

P.M. Nair *is chief secretary of the Union Territory of Pondicherry; chairman and managing director of Anglo French Textiles (a subsidiary of the Pondicherry Textile Corporation, GOI)*

It is noon. P.M. Nair, chief secretary of the Union Territory of Pondicherry, drives into the rambling mill compound of Anglo French Textiles (AFT) at Mudaliarpet, dressed in a light blue on dark blue worker's uniform. Nair is the chairman and managing director of the mill as well. The 44-year-old IAS officer seems to manage his dual role easily and efficiently. It is evident that AFT, the mill which was given up as dead before he took over in 1985, is a pet project.

Serious misgivings. Efforts had been made at various levels to revive AFT, which had sustained over 7,000 workers for many years. Spread over 56 acres, the 90-year-old mill which produces 'cotton grey', closed down in July 1983, beleagured by mismanagement and labour problems. Expert bodies had expressed serious misgivings when the government of India agreed on nationalisation of the unit and set up the Pondicherry Textile Corporation to bring AFT under its umbrella. A development commissioner of the state, Nair had been familiar with its problems, but till two days prior to the takeover, he had no idea that the baby would land in his lap. Soon after, he was appointed chief secretary, and perforce the chairman of the mill.

When the new team entered the mill compound in December 1985, it encountered a veritable jungle, complete with snakes. There were trees growing out of derelict buildings and even through an abandoned vehicle. High tension cables had been snapped, the labour office had been ransacked, records stolen or mutilated. Nair and the joint managing director, P. Somasundaram, set up a task force with an action plan. They were given *carte blanche* to revive the mill.

No interference. A determined Nair laid down one condition — no interference. "I must admit they stuck to their word," he acknowledges. As many as 1,155 workers were retrenched. High productivity norms and rationalisation of labour were accepted by the workers — earlier the warehouse had over 700 hands, now it has 300. Today, no unions operate within the precincts of the mill. All decisions are taken in consultation with the workers based on an opinion poll, the results of which are publicly announced. The government of India sanctioned Rs.12.56 crores, of which Rs.7 crores have been handed over to the commissioner of payments for statutory liability. Earlier, the mill had worked only for six days — now the seven day week has been adopted.

When the new team entered the mill compound in December 1985, it encountered a veritable jungle, complete with snakes. There were trees growing out of derelict buildings and even through an abandoned vehicle. High tension cables had been snapped, the labour office had been ransacked, records stolen or mutilated

Another innovative approach was taken for overhauling plant and equipment. No outside contracting was done; even civil engineering jobs like re-building water tanks, etc, were done by staff engineers. Experts had estimated that the turnaround would take a year; Nair did it in six months. On 10 June 1986 when the mill re-opened, Nair walked in wearing his uniform, as a sign of his serious intent. The mill achieved a turnover of Rs.16 crores in the first year, making a profit of Rs.1.2 lakhs. In the second year, turnover touched Rs.31 crores. It is expected to be in the region of Rs.35 crores for the current year.

For the workers, Nair decided that the canteen would supply food round the clock. A complete meal costs just Rs.2. Part of the mill compound has been converted into a vegetable garden.

Welfare fund. The AFT runs a 24-hour dispensary for workers and their families, and Nair gets the best medicines for his dispensary. A death relief fund has been set up to which every worker contributes when a colleague dies. Up to Rs.1.5 lakhs used to be collected thus. Recently, through common consent, the amount has been reduced to Rs.75,000. There is a welfare fund too, with matching contributions from workers and management.

Last year, AFT declared a bonus in an unusual way — 50 workers were called at random and the balance sheet placed before them. The workers themselves indicated what should be set aside for machinery, expansion, depreciation, etc, and asked for a 10 per cent bonus. The management upped this to 14 per cent. The AFT chief executive is a legend of sorts in the union territory of Pondicherry. "I have no closed doors. From the top level manager to the shopfloor worker, everyone has access to me," he says

■ PADMA RAMNATH

SUSTAINED GROWTH THE SURE SIGN OF SUCCESS

CHAIRMAN-AND-MANAGING DIRECTOR MR.G. VITTAL'S SPEECH FOR THE 4TH ANNUAL GENERAL MEETING ON 29TH SEPTEMBER 1988.

Ladies & Gentlemen,

It gives me great pleasure to extend you a very warm welcome on the occasion of the Fourth Annual General Meeting of the Company. The Directors Report and Audited Accounts of the Company for the period ended 31st March, 1988 are already in your hands. In pursuance of provisions of Direct Tax Laws (Amendment) Act, 1987, regarding adoption of uniform Accounting Year, the accounts have been prepared for a period of fifteen months ie. from 1.1.1987 to 31.3 1988.

PROJECT IMPLEMENTATION:

The Factory was put into trial production by 7th December, 1987. The Japanese Technicians have provided the necessary job training to our technical staff in the Japanese art of weaving and operation of sophisticated Sulzer Ruti Rapier Looms. Now your Company is fully equipped to manufacture wide range of Silk Fabrics to meet the international standards.

HURDLES IN INITIAL STAGES:

The initial stages of any industry's set-up can be compared with the infant age of a child. In the erection stage of imported machinery and delivery of technical data and designs by the Japanese suppliers, there was some delay which led to delay in implementation of Project for about six months. Secondly the acute power-cut in the State and other teething troubles contributed their share in further delaying and the commercial production was therefore delayed upto 5th April, 1988.

Now, we could overcome the difficulties one by one. We have been assured uninterrupted supply of silk yarn from China by His Excellency He Wei, Commercial Consulate, Embassy of China. The alternative sources for purchase/procurement of raw materials have also been arranged. The purchase, production and marketing departments have been streamlined to ensure attainment of our turnover targets. We have made necessary tie-up arrangements with Agents both in India and overseas for sale of our major production.

Our unit has a licenced capacity of 5,00,000 metres per annum. However, it has the installed capacity of 15,00,000 metres per annum in three shifts. As the Polilcy of Government is to automatically endorse the licenced capacity taking the actual production in account, more so in case of EOU, our company has very bright chances to utilise the optimum installed capacity gradually.

DIVERSIFICATION

We have necessary infrastructure to process 30,00,000 metres of silk fabrics per annum whereas our weaving department requires only 15,00,000 metres processing capacity. We have applied to Government for importing grey fabrics and re-exporting after processing in our unit on job work basis, so that the processing capacity will be fully utilised without much additional capital involvement.

Considering the huge demand for silk garments and made-ups, we have submitted our plans to Government for the necessary approval for manufacturing and exporting the silk garments and made-ups. The production plan will no doubt boost the profitability and foreign exchange earnings of the Company.

Your Directors have taken a decision to set up modern Silk Reeling unit in Andhra Pradesh with a capital outlay of Rs.12.5 Crores with 20 NISSAN Automatic Machines and annual production of 120 tonnes raw silk yarn. The entire raw material requirement (silk yarn) of our Company can be easily met without depending on imports and if there is any surplus it can be sold at remunerative prices. As the demand for silk yarn is growing year after year and since World Bank is extending financial help for development of Sericulture in Andhra Pradesh also we foresee very bright pofitabilities for the unit.

Keeping in view for the demand of printed silk fabrics, your Company will be equipped with a modern design and printing unit to manufacture designed fabrics in near future.

OTHER PROJECTS:

A Letter of Intent has been obtained in the name of Richimen Synthetics Limited for setting up a Synthetic Fabric manufacturing Unit with 300 Looms. Land has been acquired for setting up of the project. Negotiations are in progress for purchasing Sulzer Looms from Switzerland and Finishing & Designed machinery from Japan.

INDIAN SILK INDUSTRY:

Foreign exchange earnings of the Indian Silk Industry during the year 1987 - 88 touched a new peak of Rs. 254.96 Crores consisting of Natural Silk goods Rs. 244.82 Crores, Mixed/Blended Silk Goods Rs. 6.95 Crores and Silk Waste Rs. 3.17 Crores. Indian Silk Goods Exports during the four months period from April to July, 1988 accounted for Rs. 93.54 Crores being 23.6% more than that of the previous year during the said four months. In case of Natural goods which constitutes major portion of Silk exports the increase in selling prices mainly contributed to increase in Foreign Exchange earnings. During April - July, 1988 export of Natural Silk Goods amounted to Rs. 89.24 Crores being 22.4% more than that of the last year during the same four months, though the increase in quantity was only 9.3%. The remunerative prices offered to Indian Silk goods really serves as stimulous for growth of our Silk Industry. The Company is striving its best to take advantage of these favourable factors. We are making every effort to meet the aspirations of shareholders who have reposed confidence in the Company.

It will not be out of place to mention that the Government is giving good encouragement for development of Sericulture in India and World Bank is extending its financial support. This is most welcome considering the social economic and industrial development of our country and particularly Indian Silk Industry.

I thank Central and State Governments, Bankers, Suppliers, Managers, and Staff Members of the Company and particularly the Shareholders for the support in implementation and take-off of the project.

THIS DOES NOT PURPORT TO BE A REPORT OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETINGS.

RICHIMEN SILKS LIMITED

t was the "puppy" party of the onth. When **Lalit Suri** de-ared his Holiday Inn in New elhi open, he flung the doors pen to the local smart set that romises to be his prime target roup.

The Suri mega-project was of ourse delayed by several years – it was one of the Asiad pro-cts some say. (Does anybody emember the Asiad anymore?) or Suri, the triumph of open-ng must have countered to an

extent the trauma of the Sum-itomo scandal that has just about blown over for the moment.

The Suri sway over the Delhi political circuit, that cuts across various regimes and power structures, was displayed adequately at the hotel's open-ing. Scene of the day — the PM's current chief advisor G.K. Arora being hugged by the old PM's main confidant R.K. Dhawan — both of whom made extremely rare public appearances for the gala event. If what they say of the Suris — here today, here tomorrow — works with the ho-tel as well, Holiday Inn may well be the hotel to watch in the race to conquer Delhi markets.

If presidents were Santa Clauses, wishes could well be horses — or at least reindeer. On his recent trip to Finland, it seems President **R. Ven-kataram** was actually received by Santa Claus. The head of state was visiting the Santa Claus workshop in the Artic cir-cle — no doubt the high point of the Finland visit. While official spokesmen are mum about the logic of this presidential foray, political pundits in New Delhi figure that it was Venkatra-man's way of ensuring that he kept the flag of a secular India flying high.

Whatever the logic may have been, having been to see old Father Christmas himself, gifts and presents were the least one could have expected when the president returned home. And a lot of good cheer — which the nation seemed in the interim to have been running short of.

Ad films sell dreams, some-times products, and more rarely win prizes. Creating films that sell and dreams that win is ad-mittedly a tough task. And one that novices and new initiates can hardly master. Film makers are usually a closed club with new entrants shooting miles of reels before their real stuff is accorded recognition.

Not so for **Simi Garewal.** Super Simi won an Australian award last month for her first ad film. And she's thrilled. Simi won in a contest that featured clapper boards from 40 coun-tries and included 1,660 entries.

Stumbling on such talent must make A.G. Krishnamurthy, the creativity-inspiring head of Mudra advertising, very happy. More so because having won the award Simi says: "More ad films are in the pipeline."

Will Gorbachev meet **Viren Shah** on his visit to Delhi? Maybe not. But Shah certainly has done his bit for Mikhail, having spent over Rs.5 lakhs publishing a speech in praise of perestroika. In his chairman's statement at the Mukand Iron annual meeting Viren Shah the businessman politician spoke entirely on the process of Pres-troika. "Inspired by the process of change that is sweeping the Soviet Union and China and be-cause I believe that many in India are totally unaware of these changes" is the only rea-son that Shah proffers for his impassioned delivery.

For those who missed the full page ads reporting the speech, Viren is printing more lengthy

booklets which could well be in the mail already. Shah says that his speech was read by the un-likeliest of people who have called to greet him. *The Hindu*, which refused to carry the Mukand chairman's statement on the grounds that it was "po-litical" and not strictly business, may therefore have barely made a dent in Shah's proselytising efforts. Earlier Shah statements have been on subjects like fam-ine and the North-South de-bate. This year's speech — which comes after a 5-year break — may soon be followed up by one on China where Shah is currently attending a world Business Leaders Conference. So Mikhail, have you made up your invitees list yet?

While **Pravin Gandhi's** own newspapers (he is managing trustee of the Saurashtra Trust, publishers of the Janmabhoomi group of newspapers) may only be local papers, as the new Pres-ident of the Indian Newspaper Society he will pack a pretty hefty punch. Which, given Gan-dhi's previous and well pub-licised experience with associations and chambers of commerce, will be effectively displayed during the year of his Presidency.

Gandhi's term had a fortu-itous start since the defamation bill was dropped on the day he took office. The new INS presi-dent modestly disclaims any credit for disarming the govern-ment's draconian option, "not on account of my appointment but purely coincidental" he beams.

Do you ask these questions before you buy a personal computer?

- Is it a 100% IBM hardware and software compatible top-of-line computer?
- Will I get a One-Year Comprehensive Guarantee and a 30-Day Money-Back Guarantee with the system?
- Will I get the opportunity to talk to a systems engineer who understands my immediate and future needs?
- Will I be able to choose the hardware that fits my particular needs rather than standard solutions available with you?
- As my needs grow, can I get upgrades, say from an XT to an AT, at just the cost of difference?
- Will I get licenced software and programs and/or turnkey solutions designed to my particular needs?
- Will I get at least 30 hours of training on the system, at no extra cost?
- Will I get service within 2 hours of my call, should my system ever fail?

Only Innovative Information Technology Pvt. Ltd. says "YES" to all these questions.

With over 150 installations in two years, it has been a quiet success for us. And very productive computing for our clients. For details on our '288, '286 and '386 get in touch with us, today, at: **2872100**.

INNOVATIVE INFORMATION TECHNOLOGY PVT. LTD.

1507, Maker Chambers V, 15th floor, Nariman Point,
Bombay 400 021. Phone: 2872100.

Turning around, sick companies

Controlling corporate sickness (Lessons from experiences for managers and bankers)
By L.C. Gupta and Archana Sekhar;

Oxford University Press; Rs.90; pp 114.

In their book on controlling corporate sickness, L.C. Gupta and Archana Sekhar have rightly stated that the process of falling sick generally takes place over a period of years; rarely does sickness suddenly overtake a business.

The formal yardstick for identifying sickness, viz., the cash loss criterion, is misleading and, therefore, instrumental in delaying corrective action by several years. Rehabilitation efforts by promoters, the financial institutions and the government, concentrate too much on the financial aspects. There is, almost invariably an inadequate appreciation of the need for the right kind of backward and forward linkages relevant to a sick unit, and very little understanding of the perquisites for a successful turnaround.

It may be useful here to quote an instructive analogy given by John Argenti: "... the collapse of a company is in some ways similar to the sinking of a ship. If a ship is in good condition and the captain is competent, it is almost impossible for it to be sunk by a wave or a succession of waves. Even if there is a storm, the competent captain will have heard the weather forecast and taken whatever measures are needed. Only a freak storm for which quite inadequate notice has been given will sink the ship."

To enable a successful diagnosis of the "originating" causes, the entire process of falling sick needs to be understood. Frequently, there is a chain of causation with an originating cause. For example, the top management's inability to handle industrial relations results in low employee morale. Low morale leads to low productivity and high costs. This, in turn, leads to declining profits and, finally, to losses. Sooner rather than later this will affect the availibility of funds for conducting operations, which will, unless redressed, result in an irreversible slide down. The terminal cause might be a lack of funds but the true cause is management's poor handling of industrial relations. Unless it is objectively and incisively traced, the problem will remain unsolved and a turnaround would be wellnigh impossible.

The authors have quite perceptively suggested five basic typologies of corporate industrial sickness. These are:

- Operating: arising from managerial inability to conduct current operations efficiently, or from managerial corruption.
- Strategic: arising from lack of adaptability to long term environmental changes.
- Staying power deficiency: due to defective financial structure.
- Still-born: due to initially misconceived plans and, finally
- Catastrophic: caused by sheer bad luck.

One illustration relating to operating typology would be quite in order to underline the point. In the case of British Leyland, Edwardes says that when he took over in 1977, he found the internal control system in a horrible state. To quote: "There was no breakdown of cost information model by model... imagine trying to manage a business without knowing the cost of the individual products — it seemed unbelievable, and, yet, on investigation, quite explicable. Accountants can only work on information provided to them, and the organisation, including that at factory level, was a shambles. Putting in proper accounting yardsticks and controls was dependent on bringing the day-to-day business under control — without discipline nothing could be done, and very soon we realised that the sine qua non of survival was to reestablish the right to manage."

In passing, it may also be mentioned that insufficient staying-power, yet another typology, can threaten a firm's existence. Business is a game in which a player with a small "pile" may be out of the game before he has a chance to win. True staying power lies in the strength of a firm's net worth.

If we categorise a case of sickness into one (or more) of these typologies, the implications for remedial measures and strategy at once become clearer.

The next point the authors deal with is numerical indicators of corporate health. Financial ratios serve as forewarners in two ways: firstly, as sensitive measures of operational efficiency and, secondly, as an index of staying-power.

Two points have emerged from the various studies of corporate failures all over the world. First, the great majority of corporate failures are caused by inadequacies in top management, and, second, the process of failure does not take place overnight but generally extends over many years. It should, therefore, be possible to see the seeds of failure in inadequacies at the top long before they manifest as sickness.

Gupta and Sekhar have presented a succinct summary of important models developed by experts for assessing the attributes of top management which may have a bearing on performance in the short as well as in the long run.

The authors have expressed great confidence in operations audit as a preventive tool provided it is made an ongoing system in every business firm. A brief outline of operations audit has been provided in the book.

An important problem in India has been that even when it is known that a company is not performing satisfactorily, precise and specific data and analysis are usually not available about which parts are not functioning well and the reason for and the extent of malfunctioning. The board of directors, as well as financing institutions tend to swallow whatever explanations are offered by the management without verification. Operations audit can render a valuable service here.

A change of management is often a necessary condition for a successful turnaround in cases of severe and prolonged industrial sickness. The authors have emphasised four basic requirements for a successful turnaround. These are:

- A determined, motivating top management
- Potential viability of the firm's business
- Good planning and control and an integrated strategy, and
- Timely availability of adequate cash.

Most successful turnaround managers emphasise that "the most important part of getting a troubled company back to health was concerned with people". However, say Gupta and Sekhar, "Unless the cash requirements for carrying out a turnaround operation are accurately foreseen and arranged beforehand, the turnaround effort is unlikely to succeed." Many well-conceived and feasible turnaround plans have, as we know, got frustrated owing to procedural delays in making adequate funds available on time.

■ JAYANT KHER

CLEANING...
NO LONGER DIRTY WORK!

Here is the Ultimate Solution to all Cleaning problems

USHA Wap

High Pressure and Steam Jet Cleaning Machines

SALIENT FEATURES

HIGH PRESSURE

Water jet pressure upto 150 kg/cm^2 instantly dislodges dust, soot, mud, hard and sticky deposits. And reaches in to all corners, inaccessible points and complex assemblies.

HIGH TEMPERATURE

Heated spray of water/steam under pressure disintegrates greasy and oily deposits, loosens dried encrustations and dissolves otherwise insoluble chemical residues. As a result cleaning is fast and thorough.

DOSING OF CHEMICALS/ DETERGENTS.

Automatic addition of cleaning chemicals accelerates cleaning. Also simplifies disinfection, rust prevention, etc.

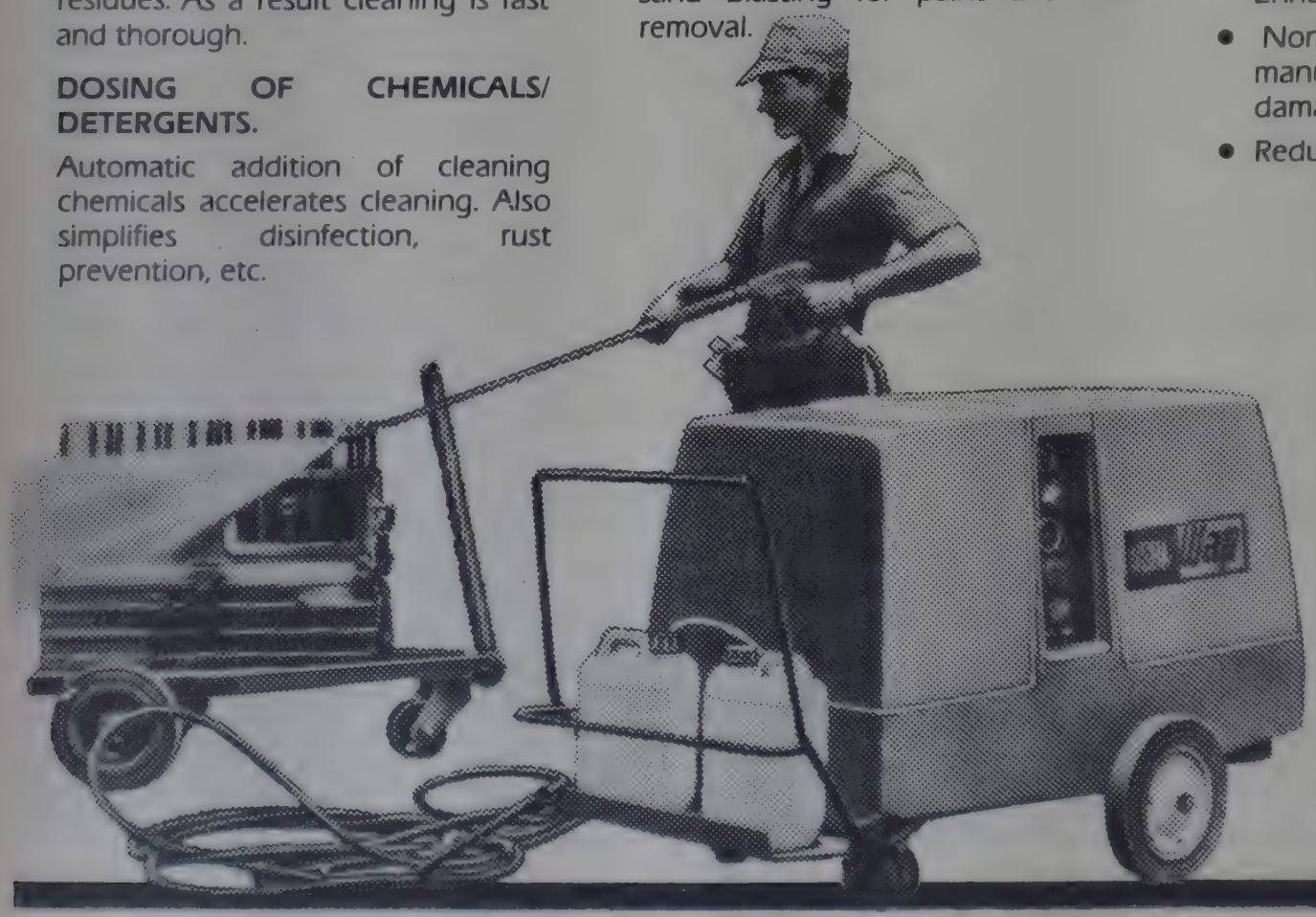
DESIGN FEATURES

Easy to use – Simply direct the spray gun on to the surface to be cleaned. Only one operator can accomplish all cleaning work. Pressure regulation provided in the gun-lance.

Mobile – Self contained, compact, light-weight and wheel mounted for easy movement.

Safe – Built in safety devices such as low-water cut-off, thermostatic control & pressure control device.

Versatile – Can be used for wet-sand blasting for paint and rust removal.



ADVANTAGES

- Cleaning is fast and thorough. Reduces downtime. Improves productivity.
- Enormous savings in time and labour.
- Intricate, inaccessible or densly clogged areas are also easily cleaned.
- Provides for Ease of maintenance after cleaning.
- Facilitates quick detection of faults that show-up only after cleaning. Enhances life of machines.
- 'Non-contact' process-eliminates manual scrubbing and resultant damage to job surfaces.
- Reduces water consumption.

Over 200 installations in India

In collaboration with WAP REINIGUNG-SSYSTEME & CO. of WEST GERMANY

• ILLUSTRATIVE APPLICATIONS.

- RAILWAY LOCOS, BOGIES & COMPONENTS • EARTH-MOVING MACHINERY • VEHICLES & ENGINES SERVICING.
- Process Equipment (Tanks, Vessels, Pipes etc.) • Garbage/waste Handling Equipment, etc. • Aircraft/Ship & their components.
- Metal Surface before painting • AC Plant (Fins & Filters of Air-handling unit) • Filters e.g. candle Polymer Filters in yarn industry
- Green Cutting of concrete surface during Construction • Oil Exploration/Processing Equipment & Installations.
- Shop floors • Poultry/Livestock cages • Food Processing Equipment • Hotels/Hospitals • Kitchens, Canteens & Lavatories.
- Disinfecting or Sterile Cleaning.

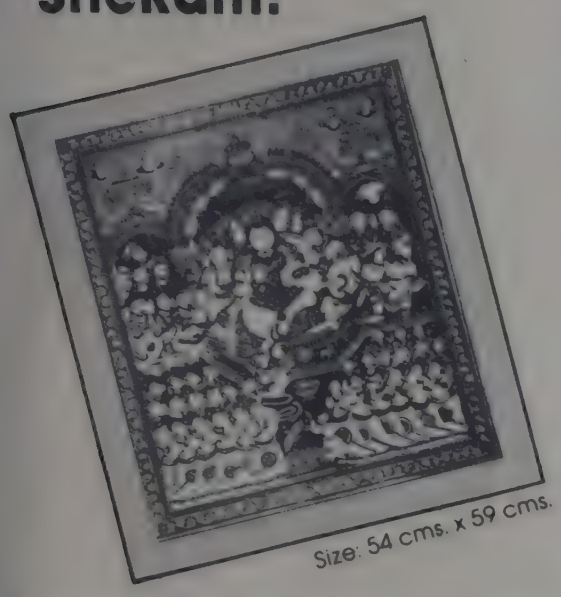
USHA Wap **USHA AUTOMOBILE & ENGINEERING LIMITED (WAP DIVISION)**

DELHI: 410 Meghdoot, 94 Nehru Place, New Delhi - 110 019 ☎ 6432478/9
BOMBAY: 93-94/C Mittal Tower, Nariman Point, Bombay - 400 021 ☎ 233413, 223635
CALCUTTA: 33, Chitaranjan Avenue, Calcutta - 700 012 ☎ 264509, 270793
MADRAS: Kakani Towers, 2nd Floor, 15 Khader Navaz Khan Rd., Madras - 600 006 ☎ 470906, 475557

SKETCH Communications

Just for you!

Limited editions of a hand-painted Souvenir of Rampattabhi-shekam!



Size: 54 cms. x 59 cms.

Rampattabhishekam, the coronation of Sri Rama, reproduced from an ancient painting in a vivid Thanjavur style is now brought to you as an eleven colour screen-printed momento. From Santi Arts, Winners of four National and six International Awards.

Santi Arts' masterpiece, Rampattabhishekam, is an award-winning entry of Screen Printing Association of India, ISP '87. Available in limited editions, for unlimited venues, homes, offices, hotels... wherever you want devotion to decorate your walls!

A prized possession for you, or a valued gift to your business associates.

Obtainable by V.P.P./M.O./D.D./P.O./ for Rs. 140/- in favour of Santi Arts, Guntur.

Rampattabhishekam,
will be despatched by Regd. Post Parcel in unbreakable PVC tube.

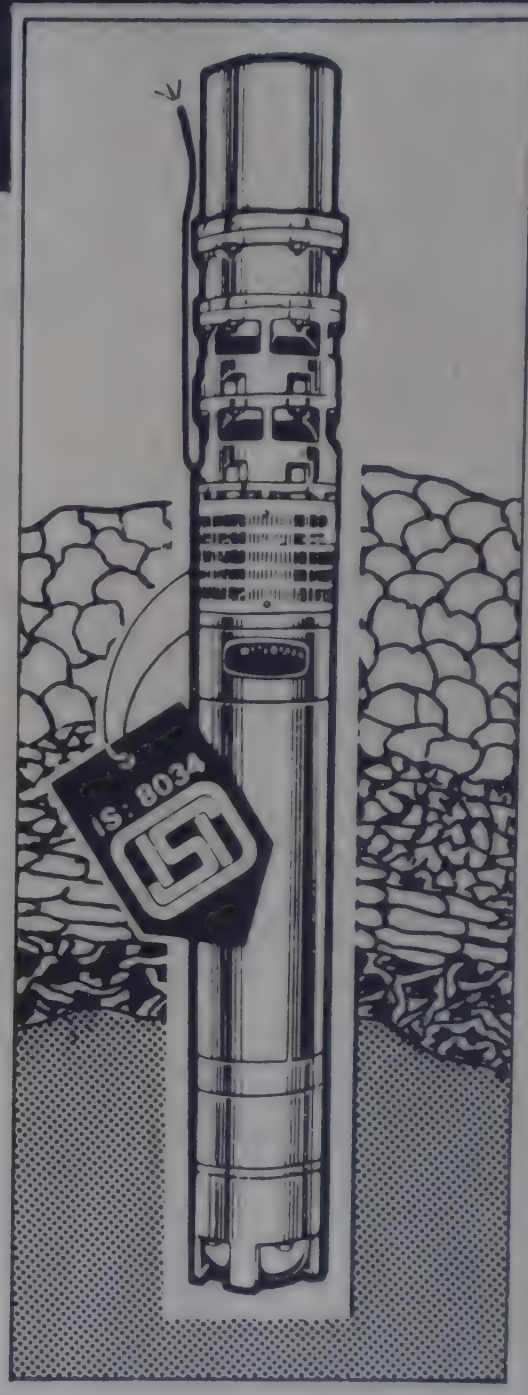
santi arts
Dr. Vijaya Kumari Hospital Lane,
Kothapet, Guntur-522 001. (A.P.)
Phone : 21605/25798 Grams : PUBLICITY.

Winners of National & International Awards for excellence in Screen Printing & Designing.

Member of SPAI

TARA•SA•881

TRIED AND TRUSTED
for Regular Water Supply
WATERMAN
SUBMERSIBLE PUMP



Waterman submersible pump is sturdy, reliable, economical and it's applications are wide.

Applications:
- Service water supply installations for industries.
- Town & Village water supply schemes.
- Irrigation Schemes.
- Domestic water supply.

Features:
- Capacities 60 LPM to 4300 LPM.
- Motor 1.5 to 80 HP.
- Pumps with single phase motor also manufactured.
- **Approved by all Govt. Depts.**

The pump for all seasons – WATERMAN

Manufactured by:
mbh pumps private limited
502, Sea Sparkle, Opp. Atlantic Hotel,
Juhu Tara Road, Bombay-400 049. Tel: 6149242.
Branches: Ahmedabad – Bangalore – Madras

mbh

Distributors:

Karnataka: WATER PUMPS SALES & SERVICE, 27 Malavalli Ramrao Lane, 2nd floor, behind Hotel King & SJP Road, Bangalore 560 002. Tel: 221200. Res: 369619, 367826.

Andhra Pradesh & Maharashtra: WATER AID ENGINEERS (INDIA) PVT. LTD. 541, Al Karim Trade Centre, M.G. Road, Ranigunj, Secunderabad-500 003. Phone: 824619 and 10-A, Vimal Udyog Bhavan, Taikalwadi Road, Mahim, Bombay 400 016. Phone: 4300571-4300572.

Bengal: GNB MOTORS LTD. Showroom & Works: 98 B.T. Road, Calcutta 700 090. Phone: 527083, 522563, 526588. City Office: Phone: 276111/264654. Telex: 021-3233 TODI-IN

Tamilnadu: MBH SALES CORPORATION (MADRAS), 83/7, Armenian Street, Madras 600 001. Phone: 21528.

Delhi, J & K, HP & Haryana: TECHNIKA ENGG. COMPANY, C- 36A, Kalka Ji, New Delhi – 110 019. Phone: 6430140/6438882.

Gujarat: ACME PUMPS CORPORATION, 436 Spectrum Commercial Centre No. 1 Near G.P.O., Satapose Road, Ahmedabad-380 001. Phone: 24729.

Motivation-191

SOUTH INDIA VISCOSE LIMITED

Registerd Office:
"ROSE BED", 334, AVANASHI ROAD, COIMBATORE 641 018.

Statement of the Chairman, SHRI PALLONJI SHAPOORJI MISTRY at the Thirtieth Annual General Meeting of the Company on Saturday, the 24th September, 1988, at Coimbatore.

Ladies and Gentlemen,

It gives me great pleasure to extend a warm and cordial welcome to all of you to this 30th Annual General Meeting of your Company.

The Directors' Report and the audited Statement of Accounts for the year ended 31st March 1988 have been with you for some time and with your permission I shall take them as read.

THE ECONOMY

Last year was a very trying period for the Indian economy.

After successive failures of the monsoon, the country had gone through the worst drought of the century in 1987-88 and this had affected the GNP. The agricultural production is reported to have declined. Thanks to the large buffer stocks of food, built in the earlier years, it has been possible to avert crisis. The manner in which the Central and State Governments have managed the drought is commendable.

It is to be hoped that with timely onset of the monsoon and normal rainfall, the current year would be able to register a reasonable growth in the GNP.

INDUSTRIAL POLICY

The policy of liberalisation introduced by the present Government since 1984 has given big boost to industrial development in the country. The pace of industrial development is further sought to be accelerated through the liberalisation of licensing policies.

Recent amendments to MRTP Act will enable your Company to diversity its activities without much hindrances. The Government will also have to ensure that side by side with the liberalisation of industrial policy, certain measures are introduced which will ensure offtake of industrial products in the domestic and overseas markets.

POWER SUPPLY

In Tamil Nadu 40% power cut had been imposed throughout last year. Your Company took timely steps to augment its captive power generation to supplement the grid power which has enabled the Company to maintain its production levels. It is gratifying to note that the Tamil Nadu Government has just reduced power cut from 40% to 30% in view of good monsoon.

STATE GOVERNMENT LEVIES

Tamil Nadu is the most heavily taxed state in the country

The package of recent measure which include sales tax concessions, incentives to new units, etc., has been a welcome step in the right direction. But these concessions alone are not adequate. The Government should remove certain major irritants like the purchase tax and the additional sales tax.

OPERATIONS

You would have noted from the Annual Report and Accounts that the Company has had another successful year of Sales and Profits. Sales turnover has gone up from Rs. 57 crores to Rs. 72 crores and the gross profit from Rs. 12.44 crores to Rs. 14.04 crores. This is the highest achieved in the history of the Company. As you will recall, the Company restarted the Viscose Staple Fibre Plant in 1986-87 which operated throughout the year. The offtake of Staple fibre has been good and it has contributed to enlarge the sales volume.

Barring unforeseen circumstances, the Company hopes to improve its performance further during the current year.

EXPORTS

As a result of aggressive promotional efforts in the overseas market, the Company has achieved an export turnover of Rs. 6.74 crores in Rayon Filament Yarn as compared to Rs. 4.05 crores in the previous year. In pursuance of our commitment to national objectives, the Company is keen to increase its foreign exchange earnings on a continuous basis. However, these objectives can be fulfilled only if the Government, without any reservation, follows a consistent policy for the issue of export licences for the products for which there is a market in the countries.

Similarly, the procedure for exports needs to be simplified.

DIVERSIFICATION

Diversification is a major goal of the Company to reduce its dependence on the existing product lines. With this objective your Company has established a separate cell for devoting full attention to identify and implement new and viable projects to accelerate the Company's growth. Liberalisation of foreign collaboration recently announced by the Government should facilitate foreign tie-ups in some new areas.

FOREST DEVELOPMENT

The Company remains fully committed to the policy for conservation and regeneration of forest wealth. You are aware that the Company has already established R & D Centres and Nurseries at Ooty, Kodaikanal and Sirumugai. These Research stations are experimenting with various techniques to develop Agro Forestry systems to encourage planting of trees. Besides generating raw material for the Company, this will improve economic conditions of farmers and ecological conditions of the area.

MANAGING DIRECTOR

Mr G S Keshavamurthy, President & Chief Executive has been appointed as Managing Director effective from 29th July 1988, in consideration of his good work done in improving the productivity, profitability and development of people in your Company.

ACKNOWLEDGEMENT

Before I conclude, I would like to thank the Central Government, Tamil Nadu Government, all Financial Institutions, Banks and the Share-holders for their continued support and co-operation.

APPRECIATION

I would like to express my sincere thanks to our employees at all levels whose dedicated contribution has resulted in the improved performance of the Company in the year under review.

Thank you.

SHRI PALLONJI SHAPOORJI MISTRY
Chairman

(Note: This does not purport to be the proceedings of the Annual General Meeting)

Alice doesn't work here anymore

Every job hunter's dream is a "good company" with "excellent career prospects" and "upward mobility"; a place where one can shine in a competitive environment and climb corporate (snakes and) ladders and where "salary is not a constraint for the right candidate". But what is a "good company" and who is the "right candidate"? Is a company a good work place just because its products sell well or are known well? And is a particular applicant the right candidate for your organisation's culture just because he exudes a confidence that awes you?

These days, the number of "footloose" executives and "burnouts" on an eternal search for a "change", "break", "suitable opening" or just simply "better prospects" seems amazing. But, the questions that arise are, why can't organisations retain their executives?

For one, there is the rolling stone, perpetually on the look out for a job, attending interviews in a routine manner. He "sticks on" till he is weaned away by an overzealous recruiter to greener pastures, or just throws up his hands one fine day saying, "I have had enough of this." Come to think of it, most executives begin reading newspapers, or this magazine, back to front, starting with the appointments page. Though "better prospects" is usually the reason given for leaving, in reality, there is a wide range of reasons why executives leave or lose jobs. The findings of a study recently conducted in the US on reasons why executives lost their jobs (which appear to apply in India as well) were as follows:

- overly ambitious, thinking of the next job, playing politics;
- inability to think strategically or staff effectively;
- specific performance problems;
- overdependence on a mentor (who probably has quit, leaving him behind);
- or, inability to delegate, insensitivity to others.

Receiving the resignation of a recently recruited executive can come as a rude shock to a company that has spent a fortune on recruitment fees, advertising and training costs. But perhaps this is a signal for the organisation to devote a little more time on introspection. Sadly, selection of personnel does not get the importance it deserves in many organisations. Further, however rigorous the recruitment process, interviewers tend to be overawed by someone who says "It may be tough but I'll lick it".

The search for the "right candidate" could indeed be a difficult task. Then organisations expect excellent personnel to join them when their salaries dont match prevailing salary levels. Or perhaps, the company has the right man at the right price but is neither growing nor alive to the fact that it does not have the culture, professional environment, growth or ability to motivate and nurture that person. Then again, the company may have developed an image that it is not the "right" place to work or is a company "where no one stays".

Frustration or helplessness, as the case may be, reflects both on the executive and the organisation. There is a vast difference between enjoying one's work and merely tolerating it. If one is just doing job for what it pays, he is not likely to stick around for too long.

Experience shows that it is usually the stick-ons that rise in an organisation, either by performance or by default. Stability in a job is something most companies and recruiters look for. But this should not be a result of stagnation, in which case one is worse off than before. It would appear that in a career span of 30 to 35 years, 4 to 5 changes at the outer limit are acceptable but this is hardly any yardstick to go by.

Today, we are in a world where neither loyalty to an organisation nor changing jobs in quick succession to grow and perhaps burn out seem suitable. The latter seems particularly true in hi-pressure, hi-growth organisations where the hi-cholesterol executive rises very fast upto a point of time and reaches a plateau where he asks himself, "Now what? Where does this all lead to?" An interesting feature in advertisements these days is that the "preferred age" of applicants has come down significantly, leading to more competition for fewer positions at the top. Didn't someone say that bottlenecks are at the top of the bottle?

The executive who willingly stays in a job or has made a few strategic changes is one who is most likely to have been enthusiastic about his job, positive in his outlook, cool during temporary setbacks, and has stuck on (and therefore has perhaps become indispensable). He has been visible and noticed for his performance and adapted to the organisation's culture. He relates to the job and has a clear sense of direction on what he wants to be in the next ten years. And in reality, he may be only slightly above average in his education or performance and has learnt to delegate over the years. Successful executives do what comes to them most naturally, be it marketing, consultancy or advertising, and have also asked themselves the question: how important is money?

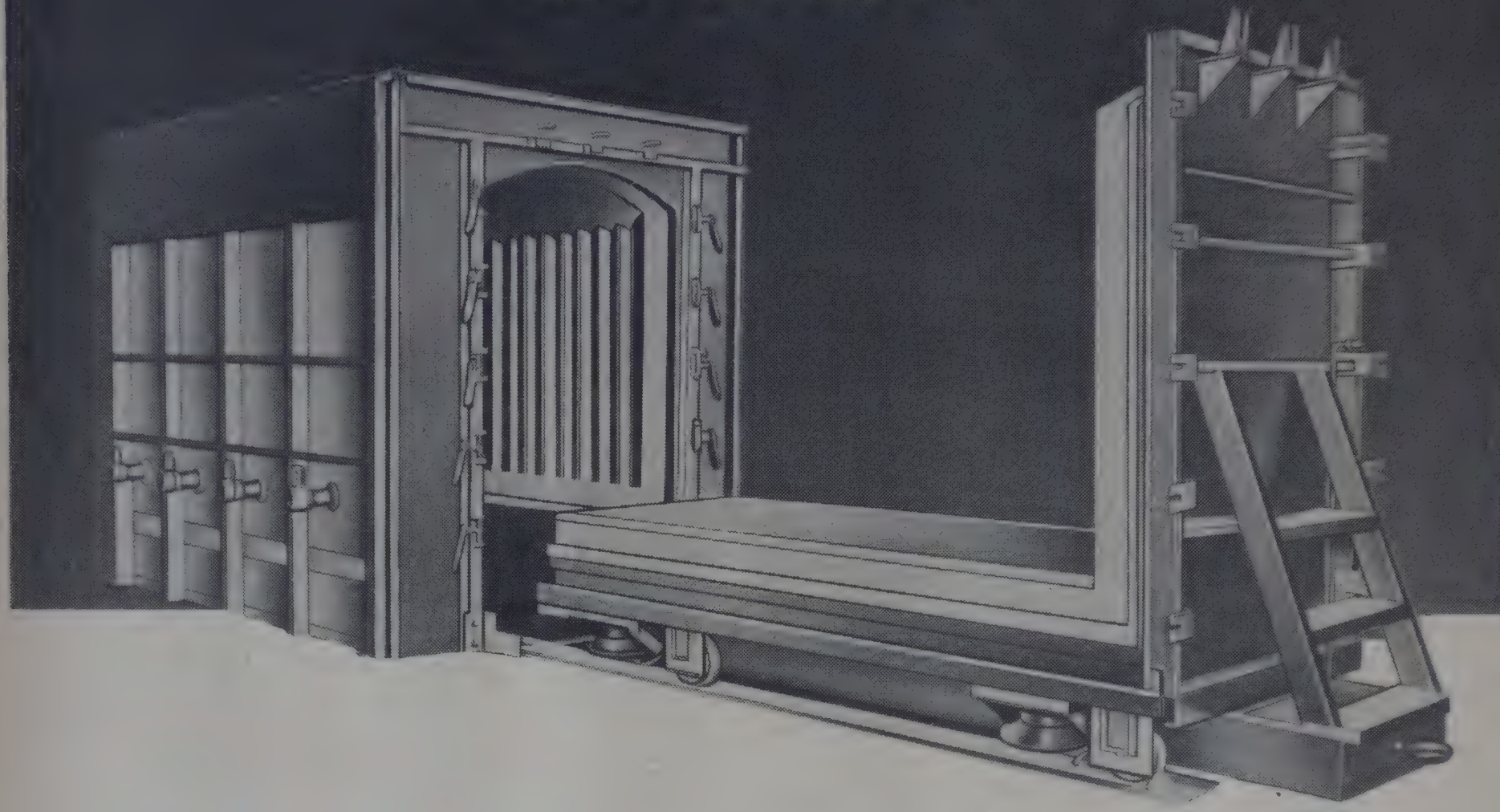
In the light of all this, before planning a change, the least that an executive could do is:

- learn more about the organisation he intends to join, its work culture, growth prospects, its employee turnover and, in the case of jobs abroad about the country, its cost of living, job security, repatriation benefits, etc;
- decide how long he proposes to be with that job and where does he expect to see himself in the next ten years;
- examine why does he really want to leave, is it just a transitory phenomenon that can be got over;
- and study the salary levels in that industry.

All this means is that there is a greater need for organisational and management development, the need for an organisation to stimulate the proper work environment and be alive to wage levels, perhaps by using pay surveys. Companies should also evolve strategies and solutions to tackle the problem of employee turnover, before it reaches crisis point. Many methods such as exit interviews, career planning, job rotation and re-inducting executives who have left earlier have been suggested, tried and implemented with partial success. What appears to be more relevant is the need to create an atmosphere that motivates rather than frustrates a person, the need to spend more top management time on selection of personnel who will fit in, given the organisation's work environment, though much depends on attitudes and interpersonal relationships. Informal organisations, have a better chance of retaining people, though this may not necessarily be true. Likewise, it is in the executive's interest to be clear in his sense of direction.

■ TUMULURU SRI RAMCHANDER

If you're looking for cost-effective and thermally efficient furnaces... ask Greaves



for Precimax.

Greaves Cotton, in its role as a marketing organisation, has brought to Indian industry, some of the finest equipment and machinery. Both from home and abroad

And now Greaves will market through its nationwide network, the rugged thermally efficient Precimax furnaces.

Precimax means high quality furnaces – a result of sound concept and effective engineering, coupled with careful manufacturing methods and rigid testing procedures.

Precimax furnaces from Greaves mean matching some of the world's best furnaces in terms of performance and reliability. So you get the best of both worlds – the cost advantages of Precimax engineered and manufactured in India and Greaves sales and service support.

Our range:

- Galvanizing Furnaces
- Bell Furnaces
- Pit Furnaces
- Roller Hearth Furnaces
- Bogie Hearth Furnaces
- Car Bottom Kilns
- Car Tunnel Kilns
- Pusher Furnaces
- Continuous Lines
- Rotary Hearth Furnaces
- Chamber Furnaces
- Ovens
- Accessories

Plus

- Other furnaces for a range of sophisticated applications

GREAVES COTTON & CO. LTD.
Industrial Materials Group
1, Dr. V.B. Gandhi Marg
Bombay 400 023

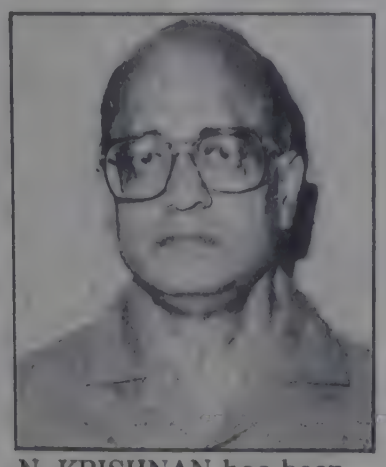
• Ahmedabad • Bangalore • Bhopal
• Bhubaneswar • Calcutta • Chandigarh
• Cochin • Coimbatore • Delhi
• Dhanbad • Gauhati • Goa • Hyderabad
• Jaipur • Jamshedpur • Lucknow
• Madras • Nagpur • Patna • Ranchi

Manufactured by:

PRECIMAX ENGINEERS PVT. LTD.
6th Floor, 17, Tardeo Aircon Market Building, Bombay 400 034

T.R. SRIDHARAN has assumed charge as the general manager, commercial and international banking at State Bank of India, Madras Circle.

V. JANAKIRAMAN has taken over as general manager, commercial and international banking at the New Delhi local head office of State Bank of India.



N. KRISHNAN has been appointed deputy general manager, corporate credit, State Bank of India, local head office, Bangalore.

J. SETHI has been appointed executive director, New Bank of India.

Y.G. CHOKSEY has taken over as general manager personnel and administration at the Indian Iron & Steel Co Ltd.

V.S. NARAYANAN has been appointed director, finance, at Instrumentation Ltd.

S.K. MUKHERJEE has been appointed general manager, materials management, at the Indian Iron & Steel Co Ltd.

S.C. KHANNA has been appointed director, marketing, at Remington Rand of India Ltd.

P.K. CHATTERJEE has been appointed technical director of Victory Flask Co Pvt Ltd.

J.S. VASANI has been appointed director of Hindustan Dorr-Oliver Ltd.

VENKAT MOHAN has taken over as chief executive of Wipro Systems Ltd.

JAI SINGH has been appointed manager, navigation and applications, at INMARSAT.

N.C. PATEL has taken over as managing director of Diamines and Chemicals Ltd.

N.H. PAI has taken over as president of Gannon Dunkerley and Co Ltd.

A. PRABHAKAR has assumed charge as general manager, western region, Super Cassettes Industries Pvt Ltd.

RAMPRAKASH PODDAR has been appointed director of Donalds Fashions Pvt Ltd.

J.V. SHETTY has been appointed chairman and managing director of United Bank of India.

AMBAR BRAMACHARY and V. SHANTAKUMAR have been promoted as executive directors of Contract Advertising (India) Ltd.

P. BAJAJ has taken over as chief executive of the Uttarpara works of SWIL Ltd.

A.K. SIVANANDAN has been appointed public relations manager of Indian Airlines.

ASSOCIATIONS

RAJESH KASERA has been elected chairman and P.K. AGGARWAL vice-chairman of the Central India Regional Council of the Institute of Chartered Accountants of India.
PANKAJ GHADIALI has been elected chairman and CHANDRAKANT R. SHAH vice-chairman of the Western India Regional Council.
S. VIJAYARAGHAVAN and K.N. RAMASUBRAMANIAM have been elected chairman and vice-chairman of the Southern India Regional Council.

SATISH CHANDRA JAIN has been elected president and KARL P. MEHTA has been elected vice-president of the International Advertising Association (Indian chapter).

S.V. RAVI has been re-elected vice-president, Southern Zone of the All-India Manufacturers' Organisation, for 1988-89.

S.P. SHAH has been elected chairman, Indian Roads and Transport Development Association, Western region.

R.N. ENGINEER has been appointed chairman, Energy Panel of National Alliance of Young Entrepreneurs (NAYE).

PRAVINCHANDRA V. GANDHI has been elected president of the Indian Newspaper Society (INS).

V.K.D. PAI has taken over as president of All India Electric Motor Manufacturers' Association.

ASHOK GOEL has been re-elected president of the Indian Agro Paper Mills Association.

M.Ct. MUTHIAH has been re-elected chairman and P.S.K. CHARI has been elected vice-chairman of the Motor Vehicle and Allied Industries Association.

Senior executive positions

A compilation of executive positions advertised in **Business India** and other major publications between 10 and 23 October 1988.

NATIONAL

GENERAL MANAGER * NS * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* Ambitious, hard-working people with 10 years experience and qualifications in the food processing industry * *Resp* NS * *Cont* Box No.AA/277/MI/6, Business India, Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001 (BI—17.10)

WEST

VICE-PRESIDENT (Human Resources) * NS * *Sal* Excellent terms * *Age/Qlfn* 35-45 years * NS * *Reqd* 2-3 years' experience as head of the entire function. Formal qualifications in personnel management preferred. * *Resp* For active human resources management * *Cont* Personnel Selection Division, ABC Consultants Pvt.Ltd, 303 Embassy Centre, Nariman Point, Bombay 400 021 (TOI—10.10)

CHIEF EXECUTIVE * NS * *Sal* Attractive * *Age/Qlfn* 40-50 years * NS * *Reqd* About 20 years experience in the automobile industry with 5 years at a senior level, technical expertise * *Resp* Lead a team of professional managers * *Cont* Managing Director,Gujarat Narmada Auto Ltd, P.O. Narmadanagar 392 015, Dist. Bharuch, Gujarat (BI—17.10)

DEPUTY COMMERCIAL DIRECTOR (Advertising and Promotion) * NS * *Sal* Around Rs.6,600 to 7,500 per month + housing + prks * *Age/Qlfn* NS * NS * *Reqd* 15-20 years experience in a reputed agency or a business house of standing at a senior level * *Resp* Close and continuous liaison both with airlines marketing department and with its advertising agencies in India and abroad * *Cont* Commercial Director, Air-India, Air India Building, Nariman Point, Bombay 400 021 (TOI—17.10)

NORTH

MARKETING DIRECTOR * NS * *Sal* NS * *Age/Qlfn* 40-45 years * NS * *Reqd* Experience in marketing * *Resp* Co-ordinate advertising, market research and related aspects * *Cont* Box L 566-S, Times of India, Bombay 400 001 (TOI—10.10)

GENERAL MANAGER (Personnel) * Delhi * *Sal* 1.25 lakhs + perks * *Age/Qlfn* NS * Post graduation in personnel management * *Reqd* 15-20 years experience with 5-6 years as head of personnel division in a large multi-divisional company * *Resp* Formulating and implementing policies * *Cont* D.S. Puri, Director, HCL Ltd, Siddharth, 8th floor, 96 Nehru Place, New Delhi 110 019 (BI—17.10)

SOUTH

GENERAL MANAGER * NS * *Sal* NS * *Age/Qlfn* 40-50 years * Mechanical/Civil/Chemical engineer with specialisation in marine structures * *Reqd* 10 years in independent charge of 2/3 projects concurrently * *Resp* NS * *Cont* Vice-President (Personnel & Administration), Dodsal Ltd, Naveen Complex, 6th floor, 14, M.G.Road, Bangalore 560 001 (TOI—10.10)

EXECUTIVE DIRECTOR (Marketing) * NS * *Sal* NS * *Age/Qlfn* 50 years * Degree in business management * *Reqd* 15-20 years in marketing functions of which atleast 5 years should be in a senior position * *Resp* Overall responsibility of sales distribution, planning, promotion and accounting * *Cont* S.B. Billimoria & Co, 70/3 Miller Road, P.B.No.176, Bangalore 560 052 (TOI—10.10)

CHIEF EXECUTIVE * South India * *Sal* NS * *Age/Qlfn* Around 45 years * Management graduate * *Reqd* Person who has headed on independent profit centre, with a marketing bias in his career * *Resp* For managing entire on going operations of the division * *Cont* S.B. Bilimoria & Co, 70/3 Miller Road, P.O.Box 176, Bangalore 560 052 (TOI—12.10)

VICE-PRESIDENT (Finance) * NS * *Sal* Rs.1.25 lakhs + house + perks * *Age/Qlfn* 40-50 years * CA * *Reqd* 15-20 years relevant experience, minimum 5 years at a senior corporate level * *Resp* Finance and accounts, costing, budgetary controls. Emphasis on corporate finance and tax planning * *Cont* ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600 034 (TOI—17.10)

TECHNICAL DIRECTOR * Madras * *Sal* Commensurate with qualification and experience * *Age/Qlfn* Around 45 years * Masters degree in electronics and communication engineering * *Reqd* Knowledge of the latest technologies and over 20 years experience in planning and managing an electronic unit * *Resp* Managing the unit * *Cont* Managing Director, SPIC Electronics and Systems Ltd, Maraimalai Nagar, Chingleput 603 209, Tamil Nadu (BI—17.10)

OVERSEAS

MANAGING DIRECTOR * Bandel, Nigeria * *Sal* Savings about Rs.3 lakhs per annum * *Age/Qlfn* Around 45 years * NS * *Reqd* Experience of heading a company or a large profit centre * *Resp* For all operating results of the company * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI—16.10)

SENIOR VICE-PRESIDENT (Finance) * Port Harcourt, Nigeria * *Sal* Savings Rs.2.5 lakhs * *Age/Qlfn* Around 40 years * Chartered Accountant * *Reqd* 7 to 10 years of experience at senior management levels * *Resp* For all commercial, legal and financial aspects of the company * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI—16.10)

Executive positions

ToI — Times of India; *H* — Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

NATIONAL

COMMERCIAL OFFICER * NS * *Sal* NS * *Age/Qlfn* 30 years * Graduate, preferably with a degree in law * *Reqd* 4-5 years of relevant experience * *Resp* Customs clearance of consignments (air and sea cargo) * *Cont* The Manager - Personnel and Administration, ASEA Ltd (Switchgear Division) Plot No.79 Street, 17 MIDC Satpur, Nasik 422 007 (TOI - 11.10)

PRODUCT MANAGER (Pharmaceuticals) * NS * *Sal* NS * *Age/Qlfn* NS * Pharmacy or life science graduate with post graduate qualification in management * *Reqd* 2-3 years experience in reputed company * *Resp* Manage product portfolio and identify emerging opportunities in pharmaceutical industry * *Cont* Box L 709-S, Times of India, Bombay 400 001 (TOI—17.10)

MANAGER (Marketing) * NS * *Sal* NS * *Age/Qlfn* 32-40 years * MBA * *Reqd* 10-15 years experience in marketing/sales of consumer products * *Resp* Overall responsibility for marketing and sales of OTC products * *Cont* A.F.Ferguson Associates, P.O.Box 1786, Bombay 400 001 (TOI—17.10)

REGIONAL MANAGERS * NS * *Sal* Attractive + perks * *Age/Qlfn* Around 30-35 years * Engineering/MBA preferable * *Reqd* Dynamic, result-oriented professionals with 5-8 years experience in marketing consumer durables * *Resp* All marketing and branch administration activities of the Oscar TV group of companies * *Cont* Ref. MS/4840, A.F.Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110 001 (BI—17.10)

GENERAL MANAGER (Works) * NS * *Sal* Attractive * *Age/Qlfn* Around 40 years * Chemical engineering * *Reqd* At least 5 years at a senior level in petrochemicals/fertilizers/continuous process industry * *Resp* Manufacturing operations management and transition from project to operational stage * *Cont* The Chief Executive, Kamat Petrochemicals & Plastics Ltd, McDowell House, 3 Second Line Beach, Madras 600 001 (BI—17.10)

ENGINEER (Production planning) * Bangalore * *Sal* NS * *Age/Qlfn* NS * Mechanical Engineer/Industrial Management * *Reqd* 3-5 years in production planning and control in an engineering organisation manufacturing precision components * *Resp* Production planning and control, materials and shop follow-up * *Cont* Manager, Personnel and Administration, Larsen and Toubro Ltd, Bangalore Works, Hellary Road, Byataranapura, Bangalore 560 092 (TOI—18.10)

MANAGER (Systems) * NS * *Sal* Rs.58,000 p.a. + benefits * *Age/Qlfn* 35-40 years * Post graduate qualifications in science/engineering/business administration/mathematics * *Reqd* 7-10 years experience of relevant supervisory experience in medium/large organisation using computers * *Resp* Interaction with data bureaux, consultants, in-house staff * *Cont* A.F.Ferguson Associates, P.O.Box 1786, Bombay 400 001 (TOI - 18.10)

MANAGER (Internal Auditing) * NS * *Sal* Excellent terms * *Age/Qlfn* NS * Chartered Accountant * *Reqd* 10 years experience in industry and 5 years' in managerial level * *Resp* Cover all aspects of operations audits with emphasis on purchase, inventory levels and cash management * *Cont* General Manager, Personnel and Industrial Relations, Goodlass Nerolac Paints Ltd, Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Bombay 400 013 (TOI—19,10)

DEPUTY GENERAL MANAGER (Finance) * Bangalore * *Sal* NS * *Age/Qlfn* 45 years * Graduate and Associate Member of ICAI or ICWA * *Reqd* 15 years of post qualification experience in a large industrial undertaking — chemical, fertilizer or process industry — 5 years independent charge of division * *Resp* All accounting and financial work * *Cont* S.B. Billimoria & Co, 70/3 Miller Road, P.B.No.176, Bangalore 560 052 (TOI—17.10)

OVERSEAS

MANAGER (Finance) * Bandel, Nigeria * *Sal* Rs.1.25 lakhs p.a. * *Age/Qlfn* NS * Chartered Accountant * *Reqd* 5 years experience * *Resp* All accounting, finance and taxation of rubber plantation and rubberproducts * *Cont* A.F. Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI—16.10)

COMMERCIAL MANAGER * Ibadan/Port Harcourt, Nigeria * *Sal* Rs.1.25 lakhs p.a. + benefits * *Age/Qlfn* NS * CA or MBA with finance specialisation * *Reqd* NS * *Resp* All commercial activities, including imports exports * *Cont* A.F. Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI—16.10)

ENGINEERS * Seychelles * *Sal* US $ 1,000 per month + housing + other perks * *Age/Qlfn* 30-35 years * Mechanical Engineer * *Reqd* Must have experience in the running and maintenance of engines and generators * *Resp* NS * *Cont* A.F.Ferguson & Co, Express Towers, Nariman Point, Bombay 400 021 (TOI—16.10)

PRODUCTION MANAGER (Edible Oils) * Nigeria * *Sal* Negotiable * *Age/Qlfn* Around 40 years * Mechanical Engineer * *Reqd* 10 to 15 years experience in manufacturing in the edible oil industry. * *Resp* For crushing and refining units * *Cont* A.F. Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI—16.10)

MANAGER (Finance) * Bangkok * *Sal* Rs.10,000 per month + perks + housing * *Age/Qlfn* Around 35 years * CA/MBA (Finance) * *Reqd* 10 years relevant experience * *Resp* Entire accounts and finance function. Knowledge of PURTA system is desirable * *Cont* The Personnel Manager, Lupin Laboratories Ltd, 159 CST Road, Kalina, Santacruz East, Bombay 400 098 (TOI—23.10)

EASTERN CIRCUITS LIMITED

Eastern Circuits Limited is a professionally managed Electronic Company with diversified interests in oil field equipment and services. It is looking for outstanding managerial talent for the post of :

CHIEF EXECUTIVE

Bhopal/Delhi

The Chief Executive shall hold independent charge of the complete operations of the company and shall be responsible for corporate goals & objectives as set by the Board of Directors. He shall be assisted by a group of Vice Presidents in charge of various corporate functions such as finance, production, marketing etc.

The incumbent shall be a graduate engineer preferably in the late forties with excellent track record of running independent profit making companies or a major division of a large corporation.

The basic remuneration package would be in the vicinity of Rs. 3.00 lakhs p.a. in addition to the company's profit sharing plan for the top management.

Please apply within 15 days in confidence with detailed resume to :
The Managing Director,

Box No AA/278/LE/3, **Business India,** 59 Regal Building, Connaught Circus, New Delhi 110 001.

Circuits

EASTERN CIRCUITS LIMITED

VICE PRESIDENT (FINANCE)

Bhopal/Delhi

The incumbent shall report to the Chief Executive of the Company. He shall be responsible for effective implementation of M.I.S. budgeting and management including negotiations with financial institutions/banks. Thorough knowledge of FERA and Corporate Laws is essential. Knowledge of statutory requirements of export and import is preferred.

He shall be a Chartered and Cost Accountant with a good track record having a minimum experience of 15 years of which atleast six years shall be in a senior managerial position being overall incharge of the financial affairs of an independent profit centre of a large engineering company.

The basic remuneration package is among the best in the country and the company additionally offers excellent profit sharing plans.

MANAGER (MARKETING)

MANAGER (PURCHASE)

Bhopal/Delhi

The candidates shall be engineering graduates preferably in the early thirties with a minimum of 6 years experience in the relevant fields in an engineering industry. Shall be dynamic and be able to communicate effectively. A thorough knowledge of import/export procedures, duties & taxes etc. is a must. For the right candidate there will be no constraint on remuneration package.

Please apply within 15 days in confidence with detailed resume and expected salary to Box No AA/278/LE/4, **Business India,** 59 Regal Building, Connaught Circus, New Delhi 110 001.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Software Packages • Organised Cost Reduction • Computer Feasibility • Systems & Procedures • Project Reports • Socio-Economic Studies

VICE PRESIDENT
FINANCE

South India
Premier City

Rs. 1.25 lacs + House + Car + Perks

A well established & diversified Business Group with enviable track record is on the look-out for a high powered FINANCE PROFESSIONAL for one of their group companies. The company's growth & financial performance have been excellent.

The incumbent will report to the Managing Director and look after the entire Finance function of the company. Shall be responsible for finance & accounts, costing, budgetory control, working capital management, funds flow, negotiations with banks and financial institutions and taxation. Emphasis will be on corporate finance & tax planning, introduction of efficient systems & procedures and effective control of operating costs.

Candidates should be Chartered Accountants with an excellent academic record having 15-20 years relevant experience of which minimum 5 years should be at a senior corporate level in a large & reputed manufacturing organisation. Good knowledge of Income Tax, Sales Tax and Central Excise Laws is a must. Rich experience in mobilisation of funds and dealing with banks and financial institutions coupled with sound business sense essential. Knowledge of computer based systems is advantageous. Age Group: 40-50.

The compensation package will be attractive for the right candidate.

Apply within 10 days with detailed bio-data to M Madhusudan, General Manager enclosing a recent passport size photograph and marking envelope & application with job title & code VPF/MDS/1520. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

ABC CONSULTANTS PRIVATE LIMITED

4, Jagannathan Street, Madras-600 034. Phone: 470778

Insurance Consultancy • Data Processing • Materials Management

VICE PRESIDENT- MARKETING

Bombay

Attractive salary + housing and perks.

A progressive and professionally managed high technology company promoted in technical and financial collaboration with a leading international company wishes to appoint a Vice President – Marketing to head the marketing function. The company has an impressive record of growth and there are significant plans for rapid expansion.

The Vice President – Marketing is expected to provide leadership to the marketing and sales teams and will be responsible for formulating and implementing marketing plans, including new product introductions and long range product planning for the company. The selected candidate will be an outstanding motivator and be able to demonstrate a track record in the field of marketing ideally with experience in both consumer and industrial product marketing, at an all India level.

Preferred age: around 40 years.

The salary package is particularly attractive and includes housing, car, etc. This is an excellent opportunity and offers a rewarding professional career.

Please apply in strict confidence within ten days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked 'Ref: MS/4965'. Candidates not contacted within three months of application, may assume that they are not being considered.

VICE-PRESIDENT (WORKS)

(Bulk Drug/Chemical)

Ratlam **MS—2022**

Jayant Vitamins Ltd., a leading bulk drug/chemical/pharmaceutical company with a turnover of around Rs. 35 crores, wishes to recruit Vice-President (Works) for its plant at Ratlam (Madhya Pradesh). The Company is in the process of expanding and diversifying its operations.

The incumbent will be responsible for the overall operations of the works at Ratlam (both bulk and formulation units) including production, planning, procurement, quality assurance, cost control, industrial relations, etc. He will be required to improve productivity, control costs and maintain harmonious relationship with the workforce, optimise corporate results and achieve the corporate objectives and goals. He will also be in charge of the new project being set up.

The applicant should be a graduate, preferably with engineering background. The applicant must have 20-25 years' experience in pharmaceutical/chemical industry with a proven track record. Experience in the area of projects is desirable.

The Company offers very attractive compensation package, which will include housing, car and other senior managerial perquisites.

Please mail your resume within 10 days to:

S.B. BILLIMORIA & CO.
113, Mahatma Gandhi Road, Bombay 400 023
superscribing the appropriate MS No. on the resume and envelope.

CHAITRA-B SBB 61

UNITED BREWERIES GROUP REQUIRES

VICE PRESIDENT – INTERNATIONAL SALES

at its Corporate Headquarters in Bangalore

The United Breweries Group, with a turnover in excess of Rs.1000 crores, is one of the fastest growing Industrial Groups in the Country today, with a widely diversified business portfolio ranging from Liquor and Food Products, to High Technology fields such as Petrochemicals, Energy Products, Pharmaceuticals, Electronics and Telecommunication Equipment and Biotechnology.

We have identified development of international markets as one of our major thrust areas, and we are making considerable investments in resources to tap the export potential.

The incumbent will head our export efforts and will report to the President – Corporate Affairs. His key responsibilities will include identification of export potential and development of export markets for products manufactured by us as well as merchant exports. He will be expected to help the Group achieve substantial increase in exports in the short-term, as also build a strong export capability long-term.

This is a senior level position in our Organisation and the incumbent will need to have entrepreneurial and innovative thinking, high energy level and excellent selling skills. He will need to have a thorough knowledge of export markets, policies and procedures. He should preferably be an MBA from a reputed Institute and have a proven track record in developing export sales for a wide range of products.

Preferred age : Around 45 years.

The remuneration package will not be a constraint for the right person.

Please apply in strict confidence within 10 days, to

The Group Vice President - Personnel

UNITED BREWERIES GROUP
UB House,1,Grant Road,BANGALORE 560 001

A well known Indian business house with interests in U.S.A., Malaysia and Africa has recently acquired a 5,000 acre rubber plantation in Bandel, Nigeria. The company proposes to set up manufacturing facilities for SMR grade and concentrate grade latex, and wishes to recruit the following top management personnel.

MANAGING DIRECTOR

(MS/4966)

Bandel, Nigeria

Savings around Rs. 3 lakhs p.a.

The Managing Director will be responsible for the operating results of the company. He will lead a team of professional managers and will be responsible for implementing the group's plans for setting up manufacturing facilities.

Applicants must have had experience of heading a company or a large profit centre. Exposure to plantations and similar primary industries preferred. Preferred age: around 40 years.

SENIOR VICE PRESIDENT - FINANCE

(MS/4967)

Port Harcourt
Nigeria

Savings around Rs. 2.5 lakhs p.a.

He will be primarily responsible for all commercial, legal and financial aspects of the company and will be expected to assist the Managing Director in all aspects of the company business.

Applicants must be top flight chartered accountants with at least 7 to 10 years experience at senior management levels. Preferred age: around 35 years.

The remuneration will be negotiable and will include perquisites such as housing, car, leave passage, etc.

Please apply in strict confidence within 10 days to:

A. F. Ferguson & Co.
Post Box 1786
Bombay 400 001

giving full particulars of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS reference number.

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Software Packages • Organised Cost Reduction • Insurance Consultancy • Data Processing • Materials Management • Computer Feasibility • Systems & Procedures • Project Reports • Socio-Economic Studies

LARGE CEMENT PLANT

A reputed Industrial Group with a turnover likely to exceed Rs. 100 crores is on the lookout for a Senior Professional to take total charge of their 1 million tonnes Cement Plant located in South India. THE POSITION IS AT THE BOARD LEVEL.

DIRECTOR-WORKS

SOUTH INDIA

Rs. 2 lacs + House + Car + Perks

The incumbent will have total accountability for achieving a high degree of performance & productivity through well directed co-ordination of plant operations. He will lead & motivate a team of professional managers for achieving maximum output and profitability. Besides meeting consistently high production targets, prime responsibilities will also include implementing process and technological changes, effective quality control, industrial relations and overall administration of plant complex.

Our client is essentially looking for a seasoned professional who can shoulder this top level responsibility and is confident of achieving results given a free hand and adequate resources for effective functioning. Excellent man-management skills coupled with high level of planning, organising and administrative capabilities essential. The ideal candidate should already be heading a major cement plant with over 5 lac tonnes capacity and having proven track record at this level for 5-10 years. Good academic record in mechanical/electrical engineering backed by high degree of technical competence and upto date knowledge of dry process technology will be a definite asset. Age: 45-55.

Our client is open to consider top level executives from other process industries who have the capabilities & confidence to contribute in cement industry.

The emoluments will be attractive and will include liberal benefits.

Apply within 10 days with detailed bio-data to M Madhusudan, General Manager enclosing a recent passport size photograph and marking envelope & application with job title & code PCP/MDS/1519. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

ABC CONSULTANTS PRIVATE LIMITED

4, Jagannathan Street, Madras-600 034. Phone: 470778

REQUIRED FOR A LARGE NEW SYNTHETIC/NITRILE RUBBER Co. UNIT COMING UP NEAR ANKLESWAR, DIST. BHARUCH, GUJARAT IN ASSOCIATE SECTOR WITH GIIC & IN TECHNICAL COLLABORATION WITH WORLD'S LARGEST RUBBER & TYRE COMPANY M/S GOODYEAR U.S.A. FOLLOWING KEY PERSONNEL. THERE WILL BE EXCELLENT OPPORTUNITIES FOR REALLY DYNAMIC, HARD WORKING, RESULT ORIENTED COMPETENT SR. PERSONS WHO WOULD LIKE TO BE IN KEY POSITION IN ONE OF INDIA'S LARGEST SYNTHETIC RUBBER PLANTS WITH POTENTIAL EXCELLENT PROSPECTS FOR FUTURE GROWTH.

MANAGING DIRECTOR

The incumbent will be responsible for successful execution of the project and will take over the total responsibility of the unit including its growth and overall profitability in line with the targeted plans after commencement of commercial production. He should be a Chemical Engineer preferably with Business Management Degree and with atleast 10 years experience in a similar position. He will be required to effectively coordinate all activities namely Production,Finance, Marketing, Quality Control, Personnel, Admn. and other commercial aspects. Good business acumen, technical competency and enthusiastic leadership would be essential to develop and lead the team.

Age : Between 40-50 years preferred.

GENERAL MANAGER-OPERATIONS

The incumbent will be responsible for overall operational results of the Works including Production, Planning, Procurement, Quality Assurance, Cost Control, Industrial Harmony, Finance, Marketing, Pollution Control matters, safety including handling of Chemicals and also for the profitability of the unit. He must be a highly competent Chemical Engineer with good commercial acumen, ability to train others. Must have a good leadership quality with proven management skills and should have around 15 years experience of which 10 years experience must be in Sr.Management position preferably in a Chemical/Petrochemical Industry.

Age : Between 35-45 years preferred

Remuneration and perquisites are negotiable and will be attractive.

Please apply in strict confidence giving full details of qualification, age, experience, salary drawn and expected to :

Chairman & Mg. Director,

APAR PRIVATE LIMITED

(Principal Promoters)

Maker Chambers No. III, 1st floor,
Jamnalal Bajaj Road, Nariman Point, BOMBAY-400 021.

A well known Indian business group with interests in Malaysia, Nigeria and U.S.A. wishes to recruit chartered accountants for its various operations in Nigeria and Malaysia.

FINANCE MANAGER

(MS/4971)

Bandel, Nigeria

Savings around Rs. 1.25 lakhs p.a.

The Finance Manager will be responsible for all accounting, finance and taxation of the rubber plantation and rubber products manufacturing activities of the group. He will report to the Vice President (Finance).

COMMERCIAL MANAGER

(MS/4972)

Ibadan/Port Harcourt, Nigeria

Savings around Rs. 1.25 lakhs p.a.

The Commercial Manager will be responsible for all commercial activities, including import, export of the group in Nigeria.

Applicants must be chartered accountants or MBAs with finance specialisation with relevant experience.

COMMERCIAL OFFICER

(MS/4973)

Kuala Lumpur, Malaysia

Savings around Rs. 100,000 p.a.

The commercial officer will be responsible for assisting senior management in various financial matters including costing, pricing, contract negotiations, etc.

Applicants must be chartered accountants with about 5 years experience in similar commercial activities with reputed organisations. Candidates should preferably have exposure to the marketing function. Preferred age: around 30 years.

Remuneration for all the positions will be negotiable. Growth opportunities in the group are excellent.

Please apply in strict confidence within 10 days to:

A. F. Ferguson & Co.
Post Box 1786
Bombay 400 001

giving full particulars of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS reference number.

100% EXPORT ORIENTED DIALYSER COIL PROJECT DALMIAS & PHARMAPLAN OF WEST GERMANY

DELHI **ATTRACTIVE TERMS**

The DALMIAS — a multicrore diversified group — is setting up a 100% export oriented project in NOIDA Export Processing Zone U.P., near Delhi, in collaboration with PHARMAPLAN of West Germany to manufacture dialyser coils and blood tubing systems based on contemporary technology of FRESENIUS MEDICAL LIMITED.

CHIEF EXECUTIVE

Reporting to the Board he will spearhead Company operations and will be supported by a team of senior professional managers — both INDIAN and GERMAN.

Applicants must have vision, mature leadership skills, supplemented by an exceptional track record of professional attainments. Must have demonstrated ability in transnational marketing, international negotiations and collaborator relations —preferably in the pharmaceutical, medical diagnostic or related environments. Should have around 15 years of experience in well-managed companies, of which atleast 2 years should be at apex level.

The ability to build, motivate, develop a team of professionals and profitably run a futuristic Company are essential pre-requisites for the assignment. Applicants should have a good degree, preferably supplemented by an MBA / DIPLOMA IIFT. Preferred age is around 40 years.

GENERAL MANAGER – FINANCE

Accountable to the Chief Executive, his key responsibility during the project phase will include effective liaison with financial/related institutions for term loans, capital goods clearances, funds management and monitoring of project cost. Subsequently he will head the finance, accounts and secretarial functions. Applicants should be Chartered Accountants with around 12 years of experience, of which atleast 3 years should be at a senior management level.

Knowledge of public issue management, exposure to project financing and ability to effectively interface with senior personnel of financial institutions are essential requirements for the job. Preferred age is around 35 years.

The Company believes that human resources are its greatest assets, provides professional freedom at all levels and offers excellent career advancement opportunities to high achievers. The compensation package is structured to attract the best available professional talent.

Please write within 7 days to :
B.R. Grover
Vice President - Personnel
Dalmia (Bros.) Pvt. Ltd.
1st Floor, Devika Towers, 6, Nehru Place,New Delhi - 110 019

All applications will be treated in strict confidence.

UNITED BREWERIES GROUP REQUIRES

GENERAL MANAGER - CORPORATE PLANNING (PETROCHEMICALS)

at its Corporate Headquarters in Bangalore

The United Breweries Group, with a turnover in excess of Rs. 1000 crores, is one of the fastest growing Industrial Groups in the Country today, with a widely diversified business portfolio ranging from Liquor and Food Products,to High Technology fields such as Petrochemicals, Energy Products, Pharmaceuticals, Electronics and Telecommunication Equipment and Biotechnology.

We have identified Petrochemicals as our major thrust area, and are at an advanced stage of implementing projects with total investment exceeding Rs.600 Crores.

The incumbent will assist the Petrochemicals Division in identification and evaluation of foreign technical collaboration proposals, negotiations with Collaborators and Consultants, and examination of techno–economic viability of the proposals. He will also assist in the formulation of control parameters for monitoring the implementation of the projects.

This is a senior level position in our organisation and the incumbent will need to have entrepreneurial and innovative thinking, sound analytical skills, ability to communicate persuasively, plus a high level of both technical and commercial expertise.

The candidate must be a Chemical Engineer, preferably with an MBA from a reputed Institute, and have a proven track record in identifying and implementing diversification projects. He must have at least 10 years experience in project identification, evaluation and implementation in the Petrochemicals sector. Candidate with experience in both consultancy companies as well as in operating companies will be preferred. The position offers excellent career opportunities with possibilities of moving into senior line positions in due course.

Preferred age : Around 40 years

The remuneration package will not be a constraint for the right person.
Please apply in strict confidence within 10 days, to

The General Manager - HRD

UNITED BREWERIES GROUP
UB House,1, Grant Road,BANGALORE 560 001.

GRINDWELL NORTON LTD.

Offers Key Positions

MORA (URAN) NEAR BOMBAY.

THE COMPANY

- Integrated multi-plant manufacturer of Grinding Wheels, Coated Abrasives, Industrial Ceramics and Abrasive materials.
- In collaboration with NORTON CO.of USA, the world leaders in Abrasives.
- Managed by professionals on the pattern of SBUs (STRATEGIC BUSINESS UNITS)
- Has a highly customer-oriented all-India Marketing network.

MORA PLANT

- Located at Mora, an idyllic fishing village, about 45 minutes away from Bombay by launch.
- A modern plant with around 1000 employees producing over 20000 varieties of Grinding Wheels and other products.
- Has a well-planned, tree-lined campus consisting of Staff Accommodation, Canteen, Club, Sports and Medical facilities.

POSITIONS

We are looking for senior level professionals with a proven career history to man the following two positions. They will be based at Mora and will contribute to the process of strengthening the factory operations.

GENERAL MANAGER of an SBU

The position forms part of the Company's top management team. The incumbent will be expected to formulate and implement strategies, policies and programmes (in coordination with Marketing) to improve the market share and profitability of the business which has tremendous growth potential in the domestic and international markets.

His organisation will include Manufacturing, Process, Materials and Inspection Departments. In addition, some common technical and management services will report to him.

Requirements: ENGINEER – MBAs or ENGINEERS with at least 15 years of experience in Marketing/Product Management of Industrial products, preferably consumables.

OVER 1.0 LAKHS P.A. + & HOUSING

Multi-functional exposure to Manufacturing/Quality Assurance/Materials will be an advantage. Familiarity with Computerised information systems is essential.

Ideal age group would be 40-45 years.

Compensation: Gross emoluments p.a. will be Rs. 1.3 lakhs +. Housing will be provided at Mora.

MANAGER – PERSONNEL & ADMINISTRATION

The incumbent will be expected to perform a crucial role in maintaining excellent relations with the employees, statutory authorities and the local community. His responsibilities will broadly include,

a) Advising the Management on formulation and implementation of Personnel Policies.
b) Industrial Relations, Negotiations with Unions.
c) Administration of the campus property and services.
d) Legal Matters.

Requirements: Post-graduates in Personnel Management/Social Sciences with about 15 years of experience in Industrial Relations/Personnel and General Administration. Degree in Law and/or relevant legal exposure is essential. Knowledge of Marathi is desirable. Experience in managing an industrial township will be an advantage.

Retired officers from Defence services with relevant experience are welcome to apply.

Age should be around 40 years.

Compensation: Gross emoluments p.a. will be Rs. 1.00 lakh +. Housing will be provided at Mora.

Apply within 15 days to

NORTON

HRD Manager,
GRINDWELL NORTON LTD.
114, 4th Floor,
M.G. Road, BANGALORE-560 001

Visesh GN 8820

KRISONS

KRISONS ELECTRONIC SYSTEMS PVT. LTD is a rapidly growing Company in Consumer Electronics, manufacturing and marketing VCRs, VCPs and CTVs under the brand name 'KRISONS', which is the brand leader in the VCR and VCP market in India. The Company has had an excellent record of growth and is likely to achieve a turnover of Rs. 35 crores in the current financial year. It has highly ambitious expansion and diversification plans and would, therefore, like to strengthen and expand its existing Organisation. The Company is professionally managed where initiative is encouraged and merit alone is the key to growth. We have been retained to select the following personnel:-

REGIONAL SALES MANAGERS

(Code: MAS 8101)

DELHI/BOMBAY ***Rs.1 lakh + Perks.***

The Candidates must be graduates preferably MBAs with specialisation in Marketing, having minimum experience of 7 years in selling consumer/consumer durable products.

The Selected Candidates will report to ALL INDIA SALES MANAGER based at Head Office in Noida (U.P.) near Delhi and be responsible for planning and achieving annual sales targets in their respective Zones comprising the territories of Delhi, Haryana, Punjab, HP, J & K, Rajasthan and U.P. in North Zone and the states of Maharashtra, Gujarat, M.P. & Goa in West Zone. They will also be responsible for establishing an effective distribution network consisting of Company's Branch offices, distributors and dealers, supervising and ensuring excellent after-sales service and implementing Sales Promotion Schemes. They will be assisted by Area Sales Managers and Sales Executives located in major cities in the Zone. Age between 30 to 35 years.

PRODUCT MANAGER

(Code: MAS 8102)

DELHI ***Rs. 1 lakh + Perks.***

The Candidates must be MBAs with specialisation in Marketing from a recognised Institute with 3-4 years experience in Product Management of Consumer/Consumer durable products.

The Selected Candidate will be responsible for preparation of Marketing strategies, inter-facing with the Advertising Agency for finalisation of Advertising Campaigns, formulating pricing policies, conceiving, preparing and monitoring the implementation of Sales Promotion Schemes. He will also be responsible for continuously studying market trends and evaluating competitive activities. Age around 30 years.

AREA SALES MANAGER

(Code: MAS 8103)

PATNA ***Rs. 48,000 + Perks.***

The Candidates must be graduates preferably with a diploma in Marketing Management from a recognised Institute with 3-5 years experience in selling Consumer/Consumer durable products.

The Selected Candidate will report to the Regional Sales Manager based at Calcutta and be responsible for achieving sales targets for Bihar. He will also be responsible for achieving effective distribution through dealer network, Sales Promotion & out-door advertising. He will be assisted by a motivated team of sales & service staff. Age around 27 years.

SALES OFFICERS

DELHI, JAIPUR, CHANDIGARH, *(Code: MAS 8104)*

KANPUR/LUCKNOW & BANGALORE ***Rs.30,000 + Perks.***

The Candidates should be graduates with 2 to 3 years experience of selling consumer durable products. The responsibilities include achieving sales targets, ensuring efficient after-sales service and coordinating out-door advertising. They will report to the Area Sales Managers. Age around 25 years.

Our client is fully committed to managing the company by de-centralisation of responsibility with authority to dedicated professionals who believe in achieving excellence. We are, therefore, looking for dynamic and highly result-oriented people with a potential to shoulder higher responsibilities with the rapid growth of the Company.

Besides the emoluments indicated above, the perks include P.F., LTA., Medical, Bonus, Gratuity etc. The salary, in any case, will not be a limiting factor for the right candidates.

Please apply in strict confidence within 10 days quoting job title and code number to:

Mr.J.K.Churamani
Managing Director

PRESTIGE LINKERS PVT. LTD.

(Management Consultants)
Post Bag No.24 New Delhi-110 017, Phones: 6443873, 6416275

CHOICE

An associate Company of Creative Electronics, in business of Engineering Plastics, with its plant in Noida (20 Kms from New Delhi), with a turnover of Rs. 5.00 crores in 1989, Rs. 8.00 crores in 1991 and Rs. 15.00 crores in 1993, wishes to recruit:

PLANT MANAGER

He will be overall incharge of the technical and manufacturing functions and will be responsible for maximising capacity utilization and maintaining high quality standards for customer specifications.

Applicants should be Engineers preferably in Chemicals/Plastics with over 5 years experience in production and plant management.

MARKETING MANAGER

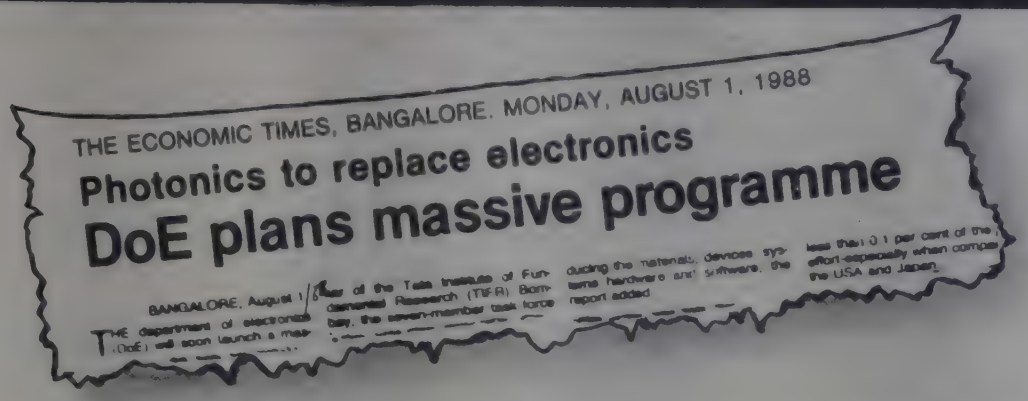
He will be responsible for growth in Sales, introduction of new products/development, senior level customer contacts, finished goods and receivables management.

Applicants should be Graduates, preferably MBAs, with over 5 years experience in Industrial selling and marketing.

Remuneration package for the above two positions is negotiable.

Please apply within 15 days giving full details of age, qualifications, experience and other details to:

SHYAM MAKHIJA
DIRECTOR
OMNI CONSULTANCY SERVICES
61, K'SARA, 240 PALI ROAD, BANDRA (W)
BOMBAY – 400 050



THE ECONOMIC TIMES, BANGALORE, MONDAY, AUGUST 1, 1988

Photonics to replace electronics

DoE plans massive programme

BANGALORE, August 1 / The department of electronics (DoE) will soon launch a mas-... of the Tata Institute of Fun-... damental Research (TIFR) Bom-... bay, the seven-member task force ... ducing the materials, devices sys-... tems hardware and software, the ... report added ... less than 0.1 per cent of the ... effort especially when compar... the USA and Japan.

Managing hi-tech : the challenge ahead

General Optics (Asia) Limited is an Indo-American joint venture. It is a pioneer in the hi-tech field of photonics. General Optics manufactures extremely high precision opto-electronic and opto-mechanical instrument assemblies and components for applications in health-care, defence, projection, photography and computers.

All positions are located in Pondicherry – which is well known for its French flavour and cosmopolitan nature. Pondicherry also has excellent schools and colleges – medical, engineering, arts and science. The Company will help you secure good accommodation and admission into good schools for your children.

General Optics is looking for managers with a commitment to working in a 'leading-edge' company.

1. Manager-MIS & Costing

The candidate should be a Chartered Accountant and or a Cost Accountant with a minimum of 5 years' experience in a custom-built engineering and manufacturing environment. He should be able to independently devise and implement a system of perspective and physical controls. Experience in budgeting and costing are essential for this job and exposure to computerised information systems will be an advantage. An M.B.A. will be an added advantage.

2. Materials Manager

The candidate should be a graduate mechanical or electronics engineer, preferably with a post-graduate qualification in materials management or an M.B.A. He should be 30-35 years of age with at least 4-5 years' experience in the materials management function in a well-known engineering company. He will be in-charge of purchase, inventory control and vendor development.

Knowledge of computerised MRP will be an advantage.

3. Systems Executive/ Manager

The candidate should be a me[illegible]anical or electronics engineer with an M.B.A. or computer science/industrial engineering background, having worked in a leading light engineering company for at least 4-5 years.

The job will involve installation of computerised production planning and an MRP system using PCs and networking. He should be able to coordinate with all unit operating managers as well as external consultants to ensure successful installation within a period of 12 months.

Salary will not be a constraint for the right candidate as the salary structure of the Company is being re-designed effective January 1989.

Besides salary, the Company offers other benefits such as Provident Fund, Gratuity, Medical, Accident Insurance Cover etc. as per Company policy.

The Company also offers an excellent growth environment in an emerging area of technology.

Please mail your applications, in confidence, for all the posts to the Managing Director, superscribing the envelope with the position applied for and enclosing a resume of qualifications, experience, post held, salary last drawn and expected, to :

GENERAL OPTICS
(ASIA) LIMITED

R.S. No. 84/1 Nallavadu Road,
Thavalakuppam,
PONDICHERRY – 605 007
Phone : (0413) 27277
Telex : 469-204 GOAL IN
Cable : GOAL

Pioneering the Light Age in India

Hindustan Lever Limited

Lipton India Limited

Lipton

Hindustan Lever Limited and Lipton India Limited are part of the Unilever Group of Companies, renowned the world over for its Soaps and Detergents, Chemicals and Packaged Foods businesses.

Currently we are looking for young (under 30), motivated professionals from premier institutes, who are on a fast track in their current jobs. We offer them a unique opportunity to build careers, not merely to do jobs.

Applications are invited for the following functions:

MARKETING	:	MBAs with Marketing/Sales experience in reputed consumer product companies.
FINANCE	:	Chartered Accountants or Cost Accountants or MBAs with experience in Finance, Accounts, Taxation and/or allied commercial functions.
PERSONNEL	:	Post Graduates in Personnel Management with experience in managing IR, Personnel Administration, Selection and Training functions.
SYSTEMS	:	MBAs or Engineers with experience in independently handling Systems Analysis & Design, O & M and/or O R functions.
LEGAL	:	LLBs/ACSs with experience in areas such as IR, Indirect Taxation, Industrial Property Rights and Consumer Protection. Familiarity with economic legislations will be desirable.

Selected candidates can look forward to specialising in functional responsibilities or general management through diverse business exposure, planned training and interaction with other professionals in the field. Both in India and abroad. Selected candidates can expect to be posted anywhere in India and will receive an attractive compensation package which includes housing.

If you are interested in a career with us, do reply in strict confidence with a detailed resume within 10 days, specifying the function applied for on the application and envelope, addressed to: Head – Human Resources Development, Hindustan Lever Limited, P.O. Box 409, Bombay 400 001.

LINTAS HLL LIP PER 328 204

GROWTH CREATES OPPORTUNITIES

DELHI. BOMBAY. CALCUTTA. MADRAS. HYDERABAD. BANGALORE. PUNE.

NIIT is involved in a vast range of activities that include Information Systems Consultancy, Software Development, Marketing of Software Products, Corporate Training and Computer Education.

NIIT has corporate headquarters at Delhi, regional offices at Bombay, Delhi, Madras, Bangalore, Hyderabad, Calcutta, Pune and 14 network centres at other major cities. NIIT is one of the fastest-growing Information Technology Companies in the country having recorded a growth of 90% last year.

To manage this growth, we are expanding our management teams at all our offices and require:

DIVISIONAL MANAGERS – Education, Consultancy, Training and Software Products

Divisional Managers would have independent charge of the assigned product lines. The candidates would be incharge of targetted growth and development of respective product groups. Candidates with postgraduate qualifications in management with exposure to computers or other high technology areas preferred. They should have a minimum of 7 years' experience.

REGIONAL TECHNICAL MANAGERS – Education, Consultancy, Training and Software Products

Regional Technical Managers would be in charge of all technical aspects of the respective activity in their region. The candidates should preferably be B.Tech/MBA with 5 to 7 years' experience of managing a technical team. Experience in any of the above product areas, preferred.

REGIONAL SALES MANAGERS – Education, Consultancy, Training and Software Products

Regional Sales Managers would be in charge of sales and marketing functions in their respective product areas. They would be required to develop markets, identify new products in addition to creating growth strategies for the existing products.

Candidates should have an excellent track record in Sales and Sales Management with over five years of experience in high-technology product selling.

COMMERCIAL MANAGERS

Commercial Managers would be responsible for the management of assets, formulation of budget and control mechanisms, purchasing, stores, information systems, administration, regional accounts as well as management of expansion projects in the region.

Candidates should have minimum 5 to 7 years' experience, with exposure to the above functions and proficiency and proven track record in at least two functions.

REMUNERATION PACKAGE

An attractive remuneration package includes **HRA or company leased accommodation** based on seniority, **Conveyance and other Allowances, PF, LTA, Medical, Soft furnishing, Gratuity, Superannuation,** etc.

Please mail your bio-data within seven days, superscribing the envelope and bio-data with the post applied for and preferred location to : Human Resources Manager, NIIT, B4/144 Safdarjung Enclave, New Delhi 110029.

NIIT

Consultancy • Education • Training • Software

NIIT 20510

STEEL STRIPS GROUP

INDIAN ACRYLICS LIMITED, a Company jointly promoted by Steel Strips Group and Punjab State Industrial Development Corporation Limited (PSIDC), is implementing a Rs. 115 crores, ACRYLIC STAPLE FIBRE project of 12000 TPA near Sangrur (Pb) in technical collaboration with DUPONT of USA, who are world leaders in the field of synthetic fibres. The Company is professionally managed and the plant is expected to go on stream by end of 1990. Services of top class professionals are solicited to fill the following positions in the Management team.

CHIEF MARKETING MANAGER

The incumbent will be responsible for planning, organising, coordinating and control of marketing activities. The position specifically implies overall planning/administration of product seeding programme, formulation of marketing policy, distribution, logistics, credit management, market information systems and training of marketing personnel. The position requires high conceptual ability, creative thinking, excellence in communication and inter-personal skills for dealing not only with Governmental Agencies at a senior level, but also with senior specialists in the technological and product development field.

Applicants should have post-graduate qualification in management from a reputed institution with experience of 10-15 years in marketing of synthetic fibres.

MARKETING EXECUTIVES

We are looking for young and energetic Marketing Executives, who will take the responsibility for marketing and sales functions including assessment of region-wise product demand and assist in formulation of strategies etc. The candidates should be MBAs with 3-4 years of relevant experience in the synthetic fibre/hosiery industry. They will be accountable to the Chief Marketing Manager.

The remuneration package will be one of the best in the industry.

Detailed resume indicating career objectives, achievements, salary structure with a passport size photograph, may please be sent within 15 days to :

The Chief Executive

Indian Acrylics Ltd.

SCO 11A-12, Sector-7, Madhya Marg, Chandigarh-160 019

Interads/Ch

The software hive of hard core professionals.

India's potential in computer software development has been widely recognised. Yes, just recognised. Introducing Bhorucom, the professional software house that has the capacity to power this potential.

Bhorucom. An associate of the mammoth Transport Corporation of India Limited (TCI). Bhorucom. The software house where professionals stay innovative. Developing software that reaches developed countries. In an environment that blends the latest trends in technology with management through a fine understanding of the software mind. An understanding thats extended to train amateurs to be through computer professionals.

Bhorucom. The software house with a vision - To make India the software capital. Consultancy, Software Development, Data Processing, Education.....We know the business inside out. We do our hi-tech homework for the future. For the perfect software culture.

Bhorucom - Understanding software the hi-tech way.

BHORUCOM
SERVICES PVT LTD.
31A, Sarojini Devi Road Secunderabad - 500 003
Tel: 77523/825088 Tlx: 0425-6805 BCM IN

Mudra:H:B:7:254

NOW THAT YOU'VE EXPER
TELEX, MAIL AND COURIE
THE IDEAL MESSAGING S

Getting the word across has never been easy. Surprisingly, even in this age of information, it remains fraught with problems. The mail can slow down to a crawl, or vanish entirely. Telex lines always seem to be down when a crisis comes up. Or a perfectly sensible message emerges as a hopeless scramble. So you pick

up the telephone. And by the time you've finished screaming across 1000 miles of noise, you've run up a hefty STD bill. Which might still be acceptable compared to what a courier charges.

THE IDEAL SOLUTION.

And now for the TEXTEL. The TEXTEL is really the optimal solution for messaging within any organisation having dispersed operations. It provides a quick, efficient and inexpensive link between any branches or offices in [illegible]. And it does this by

using the existing telephone line. The TEXTEL sends and receives messages at speeds up to 1200 bauds, nearly 20 times that of telex. While the money savings from this are obvious, they represent the mere tip of the iceberg.

IT REMEMBERS—TO SAVE YOU MONEY.

The automatic transmission functions of the TEXTEL make it possible to take full advantage of night-rates. A stack of messages could be stored in the memory and sent at the required time. Likewise, all incoming messages are stored in the memory for future recall and reference. In addition, all messages, whether incoming or outbound, are automatically printed out, complete with relevant details. A unique feature

is the battery-protected memory immune to power failure.

While the speed of sending ma the TEXTEL a perfect alternative long and wasteful STD conversa the importance of voice transmis is not lost. The TEXTEL retains f voice capabilities, and it is easy t switch back and forth between d and voice.

NO AC. NO RESTS.

Unlike other messaging syster the TEXTEL can function withou conditioning or expensive protec You can take it to ridiculous extremes—down to freezing poi up to a blistering 45°C. It will tak such conditions smoothly in its s In fact, the TEXTEL is rugged en to run non-stop for 365 days a ye

NO ERRORS.

Another unique feature of the TEXTEL is its ability to detect er and correct them automatically. TEXTEL even goes beyond this. compensates for any line fault o disturbance by slowing down transmission to the maximum ra that will result in no errors being generated. And it does all this

NCED THE TELEPHONE, OU'RE READY FOR TEM.

omatically, with no need for human rvention. Which also makes it a fect long-haul terminal.

AT ARE THE OPTIONS?

ll of which really stacks up to what said in the beginning. That the XTEL is the ideal messaging tem. But in all fairness, you should w what options you can find in market today.

here are, of course, the telephone, x, mail, and courier, which we've ady gone over. There is the magic chine—FAX. Even discounting its onomical cost, there remains the that only a miniscule portion of ssaging needs to be pictorial.

d there are other messaging ems. At least, they are called as ch. Even though they weren't gned for messaging in the first ce. Expensive and over-equipped, offer a great many features that are highly unlikely to use, while

ЯORS ERRO 3 ERRORS E

compromising on what is really your primary requirement—messaging. Rather than build up a case against these options, we'll just return you to the case we have stated above—for the TEXTEL.

DEDICATED TO THE JOB.

The TEXTEL's main advantage is the fact that from the very beginning it has been intended for one specific purpose—messaging. This single-minded application can be summed up in one word—dedication. TEXTEL is the ideal messaging solution because it is the only dedicated messaging system.

ITL—A DALMIA VENTURE.

This dedicated solution comes from India Tele-Comp Limited (ITL), a dynamic new company whose mission is the creation of effective telecom solutions. Born from the pioneering spirit of the Dalmia group, ITL is today poised to unveil several new products, of which the TEXTEL is the first.

BRITISH TELECOM.

The technology for the TEXTEL comes from a world leader in tele-communications—British Telecom. And the Dalmia experience in India is the best promise of support and after-sales attention the TEXTEL can have.

In sum, if your organisation needs messaging, just call us, or mail the coupon, and we'll get there as fast as your message allows us to.

|T|E|X|T|E|L|

The dedicated messaging system.

For more information mail the coupon to:

INDIA TELE-COMP LIMITED

South Extension Part-II, New Delhi-110 049. Ph: 6462199, 6411764

Offices—New Delhi: 86/16, Local Shopping Complex, Safdarjang Enclave, New Delhi-110 029 02318, 6872849.

bay: 101, Mittal Court, 'C' Wing, Nariman Point, Bombay-400 021 45112, 2041465, 2028079.

tta Ph: 440098, 440099 Madras Ph: 479854, 475451

Tell me more about the Textel as my ideal messaging system

Name _____

Designation _____

Company _____

Address _____

_____

Tel _____

ITA 5/94A

Superior quality paper board for a variety of uses from Solid Containers Limited

Superior quality board from Solid Containers Ltd. For a variety of uses. From strong cones and tubes to wrap your yarn, paper and fabrics on to fibre drums, spiral tubes, matchbox trays and laminated shoe boxes.

And Solid Containers Ltd. has the only gravure machine for printing on board in India. To create specially printed boards whatever the design. Even board printed to create a wooden expression.

Varieties of board manufactured to your specifications between 200 and 600 gsm.

Solid Containers Limited

KRISONS

KRISONS ELECTRONIC SYSTEMS PVT. LTD. is a rapidly growing Company in consumer Electronics, manufacturing and marketing VCRs, VCPs and CTVs under the brand name 'KRISONS', which is the brand leader in the VCR and VCP market in India. The Company has had an excellent record of growth and is likely to achieve a turnover of Rs. 35 crores in the current financial year. It has highly ambitious expansion and diversification plans and would, therefore, like to strengthen and expand their existing Organisation. The Company is professionally managed where initiative is encouraged and merit alone is the key to growth. We have been retained to select the following Personnel:

DIVISIONAL MANAGER (PERS. & ADMN.)

(Code: MAS 8105)

DELHI ***Rs. 1.25 lacs + Perks.***

The Candidates must be graduates preferably MBAs with specialisation in Personnel Management from a recognised Institute. They should have at least 7-10 years experience in a reputed company with extensive exposure to managing HRD functions.

The Selected Candidate will head the Personnel Department and report directly to the Managing Director. He will be responsible for all Personnel & Administrative functions e.g. Recruitment and Selection, Training, designing and implementing effective Performance Appraisal Systems, Salary and Wage administration and Industrial Relations. He will also look after Administration including liaison with Govt. departments & Security. Age around 35 years.

MATERIALS MANAGER

(Code: MAS 8106)

DELHI ***Rs. 1.25 lacs + Perks.***

The Candidates should be Engineering graduates preferably in Electronics with around 10 years relevant experience in Materials Management of which at least 3 years should be in a Managerial position in a reputed company.

The incumbent will report to the Managing Director and be responsible for total management of Materials Functions in the Company. The responsibilities include Materials Planning, Development of Vendors for indigenous components, purchasing, inventory control and finalisation of purchase prices.

This position has good growth prospects and the Selected Candidate will be gradually given added responsibility for imports as well. Age around 35 years.

COMPANY SECRETARY

(Code: MAS 8107)

DELHI ***Rs. 75,000 + Perks.***

The Candidates must be qualified Company Secretaries with a degree in Law having a minimum experience of 2-3 years in managing Secretarial functions of a medium sized Company.

The Selected Candidate will report to Director—Finance and be responsible for legal, secretarial and taxation functions which include all matters relating to Income Tax, Excise and Sales Tax, handling of Stocks & Shares, Board meetings, statutory compliance of company Law matters, managing public issues and fixed deposits etc. Age around 30 years.

ACCOUNTS MANAGER

(Code: MAS 8108)

DELHI ***Rs. 75,000 + Perks.***

The Candidates should be qualified Chartered Accountants with post qualification experience of 3-4 years.

The Selected Candidate will be responsible for Financial Accounting functions of the Company which will include managing & controlling accounting functions of Company's various Branches, finalisation of Accounts, preparation of monthly trial balances, Profit & Loss Statements, cash flow statements and annual Balance Sheet. Age around 30 years.

Our Client is fully committed to managing the Company by de-centralisation of responsibility with authority to dedicated professionals who believe in achieving excellence. We are, therefore, looking for dynamic and highly result-oriented people with a potential to shoulder higher responsibilities with the rapid growth of the Company.

Besides the emoluments indicated above, the Perks include PF, LTA, Medical, Bonus, Gratuity etc. The salary, in any case, will not be a limiting factor for the right candidates.

Please apply in strict confidence within 10 days quoting job title and code number to:

Mr. J.K. Churamani
Managing Director

PRESTIGE LINKERS PVT. LTD.

(Management Consultants)
Post Bag No.24 New Delhi-110 017, Phones: 6443873, 6416275.

MULTI-FUNCTIONAL OPPORTUNITIES FOR YOUNG PROFESSIONALS

Delhi • Calcutta • Madras • Bombay • Dehradun

People – the greatest asset, planned careers, multi-functional exposure, professionalism, growth, high technology, performance orientation, high stress, targeted achievement, congruence of personal goals and company goals, excellent working environment, company as a way of life. What you read are things which we consider a religion. India Tele-Comp Limited has been promoted by the house of Dalmia's and has a collaboration with British Telecom of the U.K. which is the 4th most profitable company in the world.

ITL manufactures the TEXTEL Messaging Terminal at its factory in Dehradun and has on the anvil several other highly competitive products. This addition of new product lines is being accompanied by the setting up of new manufacturing facilities and an induction in large numbers of brilliant professionals. The Company offers excellent career opportunities to professionals with 0 – 4 years of experience in the following functions :

SALES
Front-line diagnostic selling as per defined targets, widening customer base, creating product awareness.

C. ENGG.
Installations, maintenance, revenues, problem solving.

PROD. SUPP.
Technical expertise to customer/in-house sales teams in preparing technical manual, customising software, product enhancement.

R&D
Product development, technical support for indigenisation of hardware/software, technical inputs to production.

QA
Ensuring minimum quality standards as a representative of the end-user – from material inward to end-product. Cross-functional quality audits.

PRODN.
Ensuring timely, targeted, quality production, employee relations.

NEW PRODUCTS
Feasibilities, market studies, project implementation.

PERSONNEL
Recruitment, training, personnel systems.

Please apply within 10 days with full particulars to :

P.S. Ajjan, Dy. General Manager (Personnel),
INDIA TELE-COMP LIMITED
L-12 South Extension Part II, New Delhi 110 049.

Superscribe the position applied for on the envelope, and the Bio-data with location preference.

5167A

INDO RAMA SYNTHETICS (I) LTD.

We are a **NRI GROUP** with wide ranging Manufacturing Operations in **INDONESIA, THAILAND, NEPAL & INDIA** in the field of **TEXTILE, CHEMICAL & STEEL.** For our expansion programme in **LATEX CONCENTRATE INDUSTRY** in **INDONESIA,** we are looking for following Dynamic Executives :

VICE PRESIDENT (COMMERCIAL)

The incumbent should preferably be an MBA/CA with minimum 10 years' exposure of the Commercial Functions of a Reputed Organisation, out of which at least 5 years in a Senior Position. Experience in Procurement and Marketing, with emphasis on Imports and Allied Formalities would be of distinct advantage.
The incumbent would be expected to take overall charge of the Project.

FINANCE MANAGER

The applicant must be a Chartered Accountant with 10 years experience, out of which minimum 5 years in a Senior Position. He must have a good exposure in Finance, Costing and Accounting Procedures. Knowledge of EDP would be an added advantage. HE WOULD BE REQUIRED TO OVERVIEW AN INDEPENDENT PLANT; HENCE WE ARE LOOKING FOR A PERSON WITH EFFECTIVE ADMINISTRATIVE SKILLS.

Age preferred for both the posts is 30-35 years.

SALARY AND PERQUISITES ARE FAIRLY REMUNERATIVES.

Please apply to our Management Consultants within 7 days alongwith recent passport size photograph :

RESOURCES MANAGEMENT ASSOCIATES
GF-12A, "Meghdoot" 94-Nehru Place,
New Delhi-110 019.

A leading Printing Press at Delhi with sophisticated Imported Equipment, having a capital outlay of Rs. 120 Million (Rs. 12 crores)

REQUIRES

FINANCIAL CONTROLLER

The post calls for a highly qualified Chartered Accountant/Cost Accountant with a minimum of 7 years post qualification experience. Additional qualification of ACS desired.

This is a very Senior position whereby the incumbent will have to directly report to the Managing Director.

Attractive terms by way of remuneration, perquisites and other facilities will however **not be a limiting factor** for the right candidate.

Persons drawing less than Rs. 6,000/- p.m. need not apply.

Apply in strict confidence with detailed resume within 10 days to :

Box No.: AA/278/LA/2, **Business India,** 59 Regal Building, Connaught Circus, New Delhi-110 001.

Note : Candidates called for the interview will be reimbursed to & fro Air fare.

BUSINESS DEVELOPMENT MANAGER

NAIROBI **ATTRACTIVE SALARY**

A leading U. K. multi-national company with manufacturing and marketing operations world-wide would like to recruit a Business Development Manager for East Africa.

The Business Development Manager will report to the Regional Director — Africa. He will be responsible for identifying business opportunities for new products and regions. He will also assist the Regional Director in overall co-ordination and monitoring performance of manufacturing and marketing operations located in over 6 countries in East Africa. Therefore, conducting detailed techno-commercial reviews is an important aspect of the job. There are excellent opportunities for growth within the group world-wide.

Applicants should be graduate engineers with at least 7 years experience. MBAs will be preferred. Experience in the paint industry especially in manufacturing or business development is desirable.

Salary and perquisites would match the best in the region.

Please apply giving full details within 7 days to:

A. F. Ferguson & Co.
115. Dickenson Road.
Bangalore-560 042.

(All applications should be marked "MS/3494")

cedco

CEDCO is a professionally managed Joint Venture Company of **Combustion Engineering inc. of USA and Dodsal Pvt. Ltd., India** established for providing services to Thermal and Nuclear Power Plant, Refineries, Petro Chemical and Fertilizer Plants, Off-share Production Platform, Gas Processing Plants, Cross Country Pipelines etc.,

The company wishes to appoint the following for their expanding areas of activities throughout India and abroad:-

1. GENERAL MANAGER (Power)
2. GENERAL MANAGER (Hydrocarbons)

Role includes **selling the concept of Contract Operation and Maintenance, uprating and renovation** of Thermal & Captive Power Station equipment/ Hyderocarbon Installations. Should have a standing in the Industry and quickly develop the market thro' close customer contracts. Experience in tendering, estimation and negotiation of contract is essential. Should also be capable of planning and organising for effective execution thro' the operation division.

The incumbent should preferably be a Mechanical Engineer not less than 45 years. Should have **atleast 20 Years of relevant experience** in the respective sector out of which **atleast 5 experience in a senior capacity.**

3. MANAGERS

Candidates with **10 – 15 years of relevent O&M experience with strong marketing bias** may also apply for middle management position.

Emoluments and perks will not be aconstraint for the right candidate. Please apply within 15 days to:-

THE PRESIDENT,
CEDCO TECHNICAL SERVICES LTD.,
325, Chinmaya Mission Hospital Road,
Indiranagar, Bangalore-560 038.
Phone: 576763. 578073

न्यूक्लियर पावर कार्पोरेशन
(भारत सरकार का उद्यम)

NUCLEAR POWER CORPORATION

(A Govt. of India Enterprise)

invites

Applications from Indian Citizens for the post of

COMPANY SECRETARY & CHIEF LAW OFFICER

Who shall be responsible for all Company Law affairs and for handling all legal matters.

QUALIFICATIONS	:	Should be a Law Graduate and a Member of Institute of Company Secretaries of India.
EXPERIENCE	:	Ten years in a responsible capacity after obtaining the above qualifications, preferably in a Public Sector Undertaking. Experience of legal practice desirable.
AGE	:	Not more than 45 years as on 1.9.1988. Relaxable by 5 years for SC/ST candidates.
SCALE OF PAY	:	Rs.4500-150-5700 (Total emoluments inclusive of DA and CCA at the minimum of the scale are Rs.5230/-) Other benefits include HRA, LTC, Medical benefits etc. Company will assist the selected candidate regarding residential accommodation.

Applications may be made on plain paper, giving necessary information to Director (Personnel), Nuclear Power Corporation, Homi Bhabha Road, Colaba, Bombay-400 005, within 15 days of this advertisement.

CANCON/NPC/189/88/C

TABLETS (INDIA) LIMITED

needs

REGIONAL SALES MANAGER AT CALCUTTA

For Eastern Region

We are a leading and rapidly growing Madras based pharmaceutical company manufacturing and marketing an excellent range of formulations including large volume parenterals. We have technical tie-up with an international company.

The job involves managing field staff and motivating them to achieve sales objectives, Regional Office Administration, stockists performance appraisal, strengthening marketing and distribution channels.

The incumbents would be graduates in early 30s with atleast 10 years of selling experience with a reputed pharmaceutical company out of which atleast 5 years as Field Manager, with a track record of achievements, administrative ability and full knowledge of Markets of the Region. Candidates with experience as Second Line Field Managers will be preferred.

The remuneration package is negotiable and will not be a constraint for right candidates.

Please apply within 10 days giving complete bio-data with a recent passport size photograph to

GM (Marketing)
TABLETS (INDIA) LIMITED
179, T.H. Road
Madras - 600 081.

Ramganga Fertilizers Ltd.

Ramganga Fertilizers Limited, a company promoted by M/s Vam Organic Chemicals Limited, is manufacturing Single Super-phosphate and Sulphuric Acid at its most modern plant, at Bhartiagram, Gajraula, District Moradabad, U.P. The company requires :-

MANAGER—MAINTENANCE (GAJRAULA)

The candidates should be Graduate Mechanical Engineers with about 15 years experience in preventive and equipment maintenance in a continuous process industry, preferably in heavy Chemicals/ Fertilizers/Cement and of leading a team of Engineers and Supervisors.

The incumbent will be responsible for overall maintenance of the complete Plant comprising of SSP/GSSP/Sulphuric Acid Plants and Utilities. Some of the major equipments are—Computer Controlled Ball Mill, Electronic Weigh-Bridge, Compressors, Motors, D.G. Set of 1450 KVA, 5 T/Hr. at 24 Kg./cm^2 pressure Boiler, 7.5 MT Crane etc.

He will report to the General Manager (Works). The job offers excellent growth opportunities for personal advancement alongwith very good emoluments and perquisites.

If interested, please write, giving contact telephone number, to :

M/s. Ramganga Fertilizers Limited.
2, Western Avenue, Maharani Bagh
New Delhi-110065

VADILAL ICE CREAM

We are a highly motivated, fast growing progressive group with immediate plans to expand/diversify. We wish to appoint the following at our Ahmedabad unit.

1. **PRODUCTION MANAGER** — An outstanding dairy/food technologist, 35-40 years of age, having more than 10 years experience. Selected candidate shall lead a team of technologists to produce quality products and increase operational efficiency and productivity. Emphasis will be on a high degree of professional competence and proven record of tangible achievements. Exposure to modern packaging materials and techniques is desirable.
2. **SR. REFRIGERATION ENGINEER** — A graduate engineer with specialization in refrigeration, 30-35 years of age and having 4-5 years of senior level experience. Knowledge of automobiles would be an added advantage. The selected candidate shall look after the third party maintenance of a large fleet of refrigerated and insulated vehicles owned by the company. He shall work in close liasion with Distribution Department and shall be fully responsible for up-keep of vehicles, and their most economic operation.
3. **INDUSTRIAL ENGINEER** — A graduate in industrial engineering or mechanical/production engineering with IE specialization, 25-30 years of age, having 2-3 years experience in a reputed organisation. We are essentially looking for a person who can contribute significantly in improving productivity through application of IE techniques. A track record of innovative use and familiarity with relevant IE techniques such as Time Study, PMTS/MTM, ergonomics, LCA and G.T. is highly desirable.
4. **MANAGEMENT AUDITOR** — A Chartered Accountant with 7-10 years experience, out of which 3-5 years as the head of Audit Department of a medium sized organisation. This is a senior position reporting to the management, the main function being Management Audit including efficiency audit, routine Internal Audit and Operational Audit. Exposure to computerised accounting essential. Age between 32-35 years.

The above jobs offer considerable potential for career growth. Persons with relevant post-graduate qualifications and/or MBA shall be preferred. Compensation package will not be a limiting factor for the right individuals.

Please apply within 10 days with complete bio-data details to:

The General Manager (Works)
Vadilal Ice Cream
(A Division of Vadilal Industries Pvt. Ltd.)
Dudheshwar Road, AHMEDABAD 380 004.

TATA ELXSI

Factory Manager-Computer Systems

Metropolitan City

Tata-Elxsi, a Singapore based firm, requires a Factory Manager for its proposed venture with Tatas in India to manufacture and market high performance 64-bit Computer Systems.

Applicants must be 35 to 40 years of age with a basic degree in engineering, preferably electronics or computer science. They must have 5 to 10 years of experience in the management of Computer or Industrial Electronics production with major emphasis on unit and system testing. Familiarity with assembly and test of large, complex printed circuit boards would be preferred.

Experience with mechanical cabinet manufacturers, cable and harness assemblers and high tech multilayer printed circuit boards manufacturers is important. Familiarity with American business and manufacturing practices would be an added advantage.

The selected candidate would head the entire production activity of the company and would also be responsible for building up a support team for materials management, vendor development, production planning and control and quality assurance.

Apply in strict confidence within 15 days, superscribing 'Factory Manager' on the envelope, to:

The Managing Director,
Tata Elxsi (Pte) Ltd – Singapore,
C/o. Tata Elxsi Liaison Office,
Room 311-314, Qutub Hotel,
Sri Aurobindo Marg, New Delhi 110 016.

PLAYBOY FASHIONSPORT

Fashionsport (India) Pvt. Ltd. needs

MANAGEMENT TRAINEES (3 posts)

We are a part of the Elar group of companies. We have set up a fashion house in technical collaboration with Playboy Enterprises Inc., U.S.A., for the Indian as well as the export market. Nine boutiques have already opened in India and export operations have commenced.

To match our growth, we need dynamic, talented people, with the ability to achieve demanding goals.

M.B.A.'s, between 22-27 years, preferably with some experience, are required for eventual positions in Marketing and Production. For Production, engineering background may be preferred.

Candidates will undergo 6 months' training on a stipend of Rs. 2,500/- p.m. and on completion will be absorbed in the regular Executive cadre of the Company with specific job responsibilities in the chosen field. The training programme may be shorter for exceptional candidates or for persons with experience in the garment industry.

Interested candidates may send in their comprehensive bio-data including approximately 200 words on 'What I wish to achieve in my career', to:

Fashionsport (I) Pvt. Ltd.
104-B, Sukh Sagar, Hughes Road
Bombay 400 007

Please superscribe envelope 'MT'.

CHAITRA-B FS 48

ABC's major specialisations include Corporate Consultancy

Data Processing • Systems & Procedures

Computer Feasibility • SWOT Analysis

V P – HUMAN RESOURCES

BOMBAY **EXCELLENT TERMS**

A large and reputed Industrial group, controlling several well known companies, is looking for a VP — Human Resources for their Bombay based public limited company, manufacturing engineering products. The current sales turnover of the company is around 80 crores.

The company has several units and this position is at the corporate level, reporting to the MD. The incumbent will head the entire Human Resources management activity of the company. Accent will however be on IR, Training and related OD activities and major areas of involvement will be: reviewing existing personnel policies and relationships with the union and workmen and initiating beneficial changes where necessary; enhanching the training and development activities, particularly at lower levels for optimising productivity & efficiency, etc. The ideal candidate will be a mature professional in the age group of 35-45 with a successful track record of managing similar activities at senior levels, in well managed companies. He should have spent atleast 2/3 years as head of the entire function. Formal qualifications in personnel management will be preferred but are not essential.

THE TOTAL REMUNERATION PACKAGE WILL BE VERY ATTRACTIVE AND WILL BE IN LINE WITH SIMILAR TOP LEVEL POSITIONS IN INDUSTRY. COMPANY HOUSING WILL BE PROVIDED, IF NECESSARY.

Write in strict confidence within 10 days citing code: VPH/HNK/1026.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021.

Industrial Engineering • Socio Economic • Operations Research

CHIEF EXECUTIVE

A well established profitable company of long standing located in South India is interested in recruiting a Chief Executive for one of its divisions engaged in manufacturing high volume low cost consumer durables. The division is in the process of turning the corner from the present difficult circumstances by implementing a Project for introducing an upgraded, contemporary product. The Company requires a dynamic professional to head the organisation.

The incumbent would be responsible for managing the entire ongoing operations of the division, timely completion of the Project and lead the division towards a growth path. A comprehensive strategy has to be formulated to improve profitability, market share and turnover. Capital and Revenue Cost Control would be another key result area.

The ideal candidate would be a management graduate who has headed an independent profit centre, with a marketing bias in his career. An engineering degree will be an added advantage. Aged around 45 years, he would be expected to provide high quality leadership.

Emoluments would be in line with the prevailing levels for such persons and would be attractive.

Applications, superscribing the envelope with 'ES 836' may be sent within 10 days to:

S.B. Billimoria & Co.,
70/3 Miller Road, Post Box 176
Bangalore 560 052.

ABC's major specialisations include Corporate Consultancy

SWOT Analysis • Systems & Procedure • MIS

O & M • Technology Transfer • Project Reports

SENIOR R&D POSITIONS

COMMERCIAL VEHICLES

WESTERN INDIA **ATTRACTIVE TERMS**

A large and reputed manufacturer of a wide range of Light Commercial Vehicles located in a premier city of Western India, is now further expanding their product range. They are in financial and technical collaboration with a world renowned company and their current sales turnover exceeds 160 crores. They now require the following personnel.

SR. MANAGER/MANAGER-PRODUCT TESTING

He will take charge of the product testing activity both for vehicles and aggregates. This will involve: developing test schedules, evaluation of test data and preparation of reports for vehicles and aggregates; developing test rigs and testing procedures for component testing; providing necessary leadership to a team of engineers and testers for effective execution of work, etc. Age Group: 33-40. Code: MPT/HNK/1029.

SR. MANAGER/MANAGER-PRODUCT DESIGN

He will head the Design and Prototype development and manufacturing activity. Prime responsibilities will be to: provide effective leadership to a team of Designers and Prototype personnel and ensure smooth co-ordination between them; prepare detailed designs and specifications for products, components and system developed in the R&D department; organise effective standardisation and documentation activities, etc. Age Group: 33-40. Code MPD/HNK/1030.

Qualifications and Experience: For both positions, candidates must be Graduate Engineers, preferably with post-graduate qualifications in Mechanical or Automobile Engineering with around 8/10 years relevant experience in reputed Auto Companies.

SALARY & PERQUISITES: FOR BOTH POSITIONS, SALARY AND PERQUISITES WILL BE ATTRACTIVE AND IN LINE WITH SENIOR LEVEL POSITIONS IN INDUSTRY.

Write in strict confidence within 10 days, citing code nos.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021

Data Processing • Computer Software Packages • Materials Management

GENERAL MANAGER MARKETING

INDUSTRIAL INSULATION

DELHI **Rs. 1.5 Lacs per annum plus**

Our client, a multi-product public limited company, needs a GM-Marketing to head the all India Marketing of Insulation Products. The organisation has a substantial turnover and its products are well established in the market.

The incumbent shall be responsible for achieving ambitious sales and profitability targets. Important aspects of the job include strengthening, guiding and controlling sales team in branches all over the country to enhance their productivity and direct handling of major projects including contracting. He should be an engineer with 10 years experience in project selling preferably in the areas of mineral wool, polyurethane etc. Proven record in increasing sales and managing a network of branches and sales team are important requirements. Age group : 35-45.

The assignment offers tremendous potential to prove oneself and excellent growth prospects. Please apply in strict confidence within 10 days marking the envelope and enclosures with the job title and Code : 8836

PERSONNEL SELECTION DIVISION

MANTEC CONSULTANTS P LTD

(Management & Technical Services)
Post Bag No. 33, New Delhi 110 019
Tel : 632435, 637023.

Now undertaking world wide assignments in association with MSL INTERNATIONAL, Subsidiary of SAATCHI & SAATCHI, U.K.

TAFE

TRACTORS AND FARM EQUIPMENT LIMITED (TAFE), MADRAS, is the flagship company of the Amalgamations group, one of the largest engineering groups in the South. The company manufactures MASSEY-FERGUSON tractors and related implements for agricultural operations, with annual turnover exceeding Rs. 120 crores. TAFE has pioneered farm mechanisation and is committed to all-round excellence. The company is experiencing rapid growth and needs an outstanding professional to lead its marketing team.

GENERAL MANAGER – MARKETING

(Ref : TGM/M)

He will be responsible for formulating and directing sales, service and marketing policies to ensure achievement of growth and profitability targets. Key responsibility areas include planning and implementation of aggressive sales and marketing strategies and development of the marketing services function. He will be required to give a new thrust to product support and customer service operations and management of distribution. Providing leadership, and strengthening of a highly motivated team will also be a vital task.

Candidate should be a Mechanical/Automobile/Agricultural Engineer with post-graduate qualifications in Management. An outstanding track-record in sales and marketing, with over 8 years' senior-level experience, essential. Exposure to service management in the automotive industry desirable. Age : 40-45 years.

This is a senior level assignment, based in Madras. The compensation package is designed to attract the best talent. Growth prospects are excellent, and based entirely on performance.

Please apply within 10 days (superscribing Reference code) giving details of age, qualifications, career accomplishments and current remuneration to :

The Manager-HRD
Tractors and Farm Equipment Limited
145 Sterling Road Nungambakkam Madras 600 034

Shilputsi

Shilputsi Consultants
have been retained to recruit a

GENERAL MANAGER, MARKETING (TV)

Our clients are a reputed and diversified Company.

The job : The selected candidates will head the Marketing Division and take responsibility for Marketing, Sales and Service. He shall formulate short and long term product strategies and marketing plans including new product launches, trade promotions, advertising and pricing. He will lead a sales team of 3 regional managers and 12 branch managers. He will also supervise after sales service.

Qualifications : MBA with a minimum of 12 years' experience of which at least 3 should have been in a senior marketing or sales job.

Age : 35 to 40 years.

This is a senior position with good opportunity for growth. Salary and benefits will not be a constraint for the right candidate.

Please write to:
Mrs. Pratibha Sheth
Executive Director
SHILPUTSI CONSULTANTS
Post Box No. 2256
Bombay 400 021

ABC's major specialisations include Corporate Consultancy SWOT Analysis

Feasibility Reports • Business Negotiations

Materials Management • Market Surveys

GM – AFTER SALES
LARGE DIESEL POWER PLANTS

BOMBAY **EXCELLENT TERMS**

WARTSILA DIESEL, with headquarters in Finland, is one of the world's leading manufacturers of medium speed, heavy duty, diesel engines and diesel generating sets, with operations in several countries. In India, they have been successfully marketing and servicing their products for several years. They are now setting up manufacturing operations in India and will function as a Public Limited Company under the name of WARTSILA DIESEL INDIA LTD. The head office is located at Bombay and the manufacturing plant is coming up near Pune. They now require a GM – After Sales to be based at Bombay.

He will report to the Chief Executive and will head and have "PROFIT CENTRE" responsibility for the after-sales-service activity of the company on an All India basis. Prime responsibilities will be to: expand the existing All India team and provide necessary leadership to render a high service level; ensure that service contracts are well drafted and negotiated keeping in view all commercial aspects; maintain close liaison with sales, manufacturing and the principals in Finland, etc. We are looking for a MARINE/MECHANICAL Engineer, with around 15 years experience ON-BOARD SHIPS or in REPUTED COMPANIES in the maintenance/after sales service of large DIESEL ENGINES. A keen business sense and sound leadership abilities to organise and manage a large, All India network will be essential attributes. Age Group: 38-45. Code: GMS/HNK/1025.

THE TOTAL REMUNERATION PACKAGE WILL BE EXCELLENT AND WILL NOT BE A CONSTRAINT.

Send bio-data immediately by Courier to reach within 3 days.

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021

Industrial Engineering • Computer Consultancy • Business Negotiations • Finance

GROUP PERSONNEL DIRECTOR

Bangalore **Excellent terms**

A professionally managed and rapidly growing group of diversified companies wishes to appoint a Group Personnel Director who will be in charge of the entire personnel and administration functions for all the group's constituent companies.

The position reports to the Chairman and will be responsible for policy formulation and implementation in all areas of human resources development, industrial relations and administration. Key senior managers in each of these areas will report to the Group Personnel Director and in addition, all personnel and administration heads of all the group companies will report functionally.

In light of the group's ambitious growth plans, this position is a crucial one and will be attractive to the very best talent in the profession.

Candidates should preferably be in their forties with a successful record of performance as senior managers in any functional area. A minimum of 3 years experience heading the personnel function in a large professionally managed and multi-divisional company or group would be desirable.

The remuneration package will not be a limiting factor for the right candidate and will include furnished housing, air-conditioned car and driver and other excellent perquisites consistent with the seniority and stature of the position.

Applications should be sent ref: (MS/4975) in strict confidence to:

E.A. Kshirsagar
A.F. Ferguson Associates
Express Towers
Nariman Point
Bombay 400 021

MARKETING MANAGER

OTC Products

A fast growing Indian pharmaceutical company manufacturing both ethical and OTC products, wishes to recruit a Marketing Manager. The company expects to double its current sales turnover over the next two years. The Marketing Manager will be based at Bombay.

This position would be overall responsible for the marketing and sales of OTC products, which is a thrust area for the company. He would be responsible for developing and implementing marketing strategies/plans, increasing market share of exisiting products and launch of new products, and strengthening and extending the reach of the sales and distribution set-up.

Applicants should preferably be MBAs with at least 10-15 years experience in marketing/sales of consumer products with at least 5 years senior level experience.

This position reports to the Managing Director.

Preferred age: 32-40 years.

An attractive remuneration package (which will not be a constraining factor) will be negotiated.

Please apply in strict confidence within 10 days to:
A.F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked 'Ref. MS/4958'. Candidates not contacted within three months of application, may assume that they are not being considered.

Ours is a well established service industry and we are planning to diversify. In order to initiate and implement both vertical and horizontal expansion we want the following:

Marketing Managers — 3

Posting: Bombay **Rs. 1,00,000 plus p.a. for the seniormost**
Rs. 60,000 p.a. for the other two.

The seniormost will do the hard core selling. He will have to plan the promotion strategies and guide the team of budding youngsters who will put in the legwork. One of the other two will assist him in the administration, while the third will look after an allied line of activity.

Education: M.B.A. and M.Com's

Company Secretary cum Finance Officer

Posting: Bombay **Rs. 48,000 p.a.**

The applicant should be a qualified company secretary. He will be responsible for all secretarial and company law matters. He will also look after finance and taxation functions. Experience in obtaining assistance from banks and financial institutions is essential. Exposure to investing surplus funds is an additional qualification.

He should be in the age group of 30-35 years.

Please apply within 15 days to

Box No. AA/278/LT/1, **Business India**, Wadia Building, 17/19 Dalal Street, Bombay 400 001.

ABC's major specialisations include Corporate Consultancy

MAINTENANCE MANAGER
MULTI CRORE CHEMICAL PROJECT

Plant Site **Excellent Terms**

We have been retained by a **highly progressive & successful group of companies having a current turnover of over Rs. 100 crores,** now setting up a multicrore chemical project, near Delhi, to select a Maintenance Manager.

Incumbent must be a Graduate Mechanical Engineer with 7-10 years experience in **plant maintenance in a chemical process industry.** He must be familiar with the up keep & efficient running of utilities & services and be capable of organising maintenance work during shut downs. Good appreciation of safety, preventive maintenance systems in the process industry and handling of corrosive fluids will be distinct advantages. Desired age: 30-35.

The compensation package will not be a constraint for the right candidate. Apply in confidence to **C.S. Bhargava, Sr. Consultant** giving details of age, qualifications, experience, current & expected emoluments, contact phone etc. quoting job title & code MAM/DEL/727

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

209, Meghdoot, 94, Nehru Place, New Delhi 110 019 Phone : 6433383

MIS • Systems & Procedure • SWOT Analysis

O & M • Technology Transfer • Project Reports

Data Processing • Computer Software Packages • Materials Management

ABC's major specialisations include Corporate Consultancy

DIVISIONAL MANAGER – TOOL ROOM
LARGE AUTOMOBILE COMPANY

WESTERN INDIA **ATTRACTIVE TERMS**

A reputed Western India based manufacturer of a wide range of Diesel Vehicles in collaboration with a world renowned company, with a turnover exceeding 160 crores is expanding their product range. The Tool Room facilities, for the manufacture of Jigs, Fixtures, Dies and Press Tools also require to be expanded and re-structured. To cater to this need, they now require a Divisional Manager – Tool Room.

He will head the Tool Room and initial responsibilities will be the planning and execution of the Tool Room expansion involving, plant layout, selection and commissioning of Tool Room and related machinery; expanding and restructuring the organisation including training of personnel, etc. On completion, he will be responsible for meeting agreed production targets.

We are looking for a Mechanical Engineer with around 15 years experience in the design and manufacture of toolings in a modern Tool Room, preferably in reputed Auto companies, equipped with sophisticated machines like CNC, Die Sinking, etc. Age Group: 35-45.

THE SALARY & PERQUISITES WILL BE VERY ATTRACTIVE AND WILL NOT BE A CONSTRAINT.

Write in strict confidence within 10 days, citing code: DMA/HNK/1031

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021

Business Negotiations • Organisation

Technology Transfer • Feasibility Reports

Materials Management • Finance • Accounting Systems

Shilputsi

Shilputsi Consultants
have been retained to recruit a

CHIEF ENGINEER (CE – S)

for a chemicals/oleo chemicals factory in South East Asia.

The job : The Chief Engineer will be responsible for the maintenance of the plant including electrical distribution and control systems.

Qualifications : Graduate in Mechanical Engineering with at least 5 years' experience in maintenance of chemical plant with good knowledge of electrical distribution, control system and instrumentation.

Age : Around 35 years.

Salary : Salary will be commensurate with the responsibility. In addition the company will provide in accordance with its current rules to and fro air fare for the employee and family, free furnished accommodation, medical, assistance for children's education and conveyance.

Please write in confidence to:

Mr. Tarun Sheth
C/o **SHILPUTSI CONSULTANTS**
Post Box No. 9386
Bombay 400 026.

Bharat Forge

REQUIRES

BRANCH MANAGERS: BANGALORE, JAMSHEDPUR

We are a large Engineering Company with an annual turnover in the region of Rs. 1600 million, engaged in the manufacture of Steel Forgings and Machined Components for diverse Industrial and Defence applications. We have set in operation ambitious long-range plans for modernisation, growth and diversification.

We require Branch Managers to be located at Bangalore and Jamshedpur.

Candidates should be Graduates in Mechanical/ Metallurgical Engineering, preferably MBAs from reputed institutions. Candidates applying for the office in Jamshedpur should have around 5 years' experience in selling to Steel Plants, while those applying for the office in Bangalore should have experience in selling to Automobile, Tractor, Truck and Earth Moving Manufacturers.

We offer attractive emoluments and perks, an excellent working environment and good opportunities for personal growth.

Interested candidates may send their biodata within 10 days, to —

MANAGER:HRD
BHARAT FORGE LTD.
Mundhwa, Pune Cantonment, Pune - 411 036.

Polar one of the top 5 names in fans with the fastest growth record has achieved all this through a professionally managed organization. To further strengthen the field marketing team, we now require

Area Field Managers

(For various state capitals)

The Area Field Managers will be responsible for all field sales functions of their allocated areas like sales on target-oriented basis, nourishing of dealer network, adherence of Company's sales/credit policies, merchandising etc. They will also be responsible for providing market feedback, suggesting strategies to combat competition etc. and shall achieve all these by leading a team of experienced Sales Executives/Officers.

Applicants must be graduates in Commerce, preferably with post-graduate qualification in management from a reputed institute. They should be in the age group of 27/35 years and should have 7/10 years of field experience, in some reputed consumer durable company. Experience in fan trade will be preferred.

The remuneration package will be attractive and negotiable to attract the best talent. Excellent growth prospects.

Please apply in confidence within 10 days to

Executive Director
Polar International Ltd.
113 Park Street, Poddar Point Calcutta-700 016

giving full details of age, qualification, experience and salary drawn with place of work preferred.

POLAR
the SUPER fan

ACI/PIL/2-88

COMMERCIAL ADVISER
FOR OMAN

One of the leading Business Groups in the Sultanate of Oman wishes to appoint a Commercial Adviser to the Chairman.

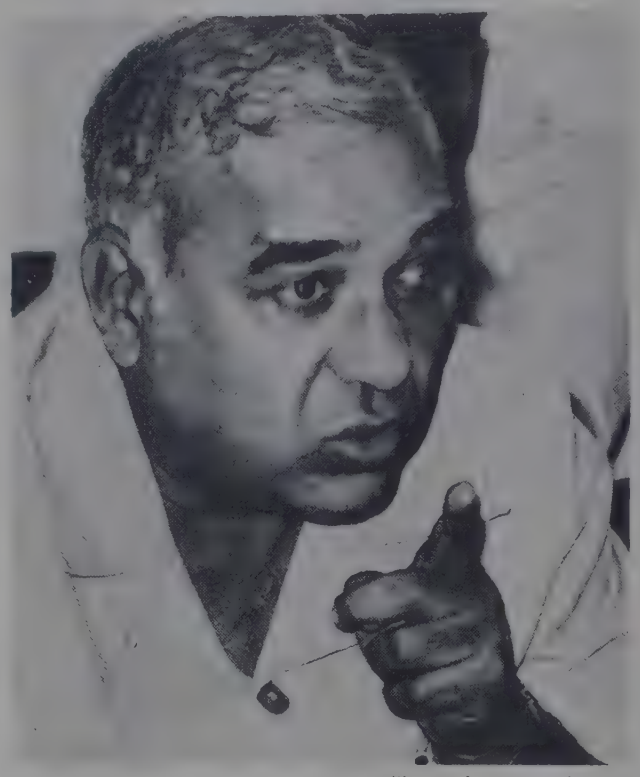
The candidate should be holding a senior position in a well-managed company and should be capable of advising the Chairman on various commercial and financial matters pertaining to the business operations of the Group. As a member of the management team he would also be required to interact and work closely with the Divisional Managers in ensuring efficient operations and identifying opportunities for growth.

The candidate should have an analytical approach, excellent communication skills and keen business sense. He should be between 35 and 45 years of age with outstanding qualifications and a highly successful track record. Preference will be given to persons who have had experience of top level line and staff functions.

This is a very senior and challenging assignment for which salary and perks will not be a constraint. Candidates are requested to send their detailed resume highlighting achievements alongwith recent photograph, within seven days to:

Advertiser : P. O. Box No. 3067, Ruwi,
SULTANATE OF OMAN

"The tasks remain the same"



In the world of high finance, it is said that the more things seem to change the more they stay the same. In a sense, that is what has happened to **S.S. Nadkarni.** *Getting a five-year extension as chairman IDBI is a godsend to a banker like Nadkarni, who has been at the helm of the bank for three years already. As the country's prime development banker, Nadkarni's task is a tough one — to develop industry and yet stay comfortably on the prescribed growth path. This is a task he performs adroitly. Nadkarni was interviewed by Dilip Cherian of* Business India *in his office at New Delhi. Excerpts.*

Now that you have a five-year term, do you see yourself creating a whole new institutional banking environment?
Change and continuity, like ying and yang (to use the currently fashionable oriental examples) are part of the same whole. I recognise this very well because next year is IDBI's silver jubilee year and while reading T.T. Krishnamachari's speech made 25 years ago, he seems to say the same thing. He then expressed the hope that IDBI would look forward to going outwards to achieve its tasks rather than waiting. He referred even then to the challenges of a new environment. So you see, the tasks remain much the same.

Despite all that, how would you define the challenges of the new environment?
To my mind, a new aspect is the slow shift to export awareness rather than the old mechanistic import substitution approach. I use the term "export awareness" (rather than export-oriented) because the markets in India are large and cannot be ignored.

In becoming export aware, issues of quality, of quantity, of passing on lower costs to consumers and paying attention to marketing will become important. When import substituting, the question "at what cost" is not asked.

What changes of the liberalising variety do you see in the financial sector?
In financial services, change comes about more slowly. We have seen a boom in leasing, although it is not upbeat at present. Also, mutual funds are slowly arriving — though not yet in the private sector. We are seeing a reawakening of the primary capital markets. We now have CRISIL in place, while SEBI is on the anvil and more change is on the way.

I don't see a big mismatch in either the speed or the direction in which change is taking place. But I do believe that liberalisation is going to be much faster in future. And I believe that the financial institutions will have to adopt new approaches and adjust even faster

Would you be able to identify some of the key changes in IDBI that may illustrate such a potential for change?

I would like to look back a bit to explain the future. When I look back at my three years at IDBI we can say that we have achieved some things. For example, a greater degree of decentralisation of decision making, a greater degree of service orientation, and representation for ourselves in various fora.

Having achieved that in three years, what are your next set of tasks?
With an economy that is getting freer, our ability to lay greater emphasis on and obtain more out of market research — of the non-traditional variety — will be crucial. We have to evolve our approach to competitiven

Wouldn't you say that today one of the tasks that the IDBI was set up for is complete — namely the creation of a broad-based industria structure. So, what now?
Absolutely. What we need is a sense balance in all this talk of finance and markets. Most talk of capital markets not relevant to the small scale sector. And I see this sector absolutely clear as part of our role.

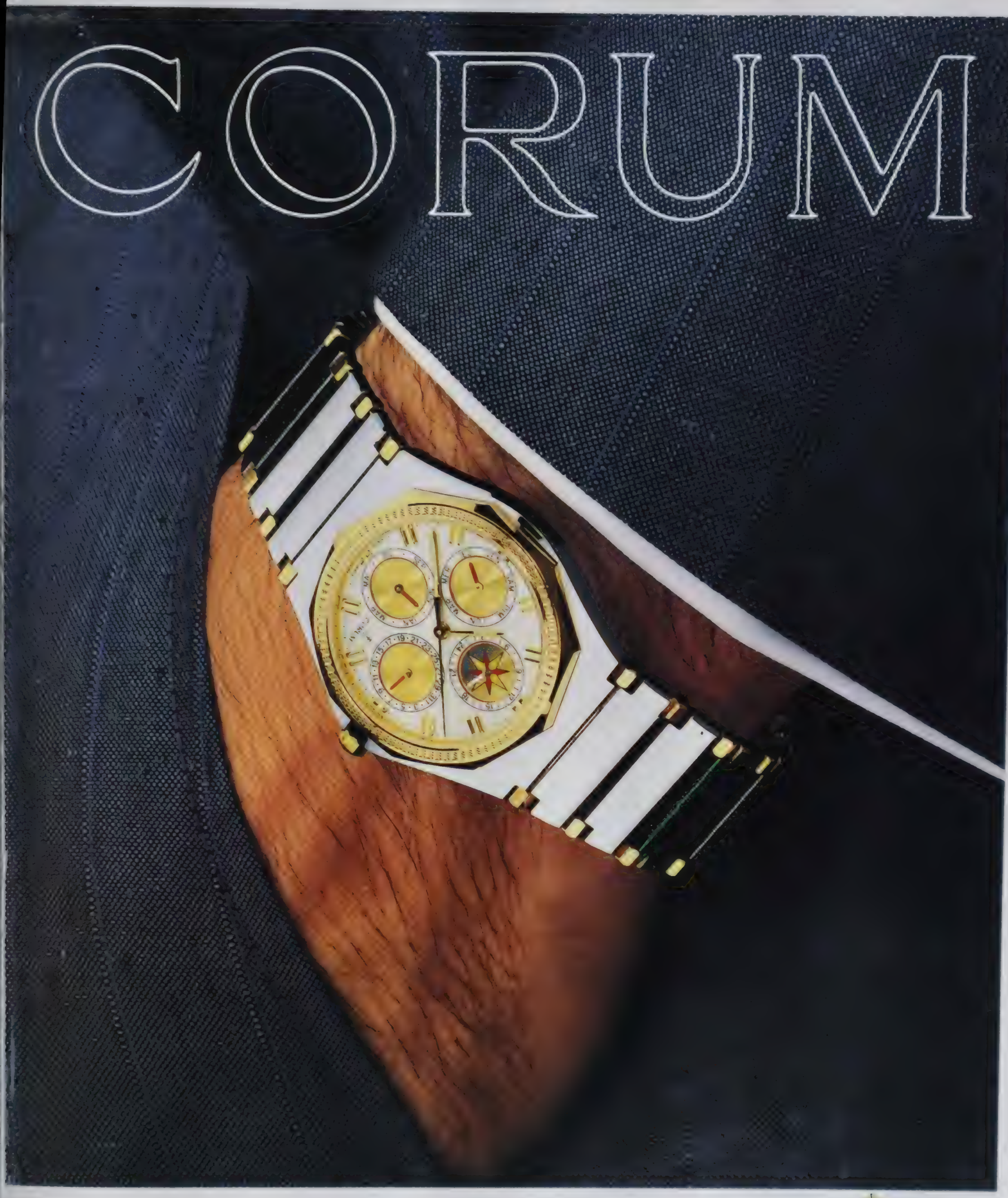
Now that we are 25 years old, it's time we had a child of our own. Thus SIDBI (the Small Industries Development Bank of India — a subsidiary of IDBI). Its task in turn w be the strengthening and if necessary the creation of state-level organisatio for the small sector. To succeed in th I feel we have to see continuity and accountability in this area and the creation of a cadre of small unit finance specialists within these organisations who can expect to gro in that area and have an interest in growth.

In a sense, the key link between increased competitiveness and the small sector is via venture capital. What is your role in this?
Small, but it exists. We are still learning the business through our ov small venture capital fund. We have done about 20 cases so far and we h an interesting mix. I do not know wh the end result will be though — its too early to say.

With problems of modernisation, increased competition and libreralisation, aren't you afraid, a banker, of your money getting stu ih companies that lose out in the new marketplace?
Luckily or unluckily, there are no revolutions in these areas. There is evolution. If you look back at the textile sector would we have predic that powerlooms would take over? It it has happened — over a period. B there were no shocks.

Our role as a development bank see such changes coming and to sta acting upon them. The pace may change but after all it cannot be at pace that we do not understand. Af all it is the humans who have to ma change and adapt to it.

CORUM



DESIGNS ON TIME

CORUM
SUISSE

Individually made with a degree of skill and care that belongs to a former time, Corum Watches carry design into the future.

The Admiral epitomises this with the distinctive feature of four small dials showing the day, date, month and cardinal points of the compass. The strong and virtually scratchproof tungsten-carbide links that make up the bracelet are fastened together with solid gold bolts.

Corum watches are on view at the finest jewellers in the world.

address inquieries to
Corum, 2300 La Chaux-de-Fonds, Switzerland

RN 35850/78

REG. No. MH
SOUT

PAL

The Premier Automobiles

Business India

magazine of the corporate world | November 14-27, 1988 | Rs.

GORBACHEV RETURNS

The Perestroika Agenda

INSIDE

TEHRI DAM
THER SAFE NOR ECONOMIC

HE ABB POWERHOUSE

DEEPAK FERTILISERS
AMBITIOUS PLANS

SAVIOURS FOR
KOTHARI FOODS

JUTE INDUSTRY
NEW ENTREPRENEURS

For too long has substituting sugar been a bitter experience.

Introducing naturally-sweet, naturally-safe* One-Up. It's not only sugar-free, it's even saccharin-free!

It's the international sugar substitute your body welcomes. Naturally.

You want to avoid the calories in sugar. You are worried about saccharin. Now you can stay away from both — the way people do in over 40 countries worldwide. Because One-Up contains a sweetener* that your body absorbs just like the food you eat. Naturally sweet. Naturally safe. Talk to your doctor. And move up to One-Up. Today.

*[illegible] it consists of amino acids similar to those in food.

NEW

One-up

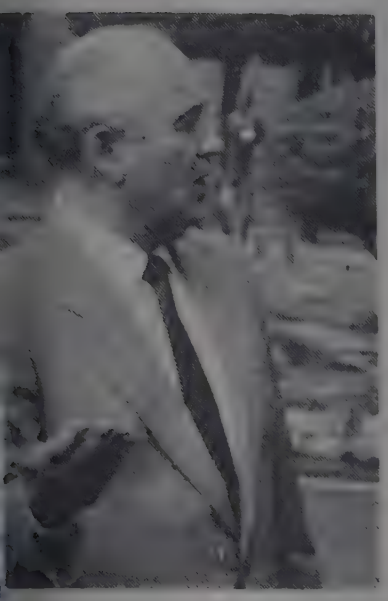
THE NATURAL SWEET TASTE

Even the pack is one-up! One touch is all it takes to release a single pellet.

Approved for diabetic

Trust Torrent to introduce a sugar sub that's naturally better.

7 DEC
T. R. I
MYSORE

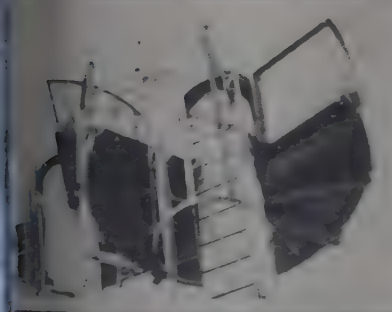


COVER FEATURE

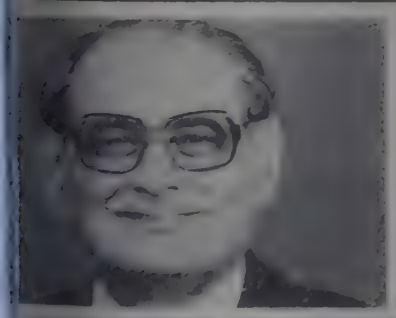
50 **Gorbachev returns**
The perestroika agenda
Gorbachev will soon be in India, just two years after his first visit. Much has changed in these two years. The Soviet Union has become a more open society. It has decided to give market forces freer play. And it is redefining its relationship with China. How will these changes affect Indo-Soviet relations?
DILIP CHERIAN

CORPORATE REPORTS

65 **Asea Brown Boveri**
The new powerhouse
Barely ten months after the merger of Asea AB and BBC Brown Boveri in Sweden, their Indian counterparts have followed suit. The new company, Asea Brown Boveri, is now a major force in the electrical equipment industry
BASUDEV DASS

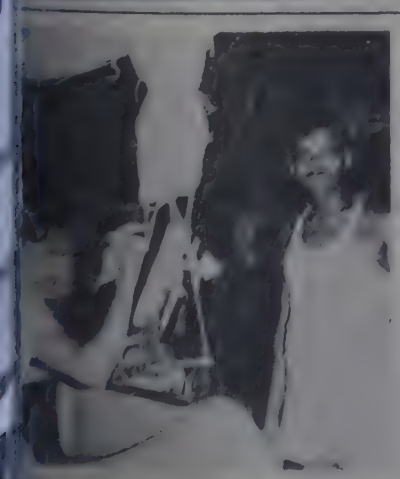


70 **Deepak Fertilisers**
Joining the big league
With a Rs.346-crore diversification at hand, Deepak Fertilisers is all set to join the big league. If all goes well, the company will grow fivefold by 1991
DILIP MAITRA



76 **Kothari General Foods**
Waiting for succour
The company is in trouble. Its products have not had the desired impact on the mass market and it now needs a saviour
SUSHILA RAVINDRANATH

81 **Hotel Leela Ventures**
Another beginning
The Hotel Leela Penta in Bombay had not been doing too well. Now, with a new foriegn partner, the hotel seems set for big business
DILIP MAITRA



INDUSTRY REPORT

83 **Jute**
New entrepreneurs to the rescue
The once flourishing jute industry has been reduced to a state of near bankruptcy. But the entry of a new breed of businessmen has brought a ray of hope
KAVERI BOSE

20 ECONOMIC OUTLOOK
Production of crude oil has been short of targets

30 BUSINESS NOTES
Greeting cards for charity
More incentives for industry in Tamil Nadu
ONGC's big push in the south

41 SPEAKING OUT
The leasing industry is not dying but has just begun its existence in India, says
FAROUK IRANI

45 GUEST COLUMN
People's participation is needed to protect our natural resources says ex-chief justice
P.N. BHAGWATI

89 FOCUS
Tehri Dam
Neither safe nor economical
VIJAY PARANJPYE

96 TECHNOLOGY
The myth of innovation
DINESH MOHAN

101 FINANCE
Financial experts of the UK and India talk of greater co-operation
KEYA SARKAR

108 CITIES
Bombay's new World Trade Centre complex is ready to be occupied
SHEKHAR GHOSH

110 OVERSEAS
The Ispat group now has a huge stake in a Rs.700-crore steel plant in Trinidad
BASUDEV DASS

153 PROFESSIONAL PROFILES
J.J. Irani of Tisco, R Jaidev of Citibank and Elsie Nanji of Ambience Advertising are making their mark in their individual fields

163 JOBWATCH
Problems of employing people in backward areas
ANITA RAMCHANDRAN

208 INTERVIEW
Kit McMahon, chief executive, Midland Bank, UK urges more direct foreign investment in India
BASUDEV DASS

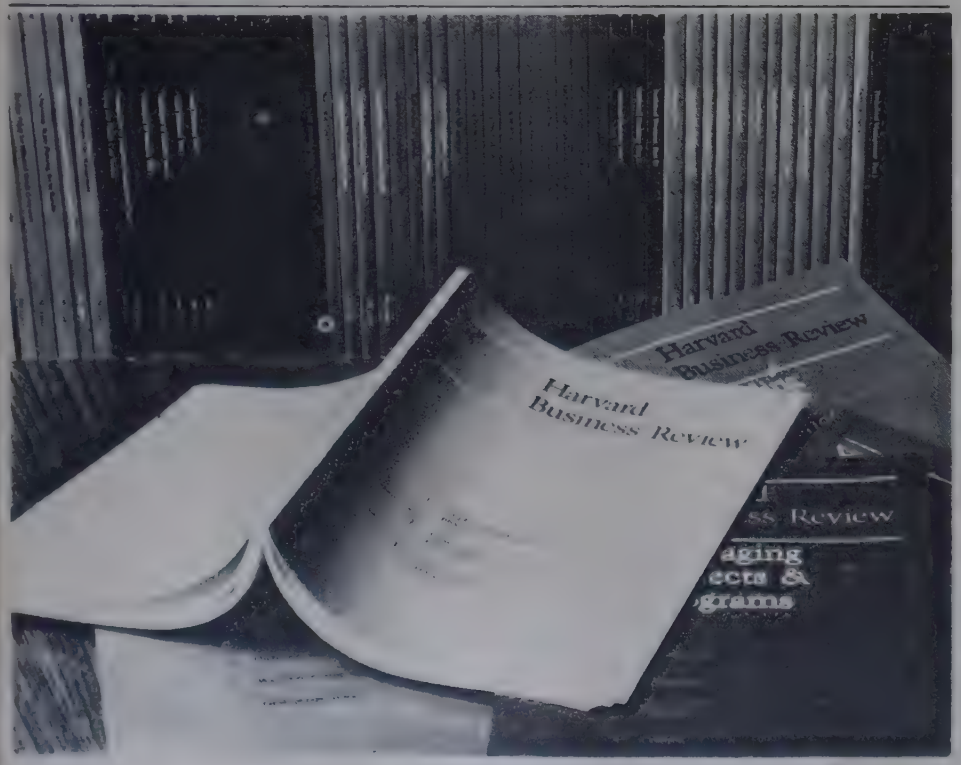
159 Books
30 Business Notes
26 Businessmen in the News
108 Cities
133 Corporate Monitor
65 Corporate Reports
50 Cover Feature
142 Diary of a Merchant Banker
25 Economic Indices
20 Economic Outlook
165 Executive Ladder
101 Finance
147 Deposits
89 Focus
8 For Your Information
45 Guest Column
83 Industry Report
113 International
208 Interview
148 Investor Contest
163 Jobwatch
3 Letter from the Publisher
5 Letters to the Editor
11 Listening Post
141 Market News
107 Marketing
168 National Executive Appointments
12 News and Events
110 Overseas
157 People
153 Professional Profile
166 Reader Service
41 Speaking Out
144 Stockmarkets
96 Technology

Published and printed by
A.H. Advani
of BUSINESS INDIA
Wadia Building
17-19 Dalal Street, Bombay
400 001, at the Tata Press
Limited, Bombay 400 025
& Phototypeset by
Business India Photosetters

THE HARVARD BUSINESS REVIEW LIBRARY

An Indispensable Assembly of Management Know-how

THE HARVARD BUSINESS REVIEW LIBRARY	HARD BOUND (HB): SOFT COVER (SC):	
Code No. *Volume title*	**HB*	***SC*
PART I General Management		
PART IA Business Policy & Leadership		
1.013 Corporate Strategy	—	331
1.014 Strategic Planning Comes of Age	—	378
1.062 Leadership Part II	—	283
1.063 Leadership Part III	—	283
1.141 Boards of Directors Part I	—	310
1.142 Boards of Directors Part II	—	378
PART I B Business Ethics and Strategy		
1.043 The Business of Ethics and Business	—	378
1.051 Guides to Corporate Responsibility	—	331
1.132 Public Policy and Private Enterprise	—	378
1.133 Legal Issues in Doing Business	567	378
1.134 Rethinking Business Government Relations	—	378
1.151 Managing Creativity	—	310
1.161 Strategy and Tactics in Mergers	441	331
1.181 From 1980: New Worlds for Business	—	310
PART IC Managing Special Organizations		
1.072 Saving Our Health Care System	—	378
1.082 Management of Nonprofit Organizations Part II	367	—
1.091 McKinsey Award Winners	430	310
1.101 Philosophy of Business Part I	430	331
1.102 Philosophy of Business Part II	430	331
1.111 Small Business Part I	430	331
1.112 Small Business Part II	430	331
1.113 Small Business Part III	—	331
1.114 Small Ventures: Tactics & Strategies	494	331
1.115 Trials and Rewards of the Entrepreneur	—	378



PART II Organizational Behaviour		
PART II A Effective Organizations		
2.011 Case Method Part I	—	310
2.012 Case Method Part II	410	310
2.013 Case Method Part III	—	310
2.094 Organizational Development Part IV	—	331
2.151 Developing an Effective Organization Part I	—	362
2.152 Developing an Effective Organization Part II	—	362
2.181 What's the Future of Labour Relations?	—	310
PART IIB Managing Human Resources		
2.021 Conflict & Cooperation in Management	—	331
2.022 Dealing with Conflict	—	378
2.023 Coping with the Difficult Employee	—	378
2.[illegible] The Executive Life	—	378
2.[illegible]	—	310
2.[illegible]	—	[illegible]
2.101 Performance Appraisal	—	
2.121 Renewing the Will to Work	—	
2.141 Effective Communication	—	
2.161 Executive Power — Its Use and Misuse	—	
PART IIC Developing Human Resources		
2.031 Executive Compensation Part I	410	
2.032 Executive Compensation Part II	—	
2.044 Essentials in Executive Developments	—	
2.071 Equal Opportunity in Business	430	
2.111 Personnel Management Part I	—	
2.112 Personnel Management Part II	—	
2.113 Personnel Management Part III	—	
2.131 Training and Developing Executives	—	
2.171 Employee Rights and Employer Programs	462	
2.191 When the Executive is a Woman	—	
2.201 Managing to Save Time	—	
PART III Managerial Economics: Quantitative Approaches to Decision Making		
3.015 Basic Concepts In Quantitative Management	—	
3.016 A Sampling of Quantitative Methods for Managers	—	
Part IV Marketing		
4.018 Basic Concepts in Marketing Management	—	
4.021 How to Improve Sales Management	—	
4.041 Pricing for Profit	—	
4.051 Product Policy for Consumer Goods Companies	—	
4.052 Product Policy for Industrial Goods Companies	—	
4.061 Advertising: Better Planning Better Results	—	
4.071 Implementing Marketing Strategies Part I	—	
4.072 Implementing Marketing Strategies Part II	567	
4.081 Marketing Communications in a Changing Environment	—	
PART V Finance		
5.022 Finance: Part III	—	
5.024 Finance: Part V	—	
5.041 Pension Management	—	
5.051 Transformation of Banking	—	
PART VI International		
6.021 Managing the Multinationals	472	
6.031 Selling in Foreign Markets	—	
6.041 How Japan Works	—	
PART VII Planning and Control		
7.011 Computer Management Part I	430	
7.012 Computer Management Part II	430	
7.013 Managing and Using Computers Part I	—	
7.014 Managing and Using Computers Part II	567	
7.053 Planning Part III	—	
7.054 Planning Part IV		
7.055 Planning Part V	—	
PART VIII Production and Operations		
8.011 Managing Projects and Programs	—	
8.024 Manufacturing: Reconsidering Old Solutions		
8.025 Behind the Productivity Headlines	—	
8.051 Service Management	—	
8.061 Manufacturing Strategy	—	
8.071 The Management of Technological Innovation	—	
8.081 Manufacturing Management: Logistics, Materials Inventory	—	
8.091 Shop-Floor Management	—	

*HB HARD BOUND **SC SOFT COVER

While any combination of the Library's 8 component parts or indiv volumes can be ordered, the complete Library, is supplied surface-pos

free- a saving of up to Rs. 3,500/-

Note: 1. Add 10% to the total price for export packaging charges from U.K. t on subject parts orders.

2. Full set can be supplied in a combination of Hard Bound/Soft Cover s

PS: Don't forget — this is a tax deductable expenditure.

ADVANCED MANAGEMENT INSTITUTE
19, Nariman Bhavan,
Nariman Point, Bombay: 400 021
Phone: 2022356/2024192
Telex 11 5132 HRVD IN

Business India

ublisher	Ashok H. Advani
ssociate Publisher	Malvika Singh
ditor	Rusi Engineer
eputy Editors	Dilip Cherian (Delhi) Vijayan Kannampilly (Bombay) Mukarram Bhagat (Bombay)
ssistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
. Correspondent	S. N. Vasuki
orrespondents	Shankar P. (Bombay) K. G. Kumar (Trivandrum) N. Radhakrishnan (Bombay) Dilip Maitra (Bombay) Eapen Thomas (Bombay) Keya Sarkar (Bombay)
aff Writers	Madhumita Bose (Calcutta) Dharani K. Pani (Madras)
hief Sub-editor *ub-editors*	F. S. Pinto, Gouri Dange, Tushar K. Das
xecutive Director	Atul Deshmukh
arketing Director	Pheroza Bilimoria 2024422/2024424
dvertising Manager	Roopina Cama 2041974/2253
sst. Advt. Manager *Madras)*	Vimal Shivdasani 474964
. Advt. Executives *Bombay)* *Calcutta)* *Hyderabad)*	 Ferzine Esmail 2041974/2253 P. L. Baluja 448455 Minal Jagtiani
dvt. Executives *Bombay)* *Delhi)* *Madras)* *Bangalore)*	 Elizabeth Jason, Himanshu Chitnis 2041974/2253 Prabha Nair, Archana Pillai 350135/350253 Annapurna Vancheswaran 474964 Purnima Shah 74149
arketing Manager *ales & Planning*	Pheroza Sutaria 2041974/2253
ubscription Manager	Anita Mehta 274161
egional Sales *epresentatives* *Bombay)* *Delhi)* *Madras)* *Hyderabad)* *Bangalore)*	 S. Ravi N. Iyer 274161 Sumati Bedi 350135/350253 S. Kannan 474964 Minal Jagtiani Purnima Shah 74149
esign	Trilokesh Mukherjee
ayout *rtists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
roduction Manager	Henry Serrao
istribution	India Book House
egistered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 271558
ditorial, Marketing, *dvertising &* *dministration* *ffice*	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
elhi *ffice*	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
adras *ffice*	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964
alcutta *ffice*	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

UBSCRIPTION RATES

NDIA: ANNUAL SUBSCRIPTION Rs. 125
Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)
Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58, West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of ***Business India***
Rates include airmail charges.

nsolicited manuscripts cannot be returned unless companied by postage

LETTER FROM THE PUBLISHER

Clearly Indo-Soviet relations are on the threshold of a new beginning.

The USSR, over the years, has proved to be a key trading partner, as a supplier of heavy machinery, oil and armaments and a buyer of Indian consumer goods. But more important, it has proved to be a loyal political friend, particularly in times of need. Indo-Soviet friendship was built on mutual help and an identity of interests.

But several key elements on which this relationship was built are about to change. This is not to suggest that there has been an erosion of that relationship. But one must recognise that major social, economic and political changes have taken place both within the USSR and in the world surrounding it. As also in India. This requires both countries to re-examine some of fundamental tenets of the friendship — though neither will openly so admit.

Undoubtedly, *perestroika* and *glasnost* have completely changed the political and economic situation within the USSR. Not surprisingly this has changed the perception the West has of the USSR. Every major Western leader has visited the USSR. Equally important the Soviets are moving towards patching up with China.

Similarly, with liberalisation in India, our economic needs have changed. Currently we run a huge trade surplus with the USSR; we are not entirely dependent on the USSR for oil; and we are reluctant to have the USSR as our sole military supplier. Equally important, after the proposed pull out from Afghanistan and after Zia, the regional political balance has changed. With the recent changes in China, however slowly, we appear to be inching if not to a settlement, then at least to a *modus vivendi*.

In India, we have often been slow to recognise the changes in the world around us. What is more we have been reluctant to openly debate what is, and what is not, in our own national interest. Much too often we have been content to assume that our national interests, whatever they may be, will be zealously preserved by our political leaders.

It is only if both sides honestly examine their concerns, their interests and their aspirations, that there can be a lasting and true relationship. It is in this context that we must view Gorbachev's second visit to India.

Ashok H. Advani

JURAN.

The Mantra That Won Yokogawa Hewlett Packard Japan's Most Coveted Industrial Award – The Deming Prize

The Rags to Riches Story

When Yokogawa Electric Corporation and Hewlett Packard set up their joint venture in Japan, the fledging company languished during its first decade in both product quality and profitability.

Until 1975.

After which the upswing in the performance of Yokogawa Hewlett Packard was dramatic, almost magical. Just 7 years later, in 1982, the company won the Deming Prize.

By 1985, profits had soared 244% and market share shot up 195%.

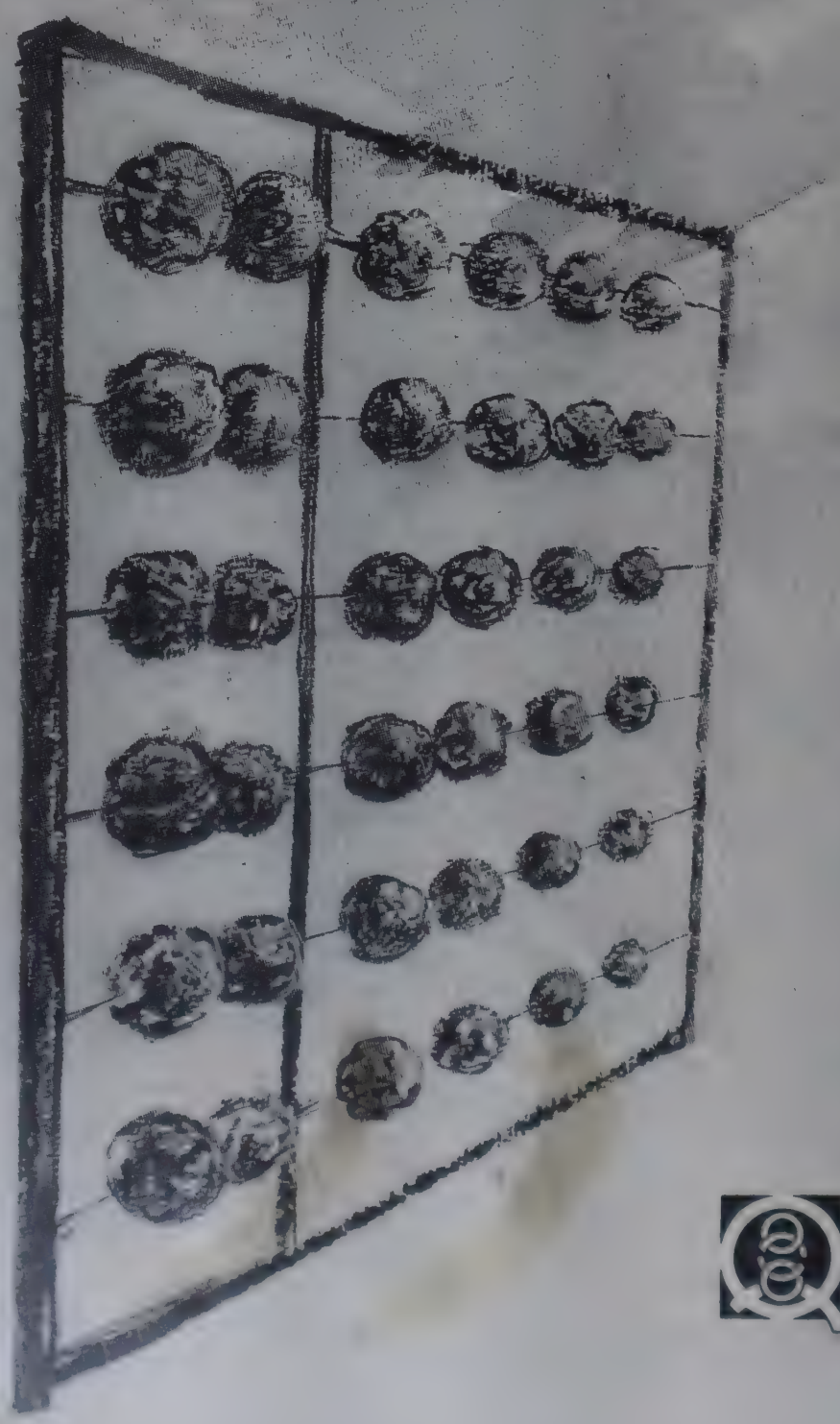
The mantra that brought about the turnaround was no esoteric chant from the Far East but an organized method – TQC (Total Quality Control), developed by Dr. J. M. Juran, the man who taught Japan how to manage for quality.

The Quality Guru

Dr. J. M. JURAN.
A preacher of the virtues of quality. Recepient of an extraordinary honour for a quality consultant: The Order of the Sacred Treasure awarded by the Emperor of Japan for "...the development of Quality Control in Japan...".

His decades of experience now find expression in a range of management-oriented products and services, based on the principle of the JURAN TRILOGY®:

* *Quality Planning*
* *Quality Control*
* *Quality Improvement*



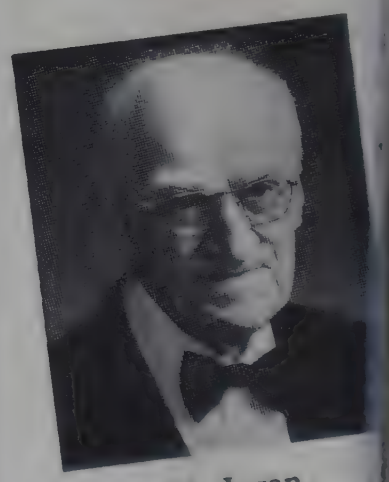
Juran on Quality Improvement

This is a structured process that helps establis annual *improvement* in quality and annual *reducti* in quality-related costs.

Juran on Quality Improvement assures immediate and continuing results that impact favoura on the bottom-line. This programme has had a successful track record at Du Pont, AT&T, IBM, Tata Steel, Volvo, Hindustan Motors and Boeing, to name some.

Let Juran Work for You

Fourteen internationa affiliates form the global network of the Juran Institute. Qimpro Consultants Private Limi Bombay, is part of this network which provides access to Dr. Juran's programmes, including Quality Improvement.



Dr. J. M. Juran
The man who taught Jap how to manage for Quali

Make Quality Improvement A Way Of Life

Qimpro Consultants Pvt Lt

(Indian affiliate of the Juran Institute, Inc.)
1-C Sindhu House
Nanabhai Lane, Bombay 400 0
Tel: 204 4421 • 202 3753

What a fall, L&T!

fully agree with the sentiments xpressed in the 'Letter from the ublisher' on the L&T takeover by the mbanis (Cover Feature, 17 October). fact, it is with a sense of deep sgust that I read your story. The word ell-out' would have been much more ppropriate.

Isn't it strange that the whole deal as gone through without even a himper on the part of L&T's anagement? The only truly rofessionally managed company in the untry seems to have been sold out for asons not yet known.

Were the company's interests kept in ind? At no stage were either the areholders or the employees, the mpany's greatest asset, taken into nfidence. The entire deal seems one-ded. Reliance gains respectability vernight and L&T loses its dependence and credibility.

We have the company's chairman, .M. Desai, saying that Mukesh Ambani as inducted as he is a capable and sourceful young man. That may be so, ut isn't it strange that in a company hich has acknowledgedly some of the est managerial talent in the country, esai could not find even one person s capable as Mukesh Ambani?

In its Golden Jubilee Year, it seems ther tragic that this redoubtable ompany which has built a reputation r professionalism and honesty, will enceforth have to walk in the shadow f the biggest wheeler dealer of our mes.

What a fall!

H RAO
ombay

• Peugeot engines

This has reference to the news item titled 'Peugeot Engines for Allwyn Nissan LCVs' (17 October).

The report is not factual. While it is true that M&M will collaborate with Automobiles Peugeot for the production of the XD-3 engine in India, this is mainly intended for use in M&M products.

The fact is that the characteristics of the SD-25 engine currently used in the Allwyn Nissan Cabstar and the XD-3 engine are substantially similar. However, every new application of the XD-3 engine has to be preceded by extensive and exhaustive tests. The only conclusion that can be drawn currently is that should Allwyn Nissan wish to offer an engine option to their customers, such an option may be possible sometime in the future.

G. JACOB
Executive Director, M&M

• A breath of country air

This refers to the article, 'Moving to green fields' by E.A. Ramaswamy (3 October).

No doubt the shifting of industries to the countryside offers comparatively better industrial relations. But is it true that employers who move out do so just because of cheap rural labour? Among other reasons they also do so because of the concessions offered to them by the government and from a sense of social responsibility towards the nation. I have had the experience of working with two industries in rural Maharashtra. Apart from showing an upward trend in profits, such industries aid the social and economic growth of the area. Besides providing jobs to the sons of the soil these enterprises also give an impetus to ancillary units.

B.T. SAKORE
Bombay

• For whose benefit?

This refers to the article on bank computerisation (19 September). I feel the author has proferred only an overview of the problems vis-a-vis computerisation in banks.

While Dr. C. Rangarajan, deputy governor of the Reserve Bank, has taken a bold step in introducing mechanisation, the RBI's efforts at computerisation have been half-hearted, highlighted by its indifference towards software development.

At the branch level, infrastructural and environmental problems, as well as lack of emphasis prevent computers from being really useful. The focus has been on the number of machines installed; it should rather be on the number of branches totally computerised. The agreement with staff unions in favour of stand-alone machines for specific uses is a glaring example of lack of direction in banks, which seem to initiate any activity only at the behest of RBI. It is also pertinent to note that the prices fixed by RBI for vendors have been almost 80 per cent more than open-market prices.

The remedy obviously lies with RBI. It needs to revise its conceptual directions and upgrade its support, keeping in view the revolutionary capabilities of computers in terms of customer service and speedier and more effective feedback.

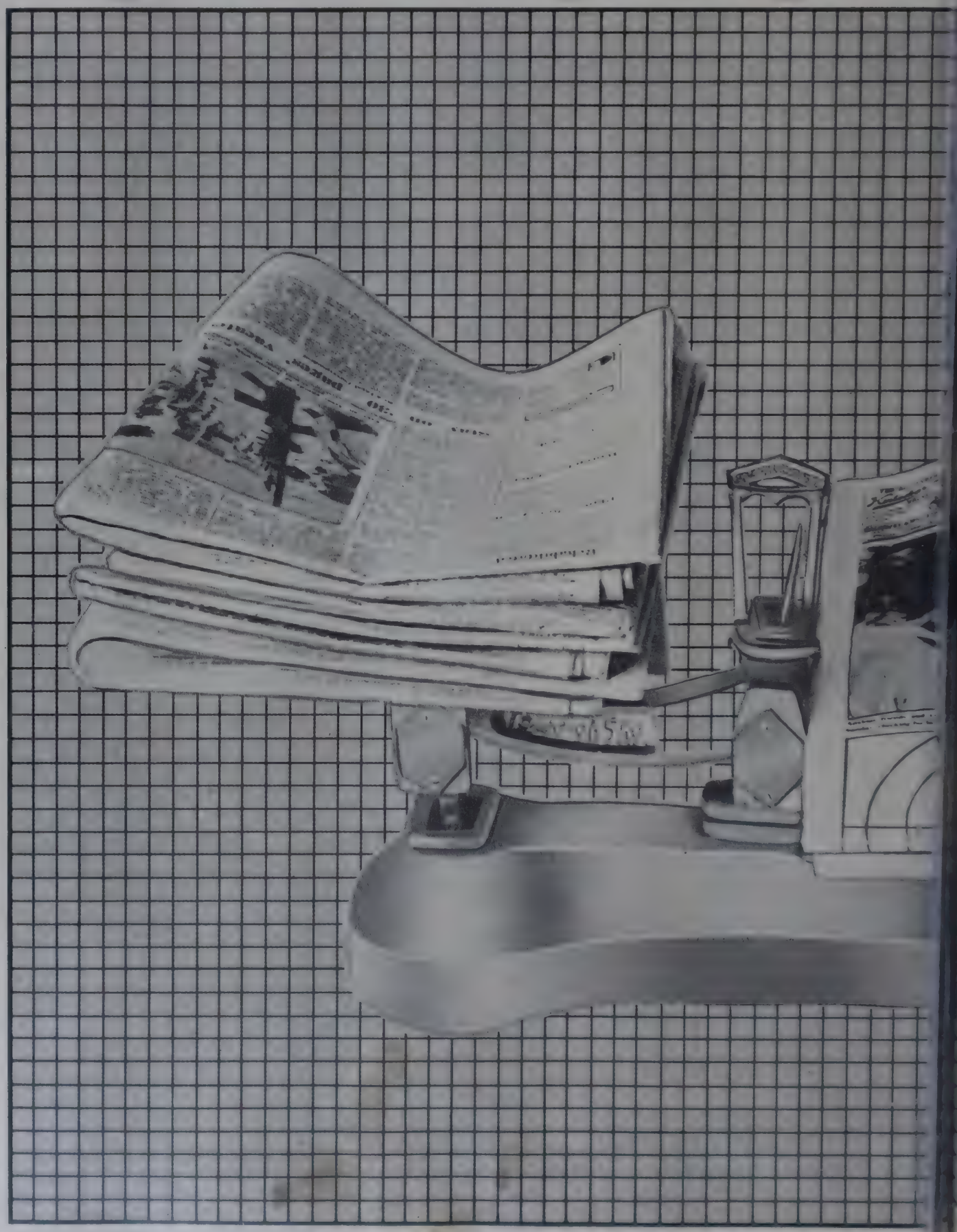
R.K. MUKHERJEE
Lucknow

LIKE FATHER, UNLIKE SON

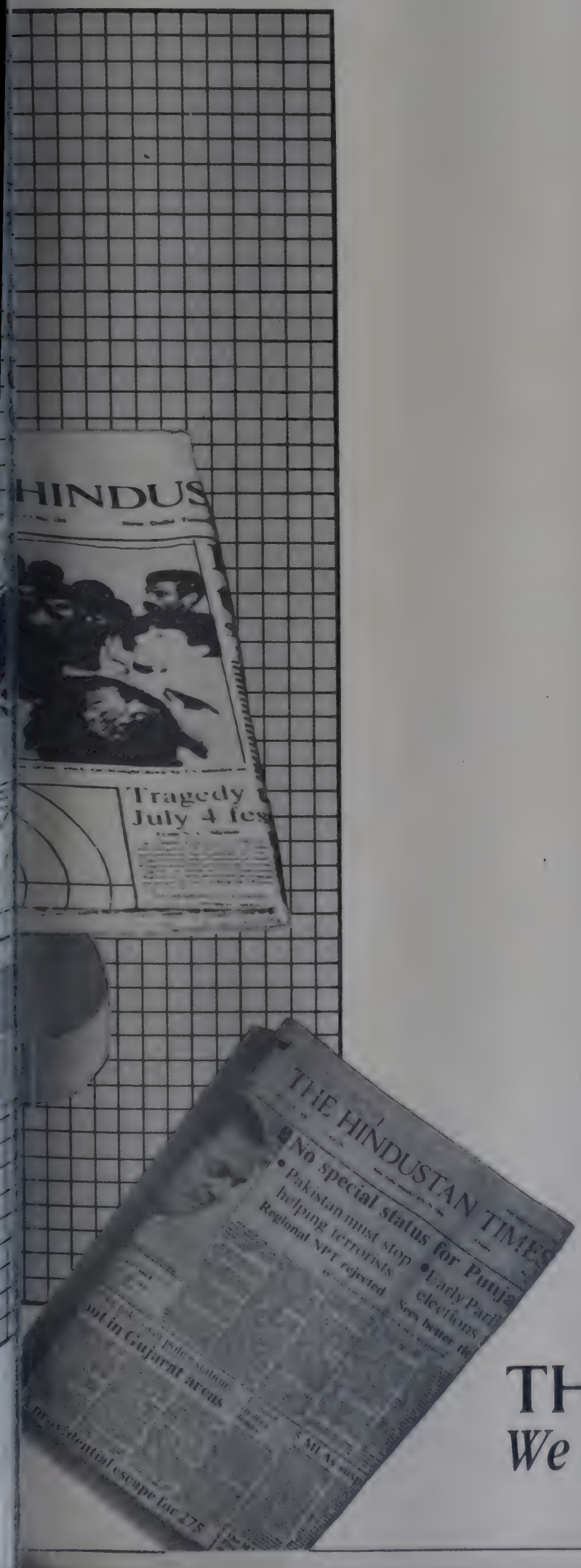
by Joran

YOU KNOW DAD, IN A WAY I'M LIKE GORBACHEV!
YOUNG, ENERGETIC ... DYNAMIC... ...WITH A VISION OF THE FUTURE!
GLASNOST.... ...PERESTROIKA ...I'D LIKE TO INTRODUCE THESE IN OUR COMPANY!
I SEE NOTHING BUT PROFITS AND PROSPERITY FOR OUR COMPANY
WHATEVER HAPPENED TO GOOD OL' CAPITALISM!

The Hindustan Times carri
weight in the Capital than
English dailies put togethe

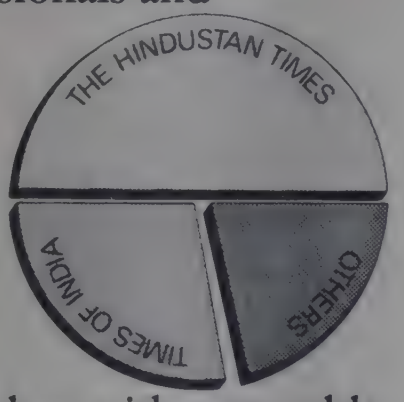


more
the other



With Delhi's largest-selling, most widely read national newspaper, you are in good company.

According to the National Readership Survey III, more than two thirds of English newspaper readers trust The Hindustan Times. Take a look at the HT readership profile:

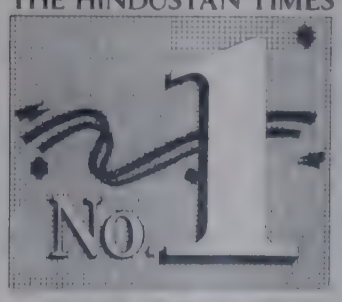


- 67% amongst professionals and executives,
- 67% amongst graduates and the higher educated segments,
- 78% of the student readers,
- 71% of the adult readers with a monthly income of Rs. 2501/- and above.

These figures show the influence that the HT wields amongst different segments of newspaper readers.

So if you're looking for a newspaper that carries weight, you know which way the scales are tilted.

THE HINDUSTAN TIMES



THE HINDUSTAN TIMES

We sell more. Because we tell more.

Visitors beware

The buses of the Pallavan Transport Corporation are guaranteed to strengthen the beliefs of fatalists. Recently, as a newcomer to Madras, I ventured out to meet a friend. An "ordinary" bus came, but it being the rush hour, the bus was overcrowded. I decided to board the next bus since I was told that there was a bus every 10 minutes to my destination. True, the next bus came, but it was an "express" bus which I was told would not stop at the place I wanted to go to. Another bus came, but it was a "V" service bus. On enquiry, I was told 'V' service buses would not stop at this stand. So, I waited for another bus. It did come, but it was a "Women's and Children special". By this time 30 minutes had passed. Then another bus came, which was a "cut service" which meant that it would terminate before my destination. To my utter surprise another bus of same number came, but that again did not stop. Later, I was told it was "VV Service" which too would not stop at that stand.

An hour passed by before another ordinary bus came. That too was overcrowded. However, I decided to board it. If I did not, I would have had to wait another hour!

B. CHANDRASEKARAN, *Madras*

Age old wisdom

Kautilya in his *Arthasastra*, (300 BC) seems, to have been as pessimistic about the possibility of putting an end to corruption among government officials as Girilal Jain, in his recent editorials in *The Times of India*.

"Just as it is impossible not to taste the honey or poison that finds itself at the tip of the tongue, so it is impossible for a government servant not to eat up, at least, a bit of the king's revenue. Just as fish moving under water cannot possibly be found out either as drinking or not drinking water, so government servants employed in the government work cannot be found out (while) taking money (for themselves).

"It is possible to mark the movements of birds flying high up in the sky; but not so is it possible to ascertain the movement of government servants of hidden purpose.

"Government servants shall not only be confiscated of their ill-earned hoards, but also be transferred from one work to another, so that they cannot either misappropriate government money or vomit what they have eaten up.

"Those who increase the king's revenue instead of eating it up, and are loyally devoted to him, shall be made permanent in service."

Same old story

Earlier, to engage a foreign technician, one had to get the approval of the concerned ministry, then obtain a no objection certificate (NoC) from the tax authorities for the payment of fees and finally produce the NoC to the Reserve Bank of India (RBI) for making the remittance.

To simplify the procedures and to cut down time, it is now proposed to empower the RBI to approve the engagement of foreign technicians, subject to some conditions such as payment being restricted to US $500 per day, engagement for only 12 man-months in a calendar year, etc. However, while framing the scheme, a basic fact has been ignored.

Under section 10(6A) of the Income Tax Act, fees paid to a foreign technician will not be grossed if the agreement is approved by the government. Also, in that case tax will be levied at a concessional rate of 30 per cent as against 60 per cent in other cases.

Thus, even though one does not have to approach the concerned ministry for approval of the agreement to make a remittance, one would still need approval to avail of the grossing concessional rate provisions of the Act.

Clearly, the idea of simplifying procedures is defeated. While it is nice to have options, why give with one hand, and take with the other?

RAVI PADAKI, *Bangalore*

Smart operator

In a nationalised bank, a businessman customer was purchasing gift cheques of high denominations almost every alternative day. The manager of the branch was happy that the old stock of gift cheques was fast dwindling and the branch was getting good business too.

A staff member, however, smelt a rat. On enquiry he found that the customer, unable to bear the ever increasing service charges and constantly worsening service, had latched on to a good thing. Instead of shelling out a minimum of Rs.5 as commission on every draft and waiting long hours, purchasing gift cheques, meant no commissions or waiting!

RAMANAND SHARMA, *Bangalore*

Impermanence, forever and ever

An advertisement released in September by the United Public Service Commission (UPSC) for seven computer [illegible] posts, 4 posts are permanent and 3 posts are temporary. The permanent posts will be filled on temporary basis and the temporary posts are likely to continue indefinitely.

While the three temporary posts may be taken up as a last resort by programmers who are in dire need of jobs, one wonders how government agencies can attract the best talent when it can offer no security, and makes no bones about the 'temporariness' of jobs.

The revenge of the first half

If you think its only women who suffer in wedlock, you've got another one coming. Battered, nagged, tortured and abused husbands have now founded a union to combat "atrocities and crimes" being committed against them by their wives, in-laws, and even by the police.

The Akhil Bharatiya Patni Atiyachar Virodhi Morcha has been founded in New Delhi following reports of physical and mental abuse of husbands, false implication in dowry cases, suicides due to marital discord and, in extreme cases, brutal murders of men by their wives in conspiracy with their paramours.

According to the honorary general secretary of the union, R.P. Chugh, the union has demanded the closure of the crime against women's cell, non-interference of police in matrimonial disputes, simplification of divorce proceedings and swift action in cases of husband beating.

Ah, so you want to hire!

Most people applying for jobs are willing to accommodate themselves to the demands made by the hiring firm. There are exceptions though. Robert Half, president of Robert Half Inc, a New York-based recruiting firm has made a list of zany demands made.

* One executive insisted that any company hiring him, must also pay to bring his prize winning horse by air from Australia.

* One manager insisted that his firm's medical plan must cover his visit to a faith healer.

* Several prospective employees demand specific days off with pay. Apart from the usual days off like birthdays, they include Elvis Presly's birthday, the first day of the World Series, Bastille Day and 29 February of every leap year.

* People are understandably protective about their possessions, but one middle manager, who commuted to work on a motorcycle, wanted to be allowed to park it in his office.

* And finally, one top executive wanted a large office with no windows because he found the view far too disturbing!

AVINASH AGARWAL, *New Delhi*

Say what?

A news item in a leading daily carried the following incomprehensibilities last month.

"Prof Probir Roy of TIFR, Bombay, was awarded the Bhatnagar Award for his contributions to theoretical high energy physics, especially to the *phenomenology of deep inelastic lepton-hadron-photon processes, ultralight neutrinos in super symmetric grand unified theories* and of *Higgs bason signals* and *mass limits in super gravity theories.*"

Phew!

K. RAMANI, *Kalpakkam*

Hanky-panky

A regular drama is played o Bangalore's K.R. Road. Many handkerchief vendors there hawk their wares pinned to the insides of huge umbrellas. Needless to say, selling on the pavement is illegal. So municipal teams arrive there often to clear the pavements. Not that they have had much success. When the vendors learn of the arrival of the eviction teams, they simply close their umbrellas and walk off.

P. BHARADWAJ, *Bombay*

Service with a difference

Fusion Polymers Ltd and Registrar Fin. AG. Consultancy Services, both of Baroda, have created history by sending all allotment-cum-refund orders, in respect of their recent public issue by private courier service, viz, Vintage Courier Service, also of Baroda. Preliminary enquiries indicate that about 275 applicants out of 350 from Pune had received their refund orders on 3 September, ie, the same date as that of the refund orders.

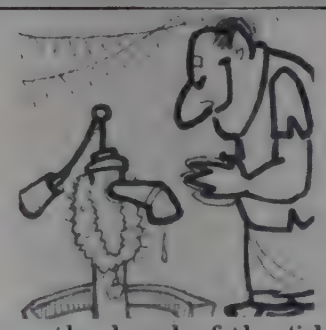
Now, that is a lesson in promptness.

D.V. JOGLEKAR, *Pune*

Pump puja

After the dead telephone yatra in Bangalore, here's another one from the south.

During Ayudha Puja, held every year, people worship those things — essentially material or, these days, mechanical — which are useful in day to day life. The residents of Kodambakkam in the waterless city of Madras decided that it was time to appease whatever god or gods oversee the proper functioning of their water supply. After some debate, the object of veneration was chosen — the neighbourhood water pump. A pandal was built to



cover the head of the 'idol', electric lights were strung and banana saplings were tied.

At last count, however, it did not seem that the 'god' of water supply had heard or noticed the desperate residents of Kodambakkam. Maybe their efforts were not grand enough. Next year they must do better.

R. BALAJI, *Madras*

Time out

Hongkongers work the most hours and get the fewest holidays a year. In other Asian capitals, like Seoul, Bangkok and Kuala Lumpur, people work almost as long. In Asia the average number of days of paid holiday is less than 15 a year. The same is true for both North and South America. In Europe, though, the average is over 25 days. Some northern Europeans take more than 30 days of holiday. Both the European and North American work-weeks are shorter than the world average: only 40 hours, compared with 44 in South America, 45 in the Middle East and 46 in East Asia. Brussels, home to most of the EEC's bureaucrats, a very short week.

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs.50 paid for each published contribution.

A walk into history

Hindustan Lever's Garden Reach Factory (GRF) is steeped in history that dates back to the last century. The old administration building was originally one of the many residences of Wajid Ali Shah, the last ruler of Avadh. It was, in fact, his pleasure house and known as the *naach ghar*. The Nawab, a connoisseur of the arts and an exponent of dance and music was one who popularised *thumri*, a lighter form of classical music. Under him, Lucknow, the capital of Avadh at the time, became a flourishing centre of the arts. Later, however, he was forced into exile.

When Wajid Ali died in 1887, Fateh Manzil (House of Victory), a building erected in 1870 to house his favourite begum, went to his grandsons — Jamshed and Sultan — who sold it to the Northwest Soap Company sometime during 1912 and 1919.

Levers, which acquired Northwest Soap Company, did not end its association with the Nawab's family there. It was able to persuade the family to sell it a 3.5 acre plot of land adjoining the factory. In a reference to the 108 years of friendship between his ancestors and GRF, Prince Anjum Quder, great grandson and successor of King Wajid Ali avers that Wajid Ali Shah himself and after his death his family, extended whole-hearted co operation for GRF's growth.

ASCU INDIA'S MULTI-DIMENSIONAL APPROACH TO SAVING

No matter what the industry — we help you save

For over 50 years Ascu India has been involved in saving. Saving forest resources, energy and money. That's because Ascu India invests in R&D and believes in innovation.

Forest Resources

When timber is treated with Ascu or PS-2 preservatives its life is extended by over 5 times. This results in less timber for replacement and trees in the forests get the opportunity to grow. This way Ascu India helps to save our forest resources.

Energy

Heat Pumps and Solar Drying Systems cut drying costs by over 60%. Heat Pumps are ideal for drying timber, ceramics, pharmaceuticals, paper, leather — anything where drying requirement is below 50°C. Solar Panel Dryers are applicable to timber, grain, leather, spices, pharmaceuticals and to maintain fluidity in L.S.H.S. oil and space heating for cold area. Solar Aqua Panels are suitable for industrial hot water system. These cost effective methods help to save our energy resources.

Money

Ascu India's expertise to convert waste timber to durable and economically viable timber is a positive cost saving proposition for the end users. Continuous R & D, impregnation plants and preservatives from Ascu India enhance the life of timber, several fold-ensuring real value for money.

Return on investment, consultancy service, etc. available.

ASCU INDIA LIMITED

Technical Collaborators : Hickson of U.K., Sun Star of Sweden.
7A, Elgin Road, Calcutta-700 020, Phone : 44-0598, 43-3253/3553

Branch Offices at :
Delhi : K-1997 1st Floor, Chittaranjan Park, New Delhi-110 019
Phone : 6431602
Bombay : 53 Jal Darshan, 51 Nepeansea Road, Bombay-400 036
Phone : 4950623/4650496

lomecoming

th his recent success in obtaining gov-nment approval for the Pepsi-cola pro-t, Ramesh Vangal is clearly destined bigger and better things.

Although based in Bombay, Vangal is employee of the parent Pepsi-cola mpany, looking after some additional sponsibilities in the far east.

It is more than possible that Vangal ay be designated as the chief executive the new project.

Another case of a successful NRI re-rning home!

he real reason

is now known why the Thapars are ting out of Borosil Glass Works Ltd istening Post, 5-18 September). They e simply imitating the majority share-lder, Corning Glass Works USA. Cor-ng has decided to 'gift away' its 39.9 per nt equity stake in Borosil to the Cal-tta-based Kherukas of Window Glass d.

This highly unusual development is a nsequence of an out-of-court settle-ent reached between the two litigating mpanies. Apparently Corning failed to eliver on a collaboration agreement ith Window Glass to provide fusion chnology for a new project set up in jarat. With the court ruling in favour of e Kherukas, Corning apparently de-ded to pay up in kind rather than cash.

Data quest

the race to dismember DCM, the op-ons being considered are many and mplex. But, as some companies are scovering, in such adversity lies oppor-nity. A rather large computer company cently found itself the recipient of an fer it could not ignore.

Apparently, in a bid to dispose of CM's ailing data products division some mily members have started sounding t its potential buyers. Having gone rough the rather pointless exercise of viting tenders for the Kota sale, this me around the strategy seems a little fferent.

The opportunity of such a negotiated le was not lost on interested buyers. e computer company, which inciden-lly is New Delhi-based, believes that spite DCM Data Products' rather dead oduct range the company is worth buy-g. The reason — some key personnel and a quick market reach in some segments.

Whether family squabbles will actually allow DCM Data Products to be disposed of and whether MRTP considerations will thwart the alliance that is contemplated is not yet clear. In any case, the Delhi computer companies are watching the whole process with great interest.

Placing bets

Wahi: expected to promote many persons

With Col. Wahi's term as chairman of ONGC being extended for a year a number of long overdue changes are likely to come through too.

Reportedly, a vice-chairman will be appointed from amongst one of the members. This will naturally lead to a shuffling of portfolios among other members.

Also several persons are expected to be promoted to general managers. And it is even rumoured that at least one such hopeful will be promoted thereafter to being a full member. Not surprisingly the jockeying has begun for these coveted jobs.

Everyone in the oil and gas business is already placing bets on who will be the lucky ones.

Can you beat a Bajaj?

With the fierce winds of competition buffeting the two-wheeler market, Rahul Bajaj has been quietly working on plans to expand his product range.

Among the new products being mentioned is a 125 cc motorbike with a 4-stroke engine to take on the leaders in this segment of the market, Hero Honda. Reportedly, by using a high proportion of indigenous components, Bajaj will be able to keep the price low. And taking into consideration the fact that many women have expressed a preference for the lighter Kinetic Honda, Bajaj plans to produce a 50 cc scooter for women. One or two other products are also planned.

By increasing the product range, Bajaj wants to make sure you can't beat a Bajaj.

Too many court battles

One more family split, it seems, is being quietly fought out in the courts. Reportedly, the descendants of S.L. Kirloskar's brother are fighting the patriarch in court for their share of the group's business.

Apparently, while the initial disputes arose in respect of the Kirloskar-run Blue Diamond hotel, now they are taking pot shots at Kirloskar Oil Engines, one of the key companies in the group.

A pity that S.L. Kirloskar at this age and stage should have to face so many court battles.

Is election time here?

Business circles are increasingly beginning to believe that elections are around the corner.

Each state is now vying with the other to quickly push through mega projects. Every week one hears of a project larger than the last. Also, with urban land clearances being a key power in chief ministers' hands, large building projects are also being announced.

Naturally, there is a price for all these clearances — for the party of course.

Doesn't this mean that elections are around the corner? Or does it mean that many chief ministers don't see themselves continuing as chief ministers after the next elections?

Panel rejects task force suggestion on electronic components

The recommendations of a task force on the electronics components industry set up by the department of electronics (DoE) has been virtually rejected by the Committee of Secretaries.

While the various suggestions put forward by the task force included total duty abolition on imported materials, cheaper finance, *ad quantum* duty drawback rates and increased cash compensatory support (CCS), it is learnt that the suggestions have failed to evoke a positive response at the meeting of the committee of secretaries.

The members, sources said, felt that while the task force has done a satisfactory job in presenting the current status of the industry and pinpointing its ills, the remedial measures suggested to revive the industry were shortsighted and not in the best interests of the industry in the long run. Further, in the light of the present resource position, the concessions were unrealistic.

DCM plea for closure rejected

A decision to decline permission to the Delhi Cloth Mills (DCM) to close down its textile mills in the capital was taken by Delhi lieutenant governor Ramesh Bhandari following a meeting of the executive councillors.

The DCM management had sought permission for closure of the sick textile mills at Bara Hindu Rao and had decided to pay handsome compensation to the retrenched workers after selling the land belonging to the mills.

Action plan on urbanisation soon

[illegible] plan on fresh policy

Kidwai: specific steps for housing inputs

local bodies is likely to be incorporated in the Eighth Plan document. This was announced by the union urban development minister, Mohsina Kidwai, while inaugurating a seminar on the role of the government in development organised by the Vijaywada Municipal Corporation.

Kidwai said that the recently formulated national housing policy document introduced in Parliament in May outlined specific steps to provide housing inputs like serviced land, finance, building materials, etc. She said that the establishment of the National Housing Bank (NHB) in May last year was a major step towards providing financial and institutional support to the housing sector.

Further liberalisation for big houses ruled out

Following reservations expressed by the cabinet committee on economic affairs (CCAE), the industry ministry is understood to have withdrawn its liberalisation proposals for large houses and FERA companies. The minister had proposed that companies covered under section 20(A) of the Monopolies and Restrictive Trade Practices Act (MRTP) should be exempted from the Industrial Licensing Development and Regulations Act for projects involving an investment in fixed assets up to Rs.50 [illegible] provided the project

falls in Appendix I industries and is located in a centrally declared backward area. The ministry was of the view that the liberalisation move would help promote industrial growth, productivity and efficiency, but the CCAE expressed doubts about the move as the impact of liberalisation on non-MRTP and non-FERA companies was yet to be assessed properly.

The CCAE felt that there was no need now for extension of liberalisation measures to MRTP companies as it might result in smaller companies not being able to compete with the large houses. The CCAE also took the view that accepting the industry ministry's proposal now would amount to not giving enough time to non-MRTP and non-FERA companies to avail themselves of the existing concessions applicable to them.

Banks may extend credit against cash aid claims

The chief controller of imports and exports (CCI&E), P.L. Misra, promised to look into the proposal that exporters should be allowed the facility of bank credit against claims for cash-compensatory support as in the case of duty drawback. This is to help them get over their initial liquidity problems.

The government, said Misra, has an "open mind" and is willing to consider any additional incentives that would help boost export production. To expedite decision-making, the Madras office of CCI&E will be computerised by the month-end and gradually all the other offices will be computerised.

Exporters disallowed bank accounts overseas

The Reserve Bank of India (RBI) has stated that Indian exporters will not be allowed to maintain a bank account abroad for retention of their [illegible] due to certain restri

cal difficulties. The RBI h stated that the Patwardh Committee had examined t question of delegating pow to exporters to allow reduct in the invoice value. Cert proposals to enhance the ex ing monetary ceilings appli ble to cases of reduction invoice value are being cons ered by the RBI.

The RBI has stated that it h been exhorting bank mana ments to equip their branc handling foreign excha business with adequat trained staff and the necess telecommunication facilit The Foreign Exchange Deal Association of India (FED has been requested to iden the branches of banks requir such facilities.

Basic chemicals, dr exports up by 39%

Exports of basic chemic drugs and pharmaceutic amounted to Rs.783 crores d ing 1987-88, registering a 39 cent increase over the previ year. Due to an appreciatio the value of European and panese currencies and by w ning the confidence of buyer these countries by supply them quality products, ad ing to time-bound shipp schedules and good packag it has been possible to exp the export of basic chemi and drugs to these countrie

Exports of finished form tions, however, declined f Rs.106.59 crores in 1985-8 Rs.102.11 crores in 1986-87 Rs.88.24 crores in 1987-88. has been attributed to finan problems in the Middle E and African countries which the main buyers of finished mulations. The single lar buyer of chemical products the USSR accounting for 27 cent of the total exports.

Exchange reserves decline

The foreign exchange rese excluding gold and sp drawing rights (SDR)

od at Rs.7,287.14 crores on 31 rch decreased to Rs.5,461 res on 30 September and od at Rs.6,352.32 crores on October last, according to the nister of state for finance, Edrdo Faleiro. The decline in reves according to available lications, was due to bunch; of some import payments, usually high international ices for metals, edible oils, pechemicals and other ports.

The debt outstanding in rect of IMF borrowings, includg the IMF Trust Fund, as on 31 cember 1986 amounted to 5,827.78 crores.

nterest rates on CNR deposits cut

eeping in view the current inrest rates in the overseas marts, the RBI has reduced the tes of interest for certain catories of foreign currency desits and FCNR accounts. The terest rates for six month and e year periods have been reced by 0.25 per cent in case of llar deposits. Rates on deuchmark and yen deposits have en reduced by 0.25 to 0.75 per nt for various maturities. hange in interest rates for erling deposits however, has t been mentioned.

The new interest rates will be fective from 31 October 1988.

offee growers and raders strike ompromise

e dispute between the coffee owers and traders over the inimum release price (MRP) as been settled after a day long eeting of the Coffee Board at angalore. While the dealers ad boycotted pool auctions rotesting against the 28 per nt hike in MRP, the growers ere up in arms about the Cofe board's tampering with the ntrally fixed MRP.

At the Bangalore meet, the oard agreed to retain the new RP as the base. According to e resolution, the board chairman will decide the mode of calculation of points to arrive at the MRP, in consultation with the ministry, from January onwards.

All for nothing

It started with a bang and ended with a whimper. On October 25, the Bhartiya Kisan Union led by Tikait Singh moved thousands of farmers into Delhi for a rally on the Boat Club lawns. Their intention was clear. They were not going to budge until their demands were met. For six days Delhi was entertained by what appeared to be a medieval caravanserai which had magically materialised. Flanked by the ponderous bulk of South Block on one side and the imperial majesty of India Gate on the other, the farmers looked clearly out of place.

But if they felt it, they didn't show it. They smoked their hookahs, rigged up crude shelters and listened to speeches — any farmer had the option of speaking but their speeches were restricted to three minutes. But the sit-in achieved little beyond forcing the Congress-I to shift the venue of its massive rally to commemorate the death of Indira Gandhi from the Boat Club lawns to the Red Fort.

Though the BKV had made several demands, including remission of farmers' debts, an increase in the price of sugar cane and the inclusion of one of their representatives on the Agricultural Prices Commission, they got nothing more from the government than a promise of sympathetic consideration.

Along the way there were moments of high comedy. At one stage the police played rock music on their own loudspeakers to drown out the rallyists' speeches. The rallyists were enraged. An inquiry was ordered.

Universal Cables bags Soviet order

Universal Cables Ltd has just secured an order from the USSR for the supply of cables worth Rs.9 crores. The company has been a regular exporter of power cables to the Soviet Union and has established a reputation for the quality of its cables in the international market. It has received several awards from the Engineering Export Promotion Council.

Universal Cables was established in 1962 to manufacture paper insulated cables. Since then, the company has rapidly expanded its product range which now includes paper insulated cables upto 33 kV, XLPE cables upto 132 kV, PVC insulated power and control cables, special rubber cables, fluoroplastic insulated cables, flame retardant low smoke cables, fire survival cables, ABC conductors and numerous special types of cables conforming to national and international standards.

British Airways taps south Indian cargo market

Close on British Airways' introduction of a biweekly service between Madras and London, comes the airline's attempt to tap the cargo market in south India. The airline is offering shippers 20 tonnes of prime airfreight space (10 tonnes in either direction) as a small beginning. Air-India will handle ground services for British Airways. The International Airports Authority of India (IAAI) has been asked to provide warehousing space.

Thirumalai Chemicals begins work on new project

Thirumalai Chemicals Ltd has commenced work on its new maleic anhydride project with a capacity of 10,000 tonnes a year.

The plant will be located at Ranipet in Tamil Nadu where TCL already has facilities to produce phthalic anhydride and maleic anhydride. The company has already received the letter of intent, foreign collaboration approvals, and capital goods import clearances. Financing for the Rs.19-crore project is being tied up.

The new plant is expected to go on stream by January 1991 and will add more than Rs.20 crores to the company's net turnover at full capacity. Maleic anhydride, which is used in the manufacture of malathion, polyester resins, paints, epoxies, plasticisers, etc, enjoys good demand both in India and abroad.

Crompton Greaves bags Rs.8-crore order

Crompton Greaves has been awarded an order for the design, supply, erection, testing and commissioning of an 18-bay 220 kV switchyard at Auraiya in Uttar Pradesh for a gas-based combined cycle power project of the National Thermal Power Corporation (NTPC). The Rs.8-crore order for the switchyard has come from contractors Mitsubishi Heavy Industries, Japan.

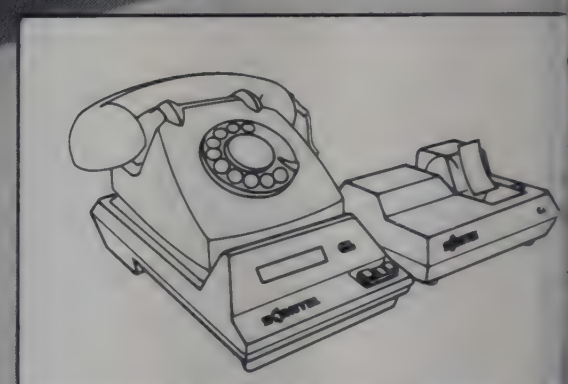
Crompton Greaves is also executing direct orders from NTPC. The recent ones under construction include 440 kV switchyards at Dadri, Manduala near Delhi, Munirabad in Karnataka, and Biharsharif in Bihar.

Crompton Greaves has also secured two other orders for switchyards — a 66 kV switchyard and main ring system for Essar Steel, Surat and a 220 kV switchyard and eight load centre substations at Bhandara near Nagpur for Sunflag Iron & Steel Industries. These orders are valued at Rs.8.40 crores.

Aurelec introduces telex on computers

Aurelec Data Processing Systems of Auroville near Pondicherry has introduced a convenient money-saving PC-telex card for PCs. The card could save Rs.6,000 in rental charges every year. It can also reduce inland telex charges by

INTRODUCING SCANTEL



The little instrument that helps cut big telephone bill.

Yes. New Scantel helps cut down phone bills.

What is Scantel?

- A microprocessor based device.
- Can be connected to direct and board lines.

What does Scantel do?

- Records all call details — the date, time, numbers and duration.
- Beeps after every 25 units indicating approximately Rs.20/- billed.
- Selection of STD and ISD stations.
- Bars STD & ISD calls after office hours.
- Records 'out-of-order' period.
- Monitors external tapping of lines.
- Can be connected to internal meter for exact and concessional charge read-out.
- Prevents misuse of lines.
- Cuts phone bills by upto 20% during first billing period after installation.

Scantel is brought to you by the Chowgule Group office automation equipment division. Offering you a nationwide network of sales and service centers . . . 1 branch offices, 32 service centers monitored by over 1 service engineers. To give you the very best.

Get new Scantel — today!

CiL CHOWGULE INDUSTRIES LIMITE

75-77, Maker Chambers VI, 7th floor, Nariman Point, Bombay 400 0
Phones: 2046238/57/58/67/68

Please send me more information on the Scantel

Name: ----------

Designation: ----------

Address: ----------

---------- Phone ----------

BRANCH OFFICES: 10C Middleton Row, CALCUTTA-700 071. Phone: 294889/294590. Apex Plaza, 2nd floor, 'C', 3 Nungambakkam High Road, MADRAS-600 034. Phone: 473744. Dr. Rebello's Building, Chicalim, Vasco-da-Gama, GOA-403 711. Phone: 2956/3237. Unity Building, 2nd floor, 2nd Mission Road, BANGALORE-560 002. Phone: 224294/224295. AVG Bhavan, 2nd floor, M-3 Connaught Circus, NEW DELHI-110 001. Phone: 3324449/3326535. 'Vigneshwara' 12-5-25, Vijaypuri Tarnaka, SECUNDERABAD-500 017. Phone: 75818. Bank of India Building, 5th floor, Bhad Phone: 350149/353647. 107, Kubera Chambers, 1st floor, Dr. Rajendra Prasad Road, Opp. Sancheti Hospital, PUNE 411 004.
BRANCHES AT: Cochin, Visakhapatnam, Rajkot, Indore & Guwahati

er cent by sending telexes matically after 7 pm when elex rates are half the nor- rate.

e telex card is an add-on for any PC compatible puter like the Aurelec 0, 2AT6 or 3AT6. It offers e advanced features than r telex teleprinters. If one a computer with the Au- PC-telex card, then one not even need a telex hine. The most important re of the card is that it will ve telexes clearly and accu- y even on bad telex lines usually distort messages. card has been fully tested approved for connection to c lines by the Telecom- ication Research Centre, Delhi.

laboration for nufacture of bulk gs

alakshmi Chemicals Pvt (RCPL) has entered into a boration with Intertech Re- ch Corporation, USA for the ufacture of bulk drugs. A ary vasodilator, di- damole, and two tran- sers, chlorpromazine HCI Trifluoperazine HCI, will be ufactured at RCPL's new t at Gummudipoondi in il Nadu. "At present these ucts are not manufactured

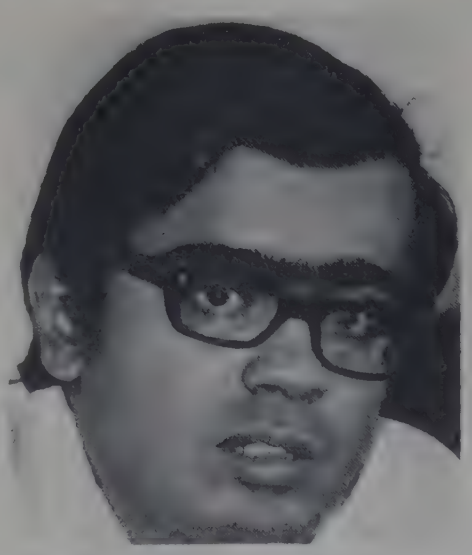
uting imports

in India and the country's needs are met by imports," explains K.C. Anki Reddy, managing director.

The project which is estimated to cost Rs.2.04 crores will begin production in July 1989. The company plans to export not less than 60 per cent of its production during the first five years.

The foreign collaborator will assist the company in getting Food and Drug Administration clearance for marketing these products in the USA. "This clearance is expected within nine months of beginning production," says Reddy. Until then the drugs will be exported to Canada which does not require such a clearance.

IMRB wins awards



Thadani: the best

Ramesh Thadani, general manager of Indian Market Research Bureau (IMRB) and Thomas Puliyel, manager of IMRB-Bombay received the award for the best paper and presentation at the recently held Readership Research Symposium in Barcelona, Spain.

The Barcelona Readership Research Symposium, the fourth in a series of international symposia sponsored every two years by the British Market Research Bureau and Research Services Ltd, discussed the challenges facing the print medium, the relationship between readership and circulation, and various technical aspects of readership research. It was attended by over 200 research and media professionals from the US, the UK, Europe, Canada and Asia.

The IMRB presented three papers on the fusion of TV audience and readership survey data; the measurement of reading intensity; and strategic analysis of National Readership Survey (NRS) data.

Indian engineering exhibition in Bangkok

An Indian engineering exhibition to promote joint ventures and capital goods exports will be held from 9 March 1989 at Bangkok. Organised by the Confederation of Engineering Industry (CEI) in collaboration with the Trade Fair Authority of India (TFAI) it is expected to formalise short and long-term business linkages with Thailand and other member countries of the Association of South-East Asian Nations (ASEAN).

Engineering trade fair in February

The week-long biggest-ever engineering exposition to be held on Indian soil, the Indian Engineering Trade Fair (IETF'89) will commence on 19 February 1989 at Pragati Maidan, New Delhi. The formal inauguration is on 18 February.

The IETF is organised biennially by the Confederation of Engineering Industry (CEI). This year's fair is being organised in partnership with the US.

Among the participants are top American companies from industries like telecommunications, electronics, food processing and packaging, electric power generation, transmission and distribution, mining and extraction, and oil and gas.

A high level of participation is also expected from the UK, France, the FRG, Canada and Sweden.

Shaw Wallace launches new whiskies

Shaw Wallace & Co is launching two new whiskies — Officer's Choice and 1000 Guineas — in the prestige and deluxe segments respectively, under the aegis of their wholly-owned subsidiary, Cruickshank & Co. Ltd.

The prestige and deluxe products are in the price range of Rs.70-80 and Rs.90-100. Other products on the drawing board are prestige rum, prestige brandy and beer.

J. Bhargava, who heads Cruickshank & Co, was vice-president at Shaw Wallace. Several key positions in C&C have been filled by executives who were previously with Shaw Wallace.

Bhargava says, "We hope to win a 5 per cent market share within a year. This will be in addition to Shaw Wallace's present market share of 25-26 per cent. We only hope that there

Bhargava, director of Cruickshank at the launch of the new whiskies

won't be too much internal competition between our brands."

Security software launched

A software information security system called Cryptic was launched on 2 November 1988 by the 15-month-old Chenab Information Technologies Pvt Ltd. Cryptic uses encryption techniques to prevent a computer programme from being pilfered or read by unauthorised people. The software translates a file that needs protection into an indecipherable set of data streams which can be decrypted by using a password.

AWARDS

Ramesh Gelli, chairman of the Vysya Bank Ltd, has been con-

ferred the Udyog Ratna for 1988. The award wa sented to Gelli by Madh Solanki, minister for pl at a special function i Delhi.

The Udyog Ratna awa stituted by the Indian In of Economic Studies, N lhi, is presented annu outstanding personalit services rendered to the in different sectors economy.

DIARY

DATE	SUBJECT	ORGANISER	VENUE
14-19 November	**Managing Trade and Marketing Information**	Institute of Foreign Trade, B-21 Institutional Annexe, South of IIT, New Delhi 110 016	Hotel Oberoi Towe Bombay
14-19 November	**Workshop on quality circles**	Tata Management Training Centre, Pune 411 001 Tel: 665472/665381/660141	Tata Management Training Centre, Pune
14-29 November	**India International Trade Fair**	Trade Fair Authority of India, P.B. No. 742, Pragati Maidan, Lal Bahadur Shastri Marg, New Delhi 110 001.	Pragati Maidan, New Delhi
18-20 November	**Public Relations**	Institute of Public Relations and Management, 38, College Road, Madras 600 006 Tel: 470718/479217	Taj Palace Hotel, New Delhi
18-19 November	**Second International Seminar on Technology management**	International Management Institute, B-31/B Kailesh Colony, New Delhi 110 048 Tel: 414651/6418653	Hotel Clarks Amer Jaipur
21 November	**Industrial Opportunities in Maharashtra**	Maharashtra Economic Development Council, 106 Nagindas Master Road, Bombay 400 023.	Hotel Oberoi Towe Bombay
23-26 November	**Value Analyses/Value Engineering**	Creative Communication and Management Centre, 2nd floor, Raja Bahadur Mansion, 8, Ambalal Doshi Marg, Bombay 400 023 Tel: 273006	Welcomgroup Searock Sheraton Bombay
24 November	**INSULEC-88**	Indian Electrical & Electronics Manufacturer's Association, 501, Kakad Chambers, 132, Dr. Annie Besant Road, Worli, Bombay 400 018. Tel: 4930532/4930786	Nehru Centre, Bombay
28-29 November	**Second Round Table of Personnel Directors on Stragic Human**	International Management Institute, B-31/B Kailesh Colony, New Delhi 110 048 Tel: 6414651/6418653	Hotel Taj Mahal, Delhi .
[illegible] November	**Lease Finance and Hire Purchase Administration**	Loyola Institute of Business Administration, Loyola College, Nungambakkam, Madras 600 034 Tel: 474934	Connemara Hotel, Madras

Imagine your product in this corrugated packaging.

Now imagine your product in GLOPAC laminated corrugated packaging.

Which packaging will sell your product better?

The difference speaks for itself. While ordinary corrugated packaging merely protects your product, GLOPAC works hard to sell your product.

It's high time you switch to GLOPAC. And see your sales graph shoot up.

What's more, it does not cost the earth. For only about 20% more than ordinary corrugated packaging, you get a look-at-me -again packaging. For this small additional cost imagine the tremendous value you will get in terms of increased sales.

Let's count the benefits of GLOPAC :

- Retains it's glossy look even after months of storage on dealer-shelf.
- Resists moisture and water.
- Has a wipe-clean smooth surface.
- Costs 15% lesser than any other laminated corrugated packaging.
- Does not crease, pipe, wrinkle etc. under normal conditions.

GLOPAC is ideal for most consumer durables, including :

Cooking Range, Computers, Luggage, Mixers, Non-stick Cookware, Pressure Cookers, Television, Two-in ones, Videos, Washing Machines and other domestic and kitchen appliances, Crystalware, Chinaware, Toys. The list is endless.

GLOPAC is your best Salesman

Whether it is Consumer Electronics or Kitchen Appliances, Glassware or any other consumer durables, your product is a winner. It is your business to make your consumers think the same way. Especially today, when you are neck deep in competition and only the fittest survive.

Packaging is a very important marketing tool. Attractive packaging commands attention and predisposes the customer favourably towards the quality of the product inside.

Displayed in shop windows and stacked on retail shelves it forms a very powerful Point-of-Purchase display. Far more effective than danglers, posters etc. which have a very short life and are dependent on the dealer for correct display.

Your present package only protects your product, GLOPAC also helps to sell it. IT IS YOUR BEST SALESMAN.

THE H M G GROUP

Boxfine Packaging Industries Pvt. Ltd.

Sidhwa House, 3rd Floor, N.A. Sawant Marg, Colaba, Bombay 400 005.
Tel : 223409/223420/223430 Telex : 011-3870 AHU IN

GLOPAC

Laminated Corrugated Packaging

Does not simply look good, it works hard for your product.

BANGALORE: C-5, Essae Industrial Estate, 62/3, Begur Hubli Road, Bommanahalli, Bangalore 560 068. Tel: 560780/560226

Cathay Pacific gratefully acknowledges the participation of Mr. Burke McKinney, in testing the New Marco Polo Business Class

THE NEW MARCO POLO BUSINESS CLASS

BUILT TO HELP THE CORPORATE BODY ARRIVE IN BETTER SHAPE

On July 10th, 1988, Mr. Burke McKinney, Regional Marketing Manager of a major worldwide company, tested the New Marco Polo Business Class.

He was the ideal choice — a frequent flyer who flies over 100,000 miles each year.

Our design team had created a business class to help executives like Mr. McKinney arrive relaxed and refreshed.

Wider, more comfortable seats. A new seven-abreast seating configuration. A more spacious environment. And, on long-haul flights, foot and leg-rests were just some of the changes that he experienced.

But there was one thing our design team did not change at all.

Our high standard of service. He found our stewardesses from ten Asian lands to be still as charming and attentive as before.

Arrive in better shape

CATHAY PACIFIC

Crude realities

Crude oil production has remained static over the last three years at around : million tonnes. However, in 1988-89, it is expected to increase by 6 per cent 32.18 million tonnes.

Production of crude oil in the past two years has fallen short of plann targets. In 1987-88 while the target was 31.48 million tonnes, production w only 30.36 million tonnes. How the current year's target of 32.18 million tonn will be reached is still a moot point. ONGC claims new finds in the Bombay Hig Krishna-Godavari and Cauvery basins, but these will add only about half million tonnes even if production goes ahead as planned.

Even the current production of crude oil is largely due to the off-sho Bombay High find. While on-shore production has increased only margina over the last decade, off-shore production has taken off. On-shore producti has increased from 8.5 million tonnes in 1976-77 to 10.5 million tonnes 1987-88 — a mere 2-million tonne increase. Offshore production on the oth hand increased from a mere 0.4 million tonnes in 1976-77 to 20 million tonnes 1987-88, the bulk of it from Bombay High.

But though crude production has been stagnant, the consumption of petr leum products has been on the increase. In 1980-81 the consumption was 32.: million tonnes. In 1987-88, it increased to 48.4 million tonnes — a 6 per ce compound annual rate of growth.

The increase in consumption has mainly been in liquefied petroleum g (LPG), high speed diesel (HSD), petrol and kerosene. These four items accou for about 60 per cent of total consumption. In 1986-87 the consumption kerosene and HSD was 22.66 million tonnes or 51.9 per cent of total consum tion. In the same year domestic production of these two items was only 4.91 ar 15.45 million tonnes respectively.

The gap between production and consumption has necessitated imports. 1970-71, imports of crude oil and petroleum products were 11.7 and 1.1 milli tonnes respectively. Over the years imports have increased significantly (both value and volume) to touch 21.1 million tonnes in 1987-88. The saving grace that in recent years, crude oil prices have been falling due to increas production in oil-producing countries and reduced consumption in industri countries. From a peak of US $ 34 reached in 1981, prices have fallen to around 12 a barrel and the medium term outlook is that it will stabilise between $ 15 ar $ 20. Inspite of this drastic fall in the price of crude, the net import of crude ar petroleum products in 1987-88 was valued at Rs.4,000 crores. And this year th value of imports may well cross Rs.5,000 crores.

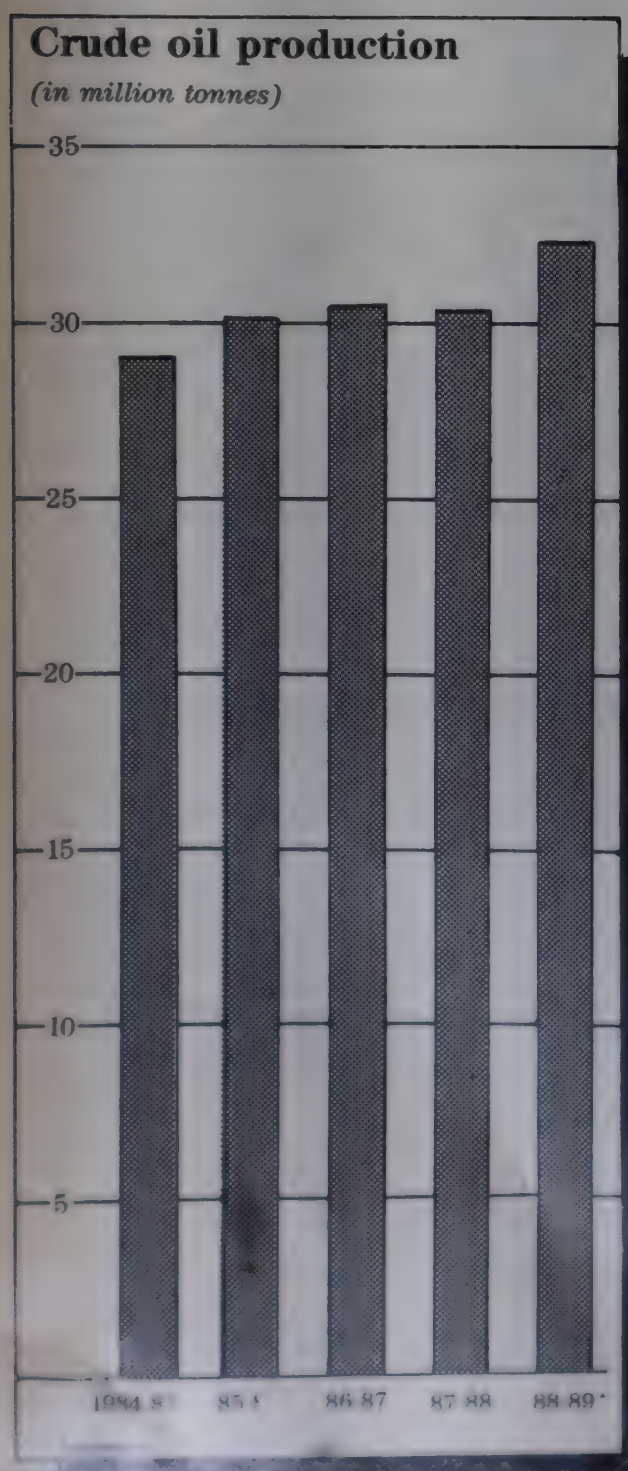
Given that the country's difficult foreign exchange position and the volatili of crude oil price in the international market, there is certainly a need increase domestic production and curtail imports. But future production d pends on hydrocarbon reserves. India has prognosticated hydrocarbon reserv of 17 billion tonnes — about 13.5 billion tonnes of crude oil and 5.8 trillion cub metres of gas. However, proven reserves are only about 4 billion tonnes. Of thes only 25 per cent is recoverable.

Recoverable reserves of crude oil which in 1966 were only 153 million tonn have risen to 581 million tonnes. This is largely due to the discovery of Bomb High with reserves estimated to be about 345.5 million tonnes.

If India is to become self-sufficient in oil, its production will have to increa substantially. ONGC plans to step up production by 15 million tonnes during th Eighth Plan. The investment required is a massive Rs.11,000 crores. In order achieve this target it will have to first succeed in establishing geological reserv and then exploit them.

Crude oil production

(in million tonnes)



TOP GEAR

Move into top gear with plush comfort. Choose from Harmony's luxurious range of car upholstery fabrics. German velours piled and plain. Sensuous to the feel. Mix and match the exuberance of French velours. More luxury per kilometre. Durable and easy maintenance.

HARMONY

PREMIUM FURNISHING FABRICS

VIMAL®

A RELIANCE PRODUCT

Day Curtains ▪ Drapes ▪ Upholstery Material

ABANDON RESTRAINT ON CURVE

The highway banks like a roller coaster.
You ease into the curve with grace.

The wider, squat tyres crouch low. Never
relenting their claw-like hold on the road.
She rides on easy.

Get the firm road-holding of
CEAT FORMULA-I RADIALS.

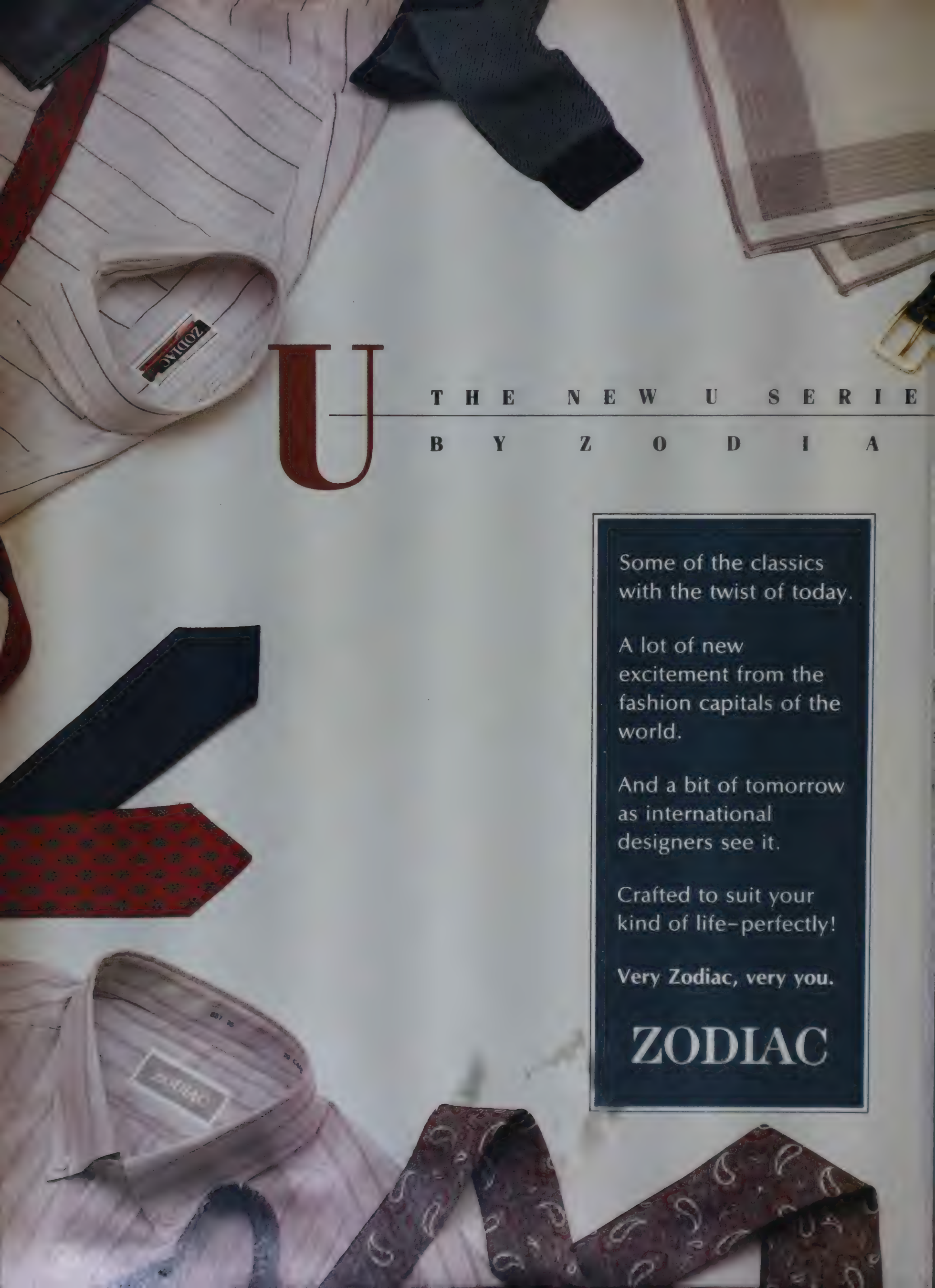
CEAT

born tough

FIRM ROAD-HOLD
AT UNEXPECTED TURNS

FORMULA-I RADIALS

FOR BETTER CAR CONTROL



U

THE NEW U SERIE

BY ZODIA

Some of the classics with the twist of today.

A lot of new excitement from the fashion capitals of the world.

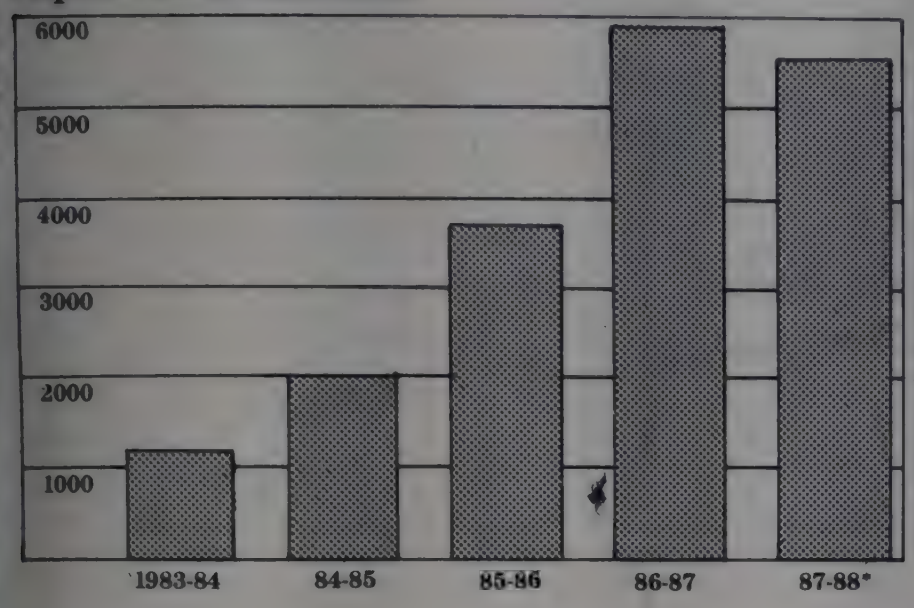
And a bit of tomorrow as international designers see it.

Crafted to suit your kind of life–perfectly!

Very Zodiac, very you.

ZODIAC

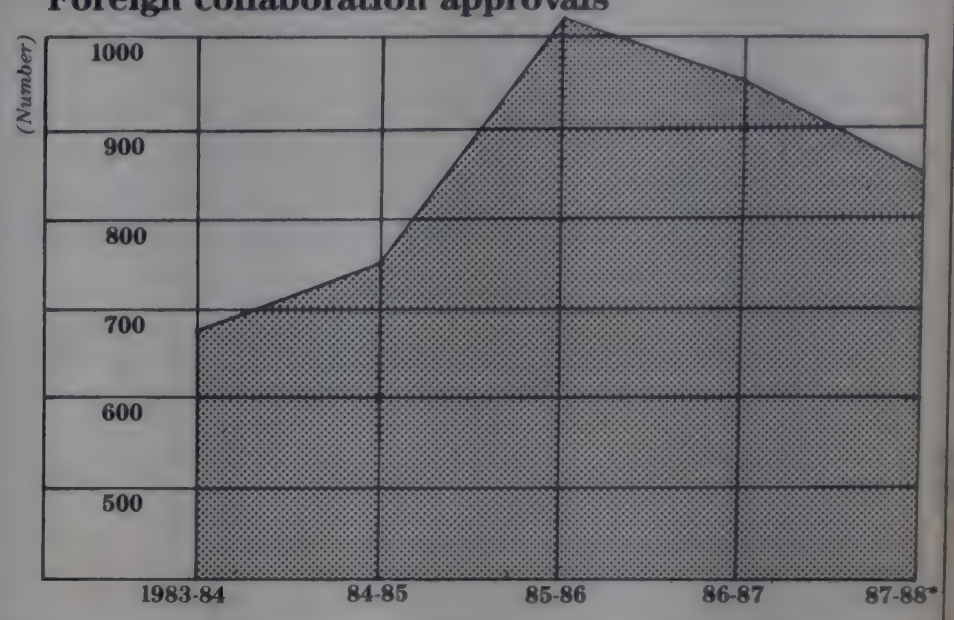
Capital issue sanctions



The capital issues market has boomed in recent years, especially after the economic liberalisation initiated in 1985. Even though in nominal terms the value of capital issues has been increasing, the rate of growth has tapered off. The estimate for 1987-88 of Rs.5,570 crores is 6 per cent less than that in the previous year.

* *estimate*

Foreign collaboration approvals



The number of foreign collaborations in 1986-87 increased to 957, a 27.3 per cent increase over the 1984-85 figure. But there was no change in the foreign investment approvals which remained at Rs.110 crores. The estimate for 1987-88 shows a 10 per cent decline in foreign collaboration approvals with no change in foreign investment approval over the previous year. The number of foreign collaborations peaked in 1985-86, when the number of approvals reached 1,024 and investment was Rs.130 crores.

* *estimate*

holesale price index: The WPI — all commodities has increased 1.08 per cent. The index for primary articles has moved up by 1.85 r cent. The increase in prices of pulses has been 7.8 per cent. In anufactured products, prices of drugs and medicines increased by 8 per cent, but that of jute, hemp and mesta textiles has fallen by 7 per cent.

(1970-71=100)

	8 Oct 1988	10 Sept 1988	10 Oct 1987	% change on month	% change on year
commodities	439.1	434.4	408.7	1.08	7.4
mary articles	412.4	404.9	390.4	1.85	5.6
g products	422.1	418.8	385.6	0.78	9.4

onsumer price index: The consumer price index for industrial orkers has increased by 5 points (0.6 per cent) in August 1988. here has been a one point increase in urban non-manual workers.

	Aug 1988	July 1988	Aug 1987	% change on month	% change on year
strial workers 0=100)	800	795	736	0.6	8.7
an non-manual rkers 4=100)	136	135	125	0.7	8.8

oney and banking (scheduled commercial banks): Broad oney (M3) increased marginally by 1.11 per cent during the period nder review. Aggregate deposits increased by Rs.1,379 crores. here was a sharp increase in bank credit (3.59%) but food credit ll again by a hefty 20 per cent to Rs.1,095 crores.

(Rs crores)

	21 Oct 1988	23 Sept 1988	23 Oct 1987	% change on month	% change on year
oad Money (M3)	1,75,752*	1,73,822	1,51,144**	1.11	16.28
g. deposits	1,30,285	1,28,906	1,10,453	1.07	17.95
nk credit	75,612	72,986	65,916	3.59	14.71
od credit	1,095	1,369	3,575	−20.01	−69.37
edit/dep. ratio	57.65	56.62	59.68		

* *Oct 1988* ** *9 Oct 1987*

Industrial production index and infrastructure: In June the industrial production index increased by 3.68 per cent as against a 2.10 per cent rise in May. Except mining and quarrying the other two constituents — manufacturing and electricity — recorded a slight deceleration in the rate of growth in June. Steel production in September is higher by 13.5 per cent, than in the corresponding period of the previous year.

	Latest month	Previous month	Year ago	% change on month	% change on year
Ind. prod. index (1986-87=100)	180.1(6)	173.70	156.00	3.68	15.45
Rly. freight (mn tonnes)	23.07(6)	24.96	23.71	−5.70	−0.76
Crude oil prodn ('000 tonnes)	2,632(7)	2,618	2,571	0.53	2.37
Power generation (mn units per day)	570(8)	584	549	−2.40	3.80
Coal production (lakh tonnes per day)	4.23(7)	4.62	3.95	−8.40	7.10
Steel producton ('000 tonnes)	778(9)	738	685	5.40	13.57
Cement production ('000 tonnes)	3,418(7)	3,613	3,000	−5.40	13.90

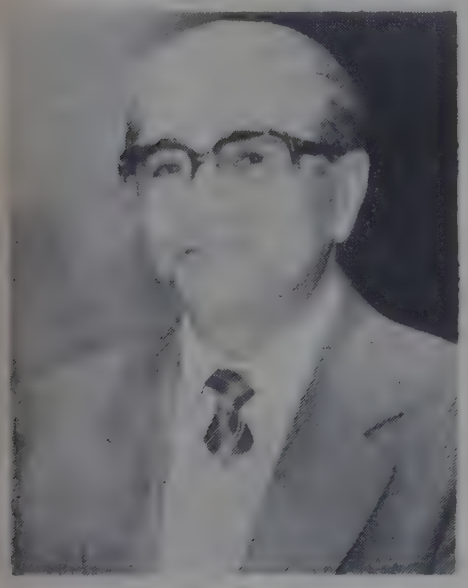
Bullion prices and stock market index: The price of gold and silver in the domestic market increased by 3.1 and 1.5 per cent respectively due to sustained seasonal demand. The stock exchange index ended Samvat 2044 on a cheerful note with the index closing at just below 700 mark.

	4 Nov 1988	4 Oct 1988	4 Nov 1987	% change on month	% change on year
Gold (Bombay)	3,180	3,085	3,265	3.08	−2.60
Gold (London)	2,014	1,867	1,937	7.87	3.97
Silver (Bombay)	6,379	6,287	5,816	1.46	9.68
Silver (London)	3,067	2,904	2,795	5.61	9.73
Bombay Stock exchange index (1978-79=100)	699.75	678.79	445.48	3.08	57.07

The price of gold is in rupees per 10 gms and silver in rupees per kg.

H.S. SANDHU

"Fifty per cent of our trade is with eastern Europe, in a wide range of products," says H.S. Sandhu, chairman of Chinar Exports Ltd. The company is one of the largest private trading houses in India and is targeted to reach a turnover of Rs.100 crores by 1989-90. "Apart from the Rs.30 crore textile deal with the USSR, we are also in the process of finalising a deal with a large north American



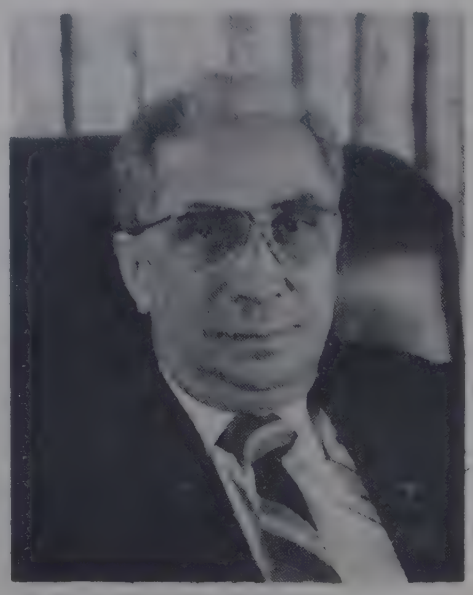
country," adds Sandhu.

Apart from textiles, which account for almost 50 per cent of Chinar's business, the company has diversified into areas like consumer durables and chemicals. "Last year chemicals accounted for Rs.20 crores of our turnover," says Sandhu. He adds that "our real success lies in the fact that we work very closely with Indian manufacturers and try and help them whenever we can — after all our success is tied to theirs," adds Sandhu.

A.N. SRINIVASA RAO

Solidaire is expanding its manufacturing base to meet the ever-growing demand for TVs, both colour and B&W, says A.N. Srinivasa Rao, chairman, Solidaire India Ltd (SIL)

To prepare for the public issue scheduled for late Novem ber, the company has changed its name from Hisbeam Elec



tronics Pvt Ltd to Solidaire India Ltd, so that "the company's name may be snynonymous with its popular brand name in the public mind". Rs.1.80 crores are to be raised through a public issue.

The issue will part finance the company's Rs.4.9-crore automatic tuner project — an attempt at import substitution. SIL will initially use the tuners inhouse, but could consider selling excess production to other users. "Production is scheduled to commence towards the end of January," says Rao.

SIL has also chalked up plans to set up a TV factory in Bangalore by June 1989. "The major part of the investment in this project will be internally generated," says Rao. The manufacture of domestic appliances is also on the cards.

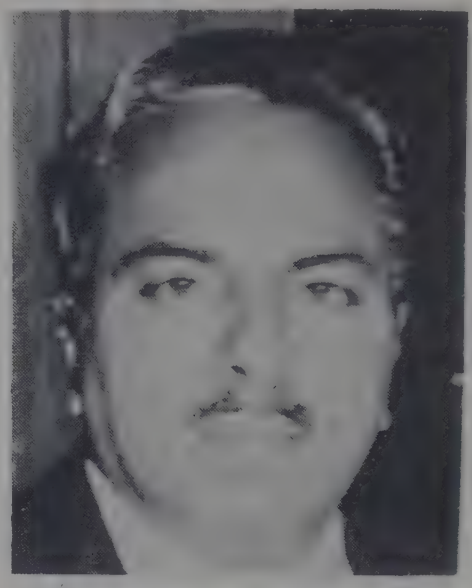
J. BHASKER RAO

The city of Hyderabad, with a population of over 3 million and a considerable influx of commercial and tourist traffic, offers only 300 de luxe rooms in two five-star hotels. Now, to this, the Hotel Bhasker Palace-Ashok will add 225 rooms when it opens in March 1989.

J. Bhasker Rao, managing director of Venkataramana Hotels Ltd, is promoting the new venture with ITDC. ITDC will provide the new hotel with reservation, marketing, advertisement and technical services. This is the first time that the corporation has entered into an agreement of the kind with a private promoter, Rao points out.

Rao expects a considerable film industry clientele, as the city has become an important base for the industry. Among the various facilities available will be a preview theatre and a sophisticated sound studio.

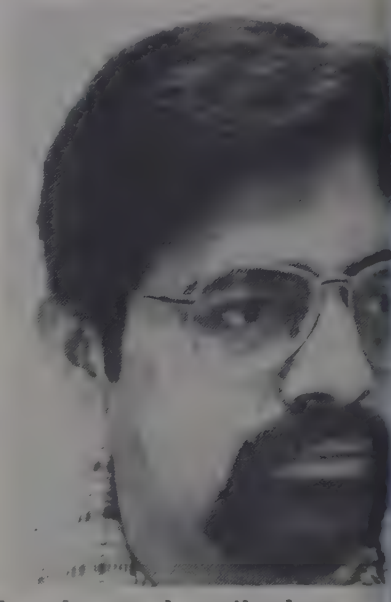
The project, estimated to cost Rs.18.90 crores, will be financed through equity share capital of Rs.7.55 crores, and term loans of Rs.11.35 crores. A Rs.3.45-crore public issue opens on 22 November for NRIs and 29 No-



vember for the Indian public. Rao expects that the new hotel will achieve a turnover of Rs.6 crores in the first year of its operation. "Our hotel is bound to be a runaway success and a most viable and profitable proposition. Our low project cost will enable us to achieve a break-even point at 50 per cent occupancy as against 75 per cent for other five-star hotels," says Rao confidently.

NIREN SUCHANTI

When State Bank of India (SBI) finalised the NRI bonds scheme, the hopefuls that queued up to make a presentation were a virtual who's who of agencies — Lintas, Mudra and Contract, Sobhagya, Pressman and Clea among others. Finally, when Pressman Advertising & Marketing bagged this prestigious account, it only re-established its credentials as a premier financial advertising agency. The



bonds are described as sa instruments with features lored to long-term investm

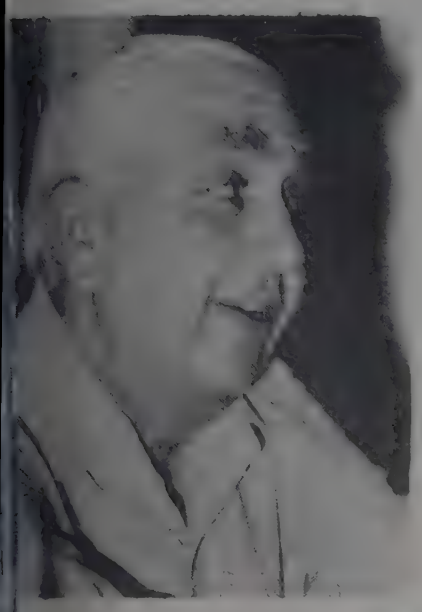
Says Niren Suchanti, dire Pressman, "It was closely fo and the final selection based on merit." Accordi him, Pressman made a pr tation based on its "ow search". This indicated tha Middle East region continue be be one with high pote for attracting investment long-term nature. Such states that he favoured ad tising the NRI bonds in I "as a large number of de dents of Indians working in Middle East live in India".

Suchanti , however, was in favour of advertisin foreign publications. The w age factor is very high, he s Clearly, Pressman's intir knowledge of the financia struments market clinched deal.

M.M. SABHARWAL

Though non-resident India the UK are keen on investi India, they shy away becaus takes much longer to ge turns on investment here t in Europe," says M.M. Sab wal, president of the I Chamber of Commerce Industry.

Sabharwal, who recently t an 18-member delegation t UK, has come back "more t satisfied". The objective, says, was not to sell goods apprise potential inves about the changing envi ment in India. The PHD Ch



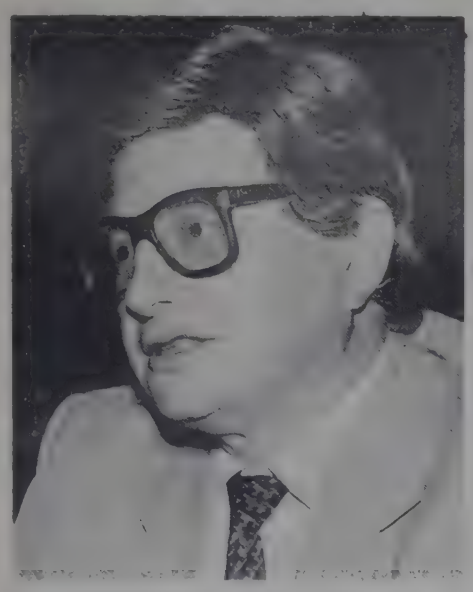
team of leading
ustrialists and businessmen
n northern India has identi-
tourism and food process-
for a special thrust.
abharwal signed a protocol
l co-operation agreement
n the Birmingham Chamber
Commerce and Industry to
mote trade and assist each
er in promotional activity.

JOSEPH D. ALVIANI

e Bostonians were in New
lhi last week to "open up op-
rtunities in business and in-
stry that were not so easily
ceivable".
oseph D. Alviani, secretary
economic affairs, Common-
alth of Massachusetts, USA
the hightech delegation
h representatives from a
ss-section of high tech in-
stries such as telecom-
nications, biotechnology,
tumentation, software, sig-
processing and fire detec-
systems. Alviani said that
y would endeavour to de-
p a level of familiarity with
ian businessmen to ensure
t the joint ventures to be
cretised were mutually ben-
ial. He felt that there were
ical areas where the Ameri-
s could learn from India. For
tance, computer applica-
ns in the steel and energy
ustries would be a mutually
eficial area of co-operation.
Even though the Bostonians
wed a lot of enthusiasm in
ng business with India, Al-
i felt that they "still looked
e undergoing process of lib-
eralisation rather sceptically". However, in his opinion, the problems existed "more in the realm of perception than reality". Even so, it would be a "tough job convincing American businessmen that the Indian desire to encourage trade was genuine". For example, the software companies feel "slightly hesitant" in view of the fact that India was not a signatory to the Paris Convention.

MARK FREY

"We are essentially a non-profit organisation which aims at facilitating transfer of technology



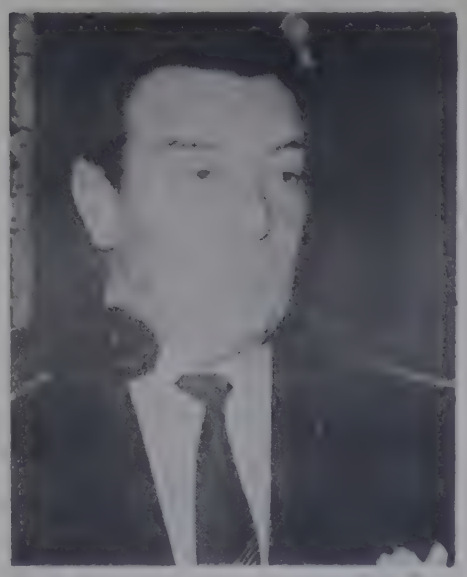
from Switzerland to developing countries," explains Mark Frey, deputy director, Technology For The People (TFTP), who was in Bombay recently. TFTP was playing host to a number of Swiss managers in various Asian cities as part of the Special Asian Business Development Mission For Swiss Managers.

"TFTP was set up 10 years ago, but it was only four years ago that we signed a contract with the Swiss government to finance our activities in the Asian subcontinent," says Frey. Frey sees TFTP's role as a "matchmaker" between small and medium sized Swiss companies with advanced technology and sophisticated know-how and companies in developing countries like India which are interested in acquiring such know-how. TFTP's success has been less than inspiring with only three successful tie-ups in India in the past four years. Says Frey, "It took us two years just to find a suitable representative in India. From now on we hope for a higher success rate as our basic infrastructure is now in place."

WILHELM F. KNOEDLER

Daimler-Benz AG is quite certain that its vehicles are the best. It is, however, worried that everybody thinks that they are also the most expensive. To dispel such notions, Wilhelm F. Knoedler, senior director, international government sales, was in Delhi last week to meet officials of the Indian Army. Mercedes Jeeps and trucks are the ideal choice of the Indian Army, insists Knoedler: "We have the best, and test results as always are bound to show this."

Benz is offering a bait this time round: it will permit its products to be manufactured in India. According to Knoedler, given the current advantage



that Benz has because of its Bajaj Tempo connection, the vehicles it proposes to sell, the half-tonne jeep and the two-and-a-half tonne truck could possibly be 80 per cent indigenous five years from now.

Indications are that the army is contemplating purchasing 20,000-30,000 jeeps and 5,000 trucks. Knoedler believes Benz will succeed in local manufacture because "it is already doing that in several countries around the globe."

MARINUS G. WISSE

The Dutch multinational giant, Vereingle Machine Fabrication Stork NV, Stork for short, has reaffirmed its faith in its Indian partner, the Associated Textile Engineers (ATE) group of companies headed by Atul Bhagwati. Stork Standard Pumps International (a Stork company) has entered into a financial and technical collaboration with ATE to form Stork Pumps (India) Private Ltd. The unit began production of process and chemical pumps on 24 October at Ahmedabad.

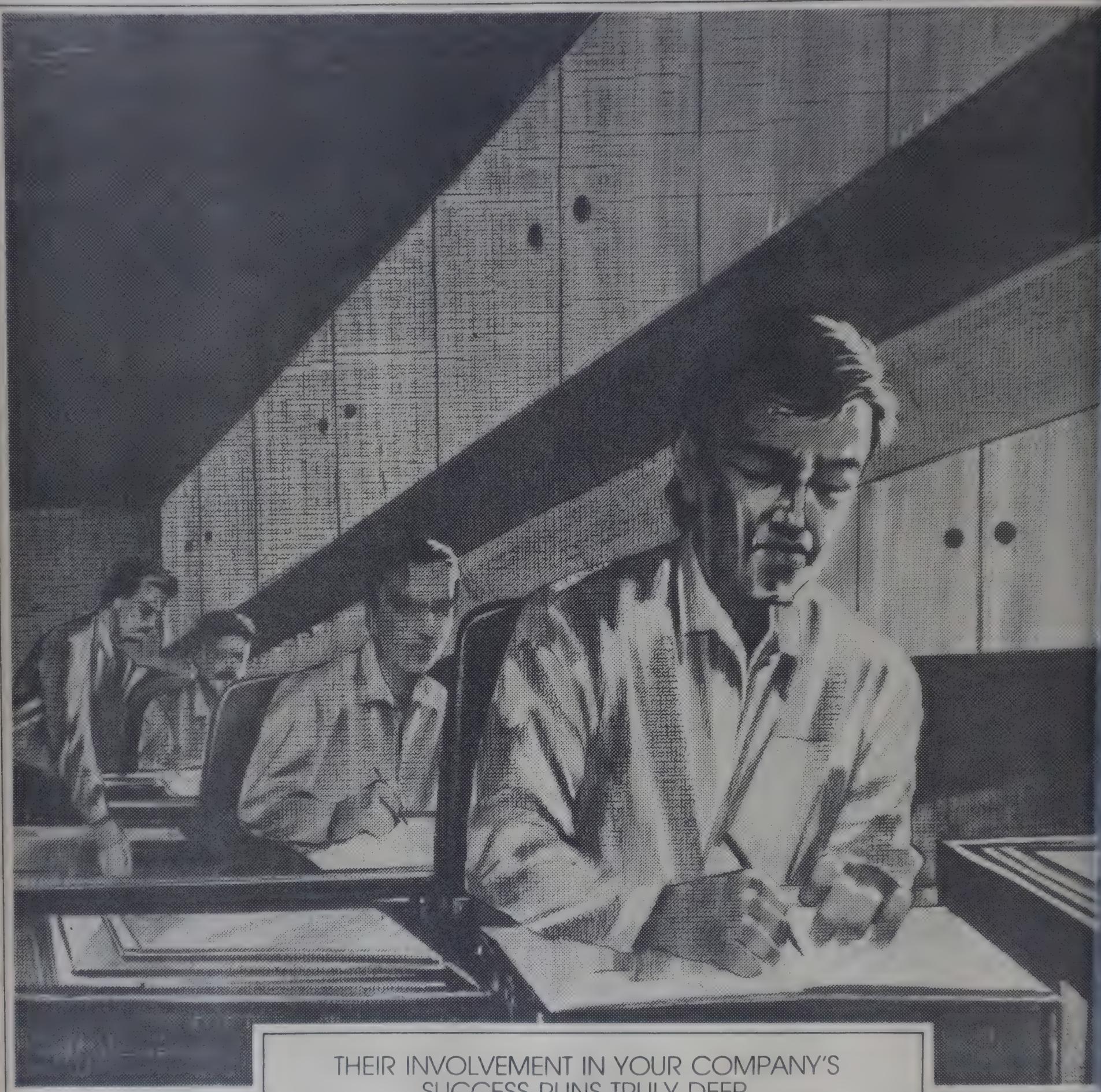
Stork of Netherlands specialises in capital equipment,

industrial consumables and industrial services. With 70 odd companies in its fold, the group turnover is around Rs.1,500 crores.

Wisse, a man with an infectious sense of optimism, was in India for the second time, after 35 years. He is excited about the tremendous marketing opportunities India offers.

The initiative to collaborate in pumps came from the Dutch, emboldened, no doubt, with their earlier successes. Stork will buy back a substantial part of the production for sale in Europe. It feels this will give it a definite edge over European competitors.

When asked about his experience in India, Wisse went into rhapsodies. Atul Bhagwati explained in a softer voice that the Dutch had never faced the fabled Indian bureaucracy. However, Stork seems to be serious.



THEIR INVOLVEMENT IN YOUR COMPANY'S
SUCCESS RUNS TRULY DEEP.

HOW ENLIGHTENED MANAGING DIRECTORS CAN INVEST IN THEIR PEOPLE AND WATCH THEIR ASSETS APPRECIATE FA

Now win your employees over completely.

Gift their wives a Singer Sewing Machine. They'll use it well for the rest of their lives. To be the best dressed family in the neighbourhood. Without spending any extra on their clothes. In fact saving quite a bit on tailoring bills.

They'll even earn a tidy sum of money, sewing clothes for neighbours, friends and contacts. Just give our Marketing Director a call and he'll work out an attractive deal for your company.

Call him today on 6443045 Delhi. Or drop him a note now. Our representative would love to visit you and explain the scheme. Just fill in coupon and mail it to us today. An start growing your assets faster than ever before

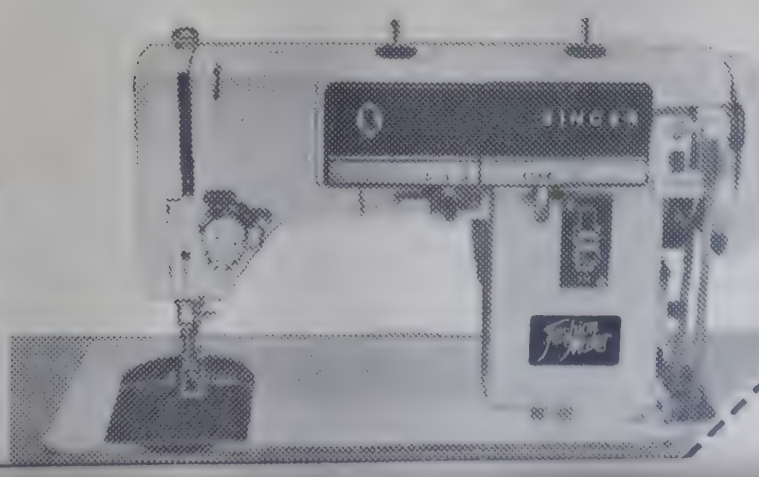
Indian Sewing Machine Company Ltd.,
3 Devika Tower, 6 Nehru Place
New Delhi-110 019. Tel : 6443045

NOW, REWARD THEIR WIVES JUSTLY FOR ALL
THOSE LONELY HOURS WHILE THEIR HUSBANDS
SLOGGED FOR YOU.

GIFT A

SINGER* FOR LIFE

*Trademark of THE SINGER COMPANY



We want our employees to be justly rewarded.
Please send your representative to:

Name

Designation

Address

Phone

SPTR 476 A 88

GREETING CARDS

Good wishes for a good cause

Soon after World War II, a seven-year-old Czechoslovakian girl who was being rehabilitated under a UNICEF programme drew a card and sent it to UNICEF's headquarters. This simple gesture of appreciation led to UNICEF making and selling its own cards. Other charitable organisations were quick to follow, and today greeting cards are a major source of funds for a whole lot of organisations supporting various causes.

In India, of the total greeting cards business worth Rs.12 to 15 crores, the share of the charitable organisations is as high as 30 to 40 per cent. And the business is growing at the rate of 20 per cent a year.

Significant earnings. "In 1960, when we launched our greeting cards operation in India, we were the first to do so," says Rajiv Jagtiani, UNICEF, whose organisation sold 7 million cards in 1987 and had a turnover of Rs.2.5 crores. Today, apart from UNICEF, there's Child Relief and You (CRY), which had a turnover of Rs.70 lakhs on 1.4 million cards in 1987, and World Wild Life Fund (WWF), which earned Rs.50 lakhs on card sales. There are also smaller organisations, like the Spastics Society, the National Association for the Blind (NAB) , Baba Amte's leprosy home, and many others who benefit from the greeting cards season.

"People like the idea of sending their good wishes and contributing to a worthy cause at the same time," says one executive who buys a few cards each from five different charitable organisations. Niloufer Bilimoria, public relations manager of Oberoi Hotels, who chooses the cards for her organisation each year, says, "I try to look for something exclusive. Everything else being more or less equal, I put a premium on exclusiveness and design." George Jacob, executive director of Mahindra and Mahindra, gives the final okay for card purchases. He says, "The cards we buy from charity are very elegant and economical and serve our purposes admirably. At the same time we are happy that we are making a small contribution to a good cause." Says V.K. Kapur, manager, public relations of Bharat Heavy Electricals Ltd (BHEL), "We follow a policy of buying cards from charitable organisations. Their cards might be a little costlier, but since they are of excellent quality, and the money collected is for a good cause, it's okay."

Large public sector companies for many years now have been the biggest customers. Their offtake often runs into tens of thousands of cards each year, accounting for as much as 60 per cent of the card business in a year.

Funding projects. Very few people aware of actually how much money g to charity. It is said that approximat 50 to 85 per cent of the money collec through card sales is used to fund ch table programmes and projects. At U CEF, Jagtiani estimates that they are a to utilise as much as 85 per cent for t projects, because almost everything subsidised. Says Pamela Stretch, hon ary secretary of the Spastics Society, " are able to use about 70 to 75 per cent our projects, as our running costs kept at the absolute minimum." W competition hotting up, effective mark ing has become crucial. Says a ser executive of a large private sector c pany, "Around this time of the year I g flood of men and women volunteers, urging me to buy their cards. It becor quite a difficult task as all the cards equally nice, their cause equally nc and the price differences very small."

CRY is quite aggressive in its mark ing effort. Anjali Bose, sales co-ordina laments the fact that they cannot be m professional in marketing their car "Professionalism costs money, and ev extra rupee spent on selling cards me less for our projects and activities." the Spastics Society, the largest share its revenue was from sales of greet cards and yet as Pamela Stretch, sa "We cannot afford to spend money advertising and have to rely on our sm staff (two people) and word of mout

Making a sale to a company for the fi time requires considerable effort and p suasion. Mala Biswas, marketing exec tive at WWF explains, "Once we h identified a company, a volunteer fr WWF drops in and leaves the brochu We follow this up a week later with telephone call and then a personal vis But finally, as Biswas admits, "It's t sically how far I can get into your hear

Other considerations. Marketing co take various forms. More often than no corporation's decision to buy cards fr a particular charity has very little to with the cause it supports. It depends the kind of pressure that is exerted trustees of the charitable organisation

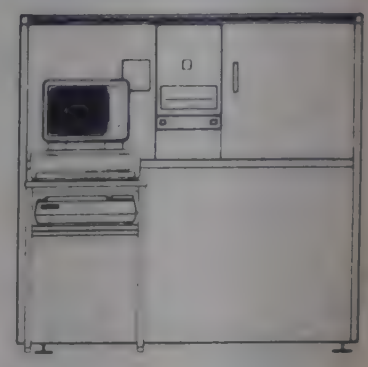
Increasing market share for charity

PHILIPS

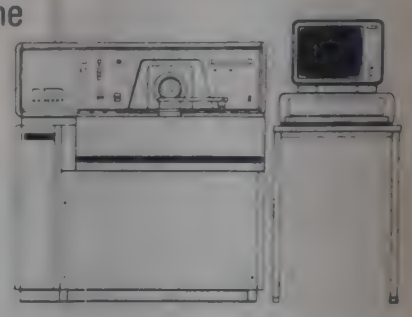
PHILIPS IS AT THE HEART OF IRON AND STEEL ANALYSIS

Philips Analytical

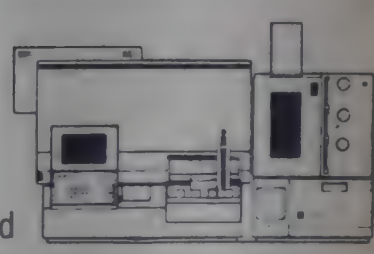
OPTICAL EMISSION SPECTROMETRY – fast, efficient method for low-cost, multi-element analysis of solid samples



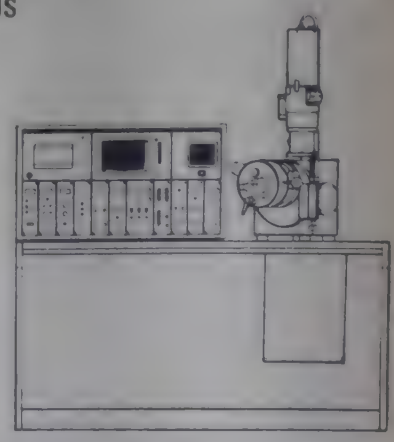
X-RAY FLUORESCENCE – an easily automated technique to determine the quantity and quality of the various elements in a sample



ATOMIC ABSORPTION/ INDUCTIVELY COUPLED PLASMA SPECTROMETRY – highly sensitive methods to determine the concentrations of around 70 metals and semi-metals, even at ultra-trace levels



SCANNING ELECTRON MICROSCOPY – the most versatile method for analysing the physical structure within metallurgical samples



PHILIPS – YOUR PARTNER IN PROGRESS

In the production of iron and steel, high standards of monitoring are vital at every stage. Philips Analytical offers the best choice of high technology equipment to ensure your success.

For more information on any of the above techniques mail this coupon rightaway to: Philips India, Industrial & Electro-Acoustic Systems Division, 39/43, Nesbit Road, Bombay 400 010

Name _____

Address _____

_____

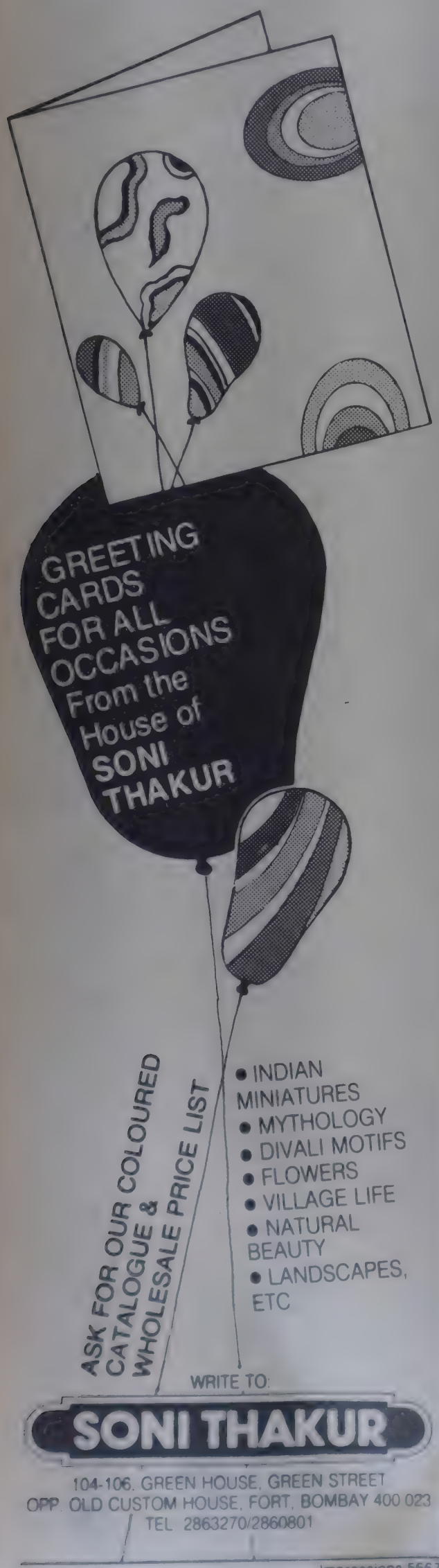
Pin Code _____ Tel. _____

PHILIPS ANALYTICAL

BIGGER IDEAS FOR BETTER ANALYSIS

Philips Analytical is a business division of Philips I & E Systems which offers additional expertise in Communications & Security systems, Test & Measurement equipment and Industrial Automation systems.

YOUR GOOD
FORTUNE
IS IN THE CARDS!


GREETING CARDS FOR ALL OCCASIONS From the House of SONI THAKUR
ASK FOR OUR COLOURED CATALOGUE & WHOLESALE PRICE LIST
• INDIAN MINIATURES
• MYTHOLOGY
• DIVALI MOTIFS
• FLOWERS
• VILLAGE LIFE
• NATURAL BEAUTY
• LANDSCAPES, ETC

WRITE TO:
SONI THAKUR
104-106, GREEN HOUSE, GREEN STREET
OPP. OLD CUSTOM HOUSE, FORT, BOMBAY 400 023
TEL. 2863270/2860801

Impressions 5667

most of whom are people of eminence in society. Admits Bose of CRY, "Our trustees are individuals who have excelled themselves in their respective fields and are instrumental in securing large corporate orders for us through their network of contacts."

With more and more charitable organisations getting into the business, there has been the inevitable shakeout. For instance, Mobile Creche for Working Mothers' Children had to discontinue its cards business as the markets got too competitive. Others too had to close shop because the economies of scale were stacked against them.

However, Kalyanjibhai, a partner of Satyam Collections, a retail outlet in south Bombay with an annual turnover of over Rs.1 crore, feels that there will be enough room for everyone. He attributes this to changing attitudes: "Ten or twenty years ago, people visited each other on festive occasions. Today they don't have any time — they just send cards."

■ SHIV TANEJA

TAMIL NADU INDUSTRY

Another round of incentives

The second tranche of incentives for industry in the state announced by Tamil Nadu's governor, P.C. Alexander, has been welcomed even more warmly than the first that came in May 1988. In the back seat for almost a decade now, industry in the state can hardly believe its ears.

Several concepts new to Tamil Nadu have been introduced, for instance the pioneer industry concept to encourage industrialisation in the 34 backward taluks in the state, and what is called green channel clearance for small scale industries with a capital investment of less than Rs.10 crores. The intention is to woo large and medium industries into these taluks and to encourage a cluster of small scale units around them.

Fine tuning needed. Sources in the Confederation of Engineering Industries (CEI) feel that some fine tuning is necessary if Tamil Nadu industry is to be brought on par with Maharashtra and Gujarat in terms of incentives, especially since the pioneer industry concept is expected to bring in investment from larger units outside the state. Purchase tax has been abolished, but according to Lakshman, joint-managing director, F field India Ltd, "Additional sales t should be passed on to consumers order to make industry competitive, this levy erodes profitability and liquidi threatening in particular the survival loss-making units."

The present package has made an tempt at further rationalisation of t tax structure. Major features include ab lition of sales tax on the value of goo manufactured in Tamil Nadu but sent other states, and exemption of sales t on labour-oriented works contrac "These concessions will place electroni auto ancillaries, vehicles, tractors, text machinery, as well as the SSI units cat ing to these industries in a competit manufacturing position, which will h them compete in the national marke says S. Ram, southern region chairman CEI.

Engineering industry, which was nored in the previous package, is one the thrust areas this time round. In ad tion to leather and electronics, whi were granted higher rates of incentiv automobile ancillaries, food processi industries and drugs and pharmace cals have been identified as import thrust areas for the small scale indust

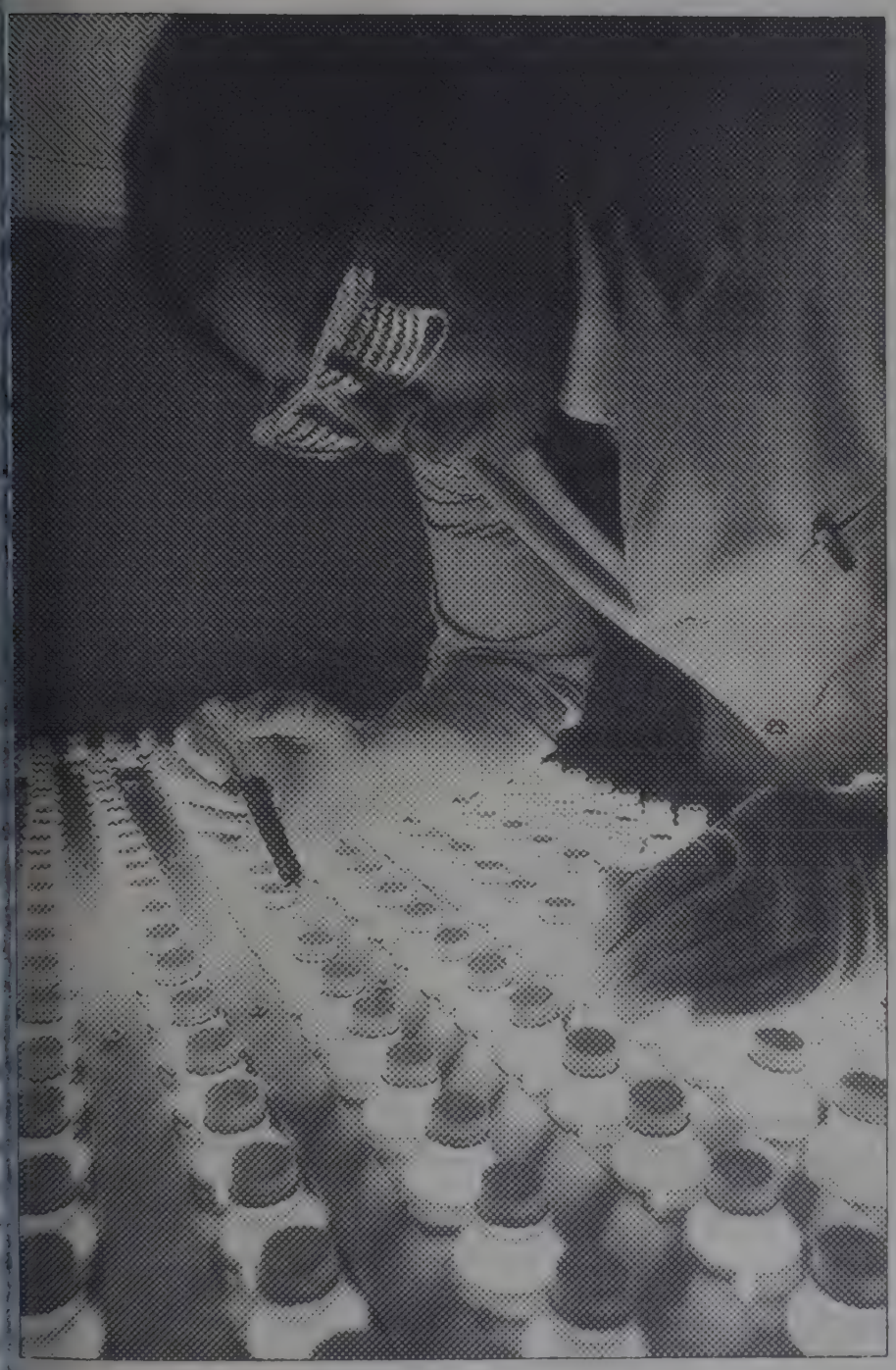
Power has received attention too. 1994-95 the shortage is expected to 2,000 MW. The government has thus cided to encourage private sector pov generation. "It is only a question of ti before the North Madras thermal pov project is implemented, though the m ter is pending before the Supreme Co over the pollution problem," says o government source. Also, from now new applicants will be told the proba date on which they will be sanction power. The base period for the calcu tion of power quota for HT industries h been increased too.

The loss to the exchequer from t sales tax concessions is estimated Rs.15 crores per year. The state gove ment, however, is confident that "with the next six months sufficient buoyan will be created to get back a major part such losses". The government has a cu ion in the Rs.25 crores a year that com from the Indian made foreign spirits th the government-owned Tamil Nadu M keting Corporation sells to retaile Therefore the government will not down on developmental expenditur However, it estimates that the new pa age will cost roughly Rs.10 crores in t

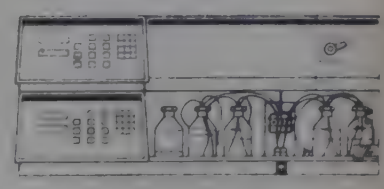
PHILIPS

PHILIPS IS AT THE HEART OF PHARMACEUTICAL ANALYSIS

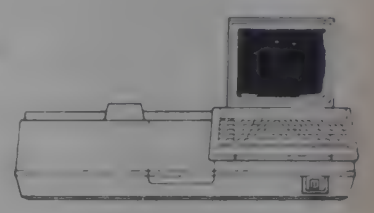
Philips Analytical



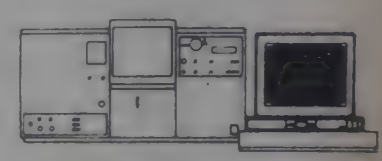
LIQUID CHROMATOGRAPHY – the most powerful chromatographic technique for drug development and monitoring



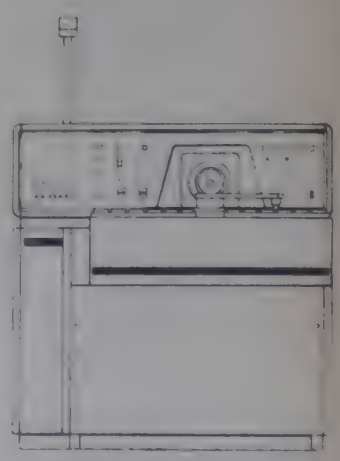
INFRARED SPECTROPHOTOMETRY – the most favoured method for the identification of organic compounds and trace contaminants



ATOMIC ABSORPTION – the best method for the determination of trace elements in cosmetics and heavy metals in pharmaceutical products



UV/VIS SPECTROPHOTOMETRY – this supremely versatile technique is used to determine the quality of many pharmaceutical preparations



ELECTRON MICROSCOPY – used extensively in product development and for research into the interaction of pharmaceuticals on biological tissue

X-RAY DIFFRACTION – a simple, non-destructive technique for the structural analysis of polycrystalline substances

PHILIPS – YOUR PARTNER IN PROGRESS

In pharmaceutical research and production, accuracy is vital at every stage. Philips Analytical offers the best choice of high technology equipment to ensure your success.

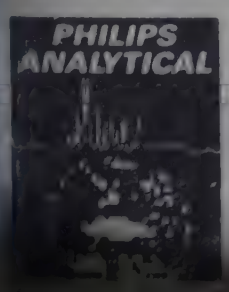
For more information on any of the above techniques mail this coupon rightaway to: Philips India, Industrial & Electro-acoustic Systems Division, 39/43 Nesbit Road, Bombay 400 010.

Name _____

Address _____

_____

Pin Code _____ Tel. _____



BIGGER IDEAS FOR BETTER ANALYSIS

Philips Analytical is a business division of Philips I & E Systems which offers additional expertise in Communications & Security systems, Test & Measurement equipment, Electronic Weighing equipment and Industrial Automation systems

remaining part of the current fiscal year.
Election connection. The Congress (I) undoubtedly has its eyes on the state election scheduled for early next year. Alexander has so far maintained that president's rule will not be continued beyond this term. "We have more than met our targets stated in the first package," says Alexander. And a government source adds, "Almost 1,842 sick units were resuscitated by August, against a target of 1,000." Industry however feels that "it is too early to assess the impact of the first package of incentives". Select industries like electronics, which the first package focused on, are witnessing greater activity.

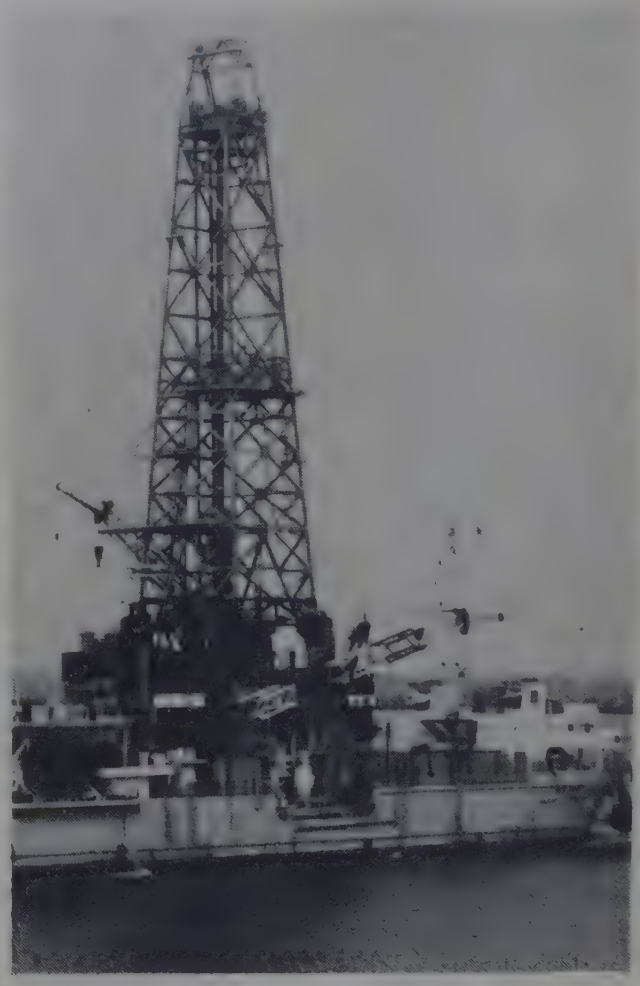
"While enquiries have increased, the state government industries corporations must visit other states in order to sell this state, so that industries from outside may be attracted to Tamil Nadu," says M. Thangavelu, general manager, State Industries Promotion Corporation of Tamil Nadu (SIPCOT). As Lakshman sums up, "Ultimately, the success of such measures will depend on the implementation."

■ DHARANI K. PANI

ONGC

Southern prospects

Industry in Andhra Pradesh is beginning to reap the benefit of the Oil and Natural Gas Commission (ONGC) exploration efforts in the Krishna Godavari basin. At the last reckoning the estimated resource base in the basin was 337 million cubic metres of gas and 423 million tonnes of oil. However, in the case of the Cauvery basin in Tamil Nadu where estimates place resources at 148 million cubic metres of gas and 222 million tonnes of oil, the reaction of industry has been slower. As an ONGC official puts it, industry in Tamil Nadu has yet to fully realise the potential of the project.
Slow start. This lack of awareness is due to the fact that exploratory drilling commenced in the Cauvery basin in earnest only in 1981. During the earlier phase of operations from 1959 to 1964, results were not particularly encouraging. This forced the ONGC to declare a drilling holiday until 1981. In 1985 the ONGC achieved a major breakthrough in the Cauvery basin when oil was struck at Nannilam and Kovil Kalappal, followed



Cauvery offshore drilling: more resources

discovery of a major pool, PY3-2 in the Cauvery offshore, 55 kms. off Nagapattinam, has also increased natural gas prospects. With this, availability of natural gas — both onshore and offshore — is likely to increase to 1.3 billion cubic metres by June 1990.

With these discoveries, the ONGC and the industry will have to take decisions on how to make best use of the enhanced resources of both oil and gas. Upto now, the crude produced in the Cauvery basin is brought by road to the Madras Refinery Limited (MRL) in the city, and it is not a cost effective exercise. There is a move to set up a refinery closer to the centre of production. MRL has made an application to do so and according to sources in the company, their application is likely to be considered favourably and cleared fast.

As far as the gas is concerned, there is good opportunity for the power sector and industry. But users in Tamil Nadu have yet to put in their bids with ONGC. "Earlier the ONGC was not sure of availability in that area. The estimates are being made available only now," says D. Manivannan, technical officer of Tamil Nadu Industrial Development Corporation Ltd (TIDCO). The corporation is now analysing the possibility of locating a few projects in the Cauvery basin area. The Tamil Nadu Electricity Board (TNEB) plans to set up a 5 MW plant at Ko-

4,000 cubic metres per day fr Narimanam. Small power projects uti ing 1 million cubic metres per day are a planned by the TNEB near other oper ing structures. The other beneficiary present is the Indian Steel Rolling M which consumes 4,000 cubic metres day from Narimanam. Two more sodi silicate plants will receive 1,000 cu metres per day shortly.
Individual studies needed. In order increase the awareness of industry, CEI held a conference with ONGC o cials. As a result of such efforts, " mands have been registered from parties involving a supply of 1.5 mill cubic metres per day." Nevertheless section of industry feels that it is too e to make definite plans. "There is trem dous scope for the development of ind tries in the region, provided the gas made available. Though the ONGC mea business, more studies have to be done companies individually, in order to ass potential," comments Amrik Singh, g eral manager of Factories Carborund Universal Limited. "This is only the beg ning," adds Manivannan.

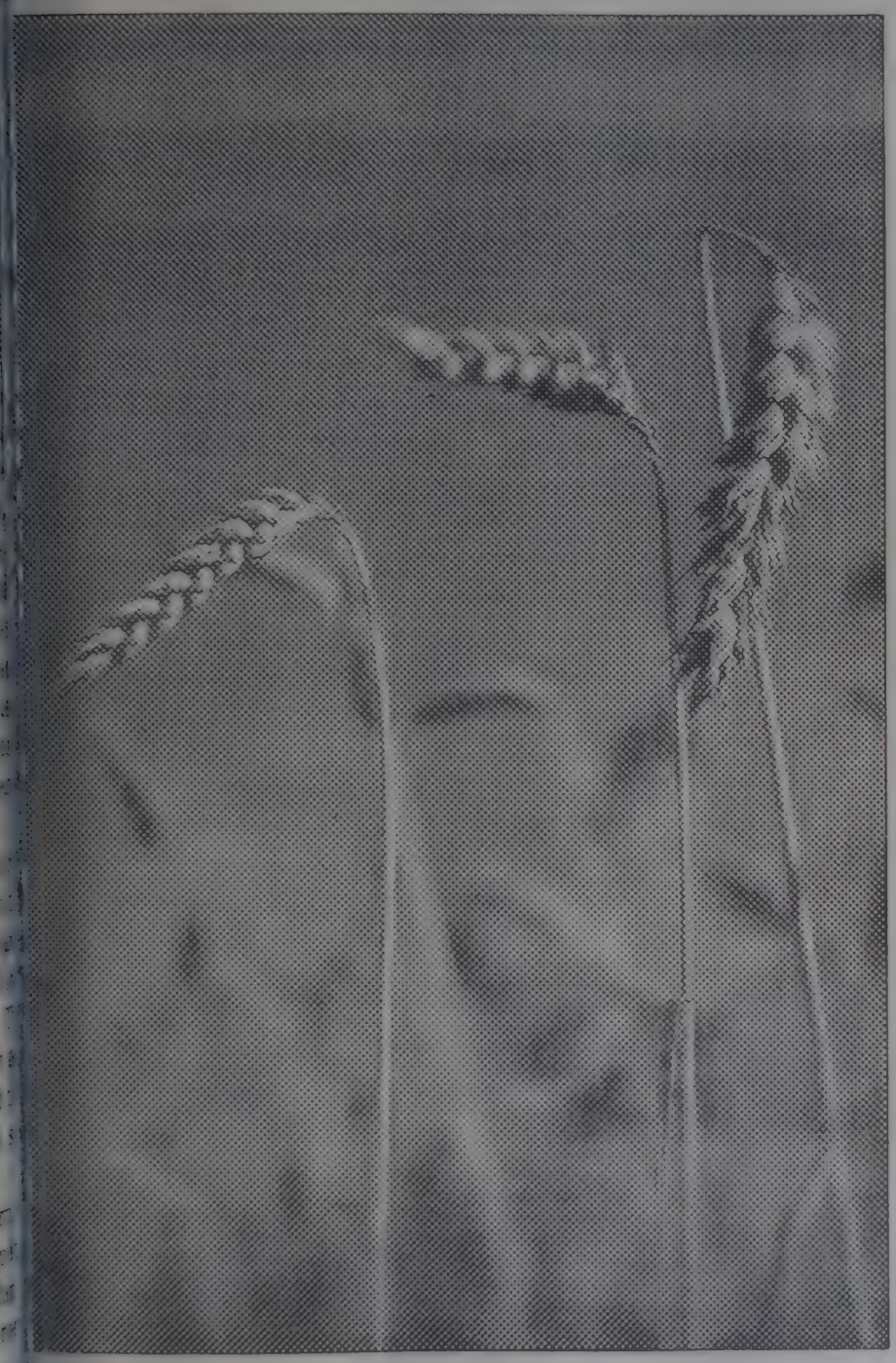
At present, another deterrent facto that the gas producing structures in t Cauvery basin are situated at a dista of 25 to 80 kms from each other and o associated gas is being produced. T means only those units with shorter g tation periods can benefit most and th too by putting up the units in the s rounding area.

"ONGC operations in the southern gion is on the increase. The anticipat expenditure during the Seventh Plan the southern region was Rs.1,191 cro but by the end of the Plan period, t spending is likely to increase to Rs.1,7 crores," says S.S. Paintal, regional dir tor, ONGC. During the Eighth Plan t spending in both the KG and Cauv basins is likely to be in the region Rs.1,500 to Rs.2,000 crores. In the Ca ery basin, the Russians have entered Rs.350-crore contract with the ONGC drilling in the Ariyalur-Pondicherry b Representatives of industry feel th ONGC should now urgently address its to the question of natural gas utilisati Th s would also involve studies on t infrastructure requirements in the sou ern region — pipeline, storage facilit etc. If this exercise is not undertak immediately, precious natural gas will wasted.

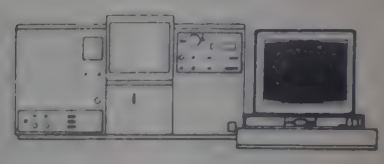
PHILIPS

PHILIPS IS AT THE HEART OF AGROCHEMICAL ANALYSIS

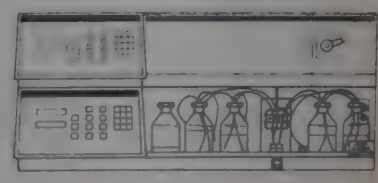
Philips Analytical



ATOMIC ABSORPTION/ INDUCTIVELY COUPLED PLASMA SPECTROMETRY – ideal for determining metals and semi-metals in soils and water even down to ultra-trace levels



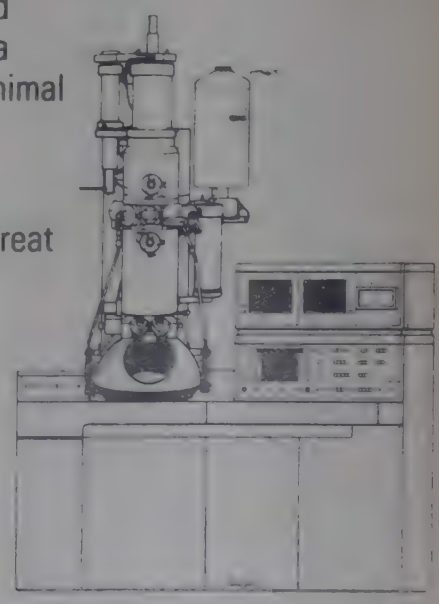
GAS AND LIQUID CHROMATOGRAPHY – for the determination of pesticide residues, herbicides and fungicides



UV/VIS AND INFRARED SPECTROPHOTOMETRY – techniques for the quality measurement of plant nutrients

X-RAY FLUORESCENCE – a rapid technique for the identification of a large number of elements with minimal sample preparation

ELECTRON MICROSCOPY – of great value for research into the effectiveness of pesticides and fertilizers



PHILIPS – YOUR PARTNER IN PROGRESS

In the fast-growing world of food production, effective analysis is vital. The wide choice of top quality equipment offered by Philips Analytical ensures your success.

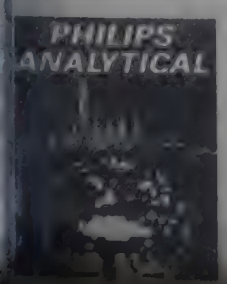
For more information on any of the above techniques mail this coupon rightaway to: Philips India, Industrial & Electro-acoustic Systems Division, 39/43 Nesbit Road, Bombay 400 010.

Name _____

Address _____

_____

Pin Code _____ Tel. _____



BIGGER IDEAS FOR BETTER ANALYSIS

Philips Analytical is a business division of Philips I & E Systems which offers additional expertise in Communications & Security systems, Test & Measurement equipment, Electronic Weighing equipment and Industrial Automation systems.

HEPC

In trouble again

The Madras-based Handloom Export Promotion Council (HEPC) is in trouble again. At the end of September, the commerce ministry withdrew the council's powers to register members. The withdrawal of this power sharply affects the Council's income and renders it nearly toothless. At the same time, the council's secretary cum executive director, an IAS officer, was transferred to another post, within a year of his appointment to the job. Nor are these the only actions that the ministry has taken against the council. Earlier, it had decided to impound grants amounting to Rs.90 lakhs due to the council since 1982-83 as recommended by the textile ministry.

Dhanasekar with President Venkataraman: smiles all round, but the problems remain

Activities suspended. The HEPC, set up in 1965, was one of the first export promotion councils in the country. Because of wrangling among the members, all the activities of the council were suspended in April 1983. For several years the council did not have a chairman or vice-chairman or an executive committee formed of its own members. Eventually all the problems got sorted out, and in early 1987, after a gap of six years the council held an AGM in which V.S. Dhanasekar, a leading handloom exporter, was elected chairman.

There is a feeling among handloom exporters that the IAS officers heading the council do not have a real understanding of the handloom trade. For instance, N. Gokul Ram, the IAS officer who left the council recently, sent a critical report about the HEPC to the ministry. "It is this action which prompted the ministry to withdraw our registration powers," says Dhanasekar, who has obtained a stay against the order transferring the power of registration from the council to the Development Commissioner, Handlooms, Delhi.

Registration is an important function of the council and brings it an income of Rs.19 lakhs to Rs.20 lakhs. The council has 1,400 members and the membership fee is Rs.2,000 a year. Also the transfer of the power of registration to Delhi means that handloom exporters who are mostly from the south will have to run to Delhi to register themselves and it is likely that most of them may not do it. "It seems that the government wants to cripple our activities," says a member of the committee.

No explanation. Although the government has not offered any explanation for its rather sudden move, the members believe that it must be because a feeling has been created that the council is not functioning properly. The trouble really started with the government's announcement that the HEPC should accept the Fourth Pay Commission's recommendations. The HEPC has not been singled out by the government. The recommendations apply to all export promotion councils. The All India Export Promotion Employees Federation (AIEPEF) has been unwilling to accept them as it would mean a financial loss and the matter is being fought out in the courts. The president and the secretary of AIEPEF are from the HEPC. "As a result this council is always looked upon with suspicion," remarks Dhanasekar.

The executive committee of the HEPC has approved the payment of interim relief to its employees, the payment will be adjusted later when the DA due to them since January 1986 is paid. The commerce ministry regards this action as a financial irregularity and has suspended grants. The executive committee on its part has pointed out what it considers to be certain financial irregularities committed by a secretary who left the Council in 1987. "This has annoyed the IAS officers and the ministry," says the executive committee member quoted earlier.

The distrust between the elected body and the bureaucracy is mutual. The commerce ministry and the textile ministry did not consult either the chairman or the executive committee when Gokul Ram was appointed last year as secretary. The committee did approve his appo ment, but two exporters went to co against it. "Again, this act of two i vidual exporters has been held agai us," says Dhanasekar.

Apparently Gokul Ram (who refuse comment) has complained to the mi try that the council has not carried on export promotion activity in the last years. Dhanasekar feels that this is unfair accusation. "Even without Rs.90 lakhs in grants due from the ernment we have continued with our tivities," says Dhanasekar. "We h organised study tours and participate fairs, all with our own funds. We plan set up a sample library and a handlo museum. But, of course, thanks to government we are short of cash. council is ready to face a CBI enq which we are confident will vindicate stand."

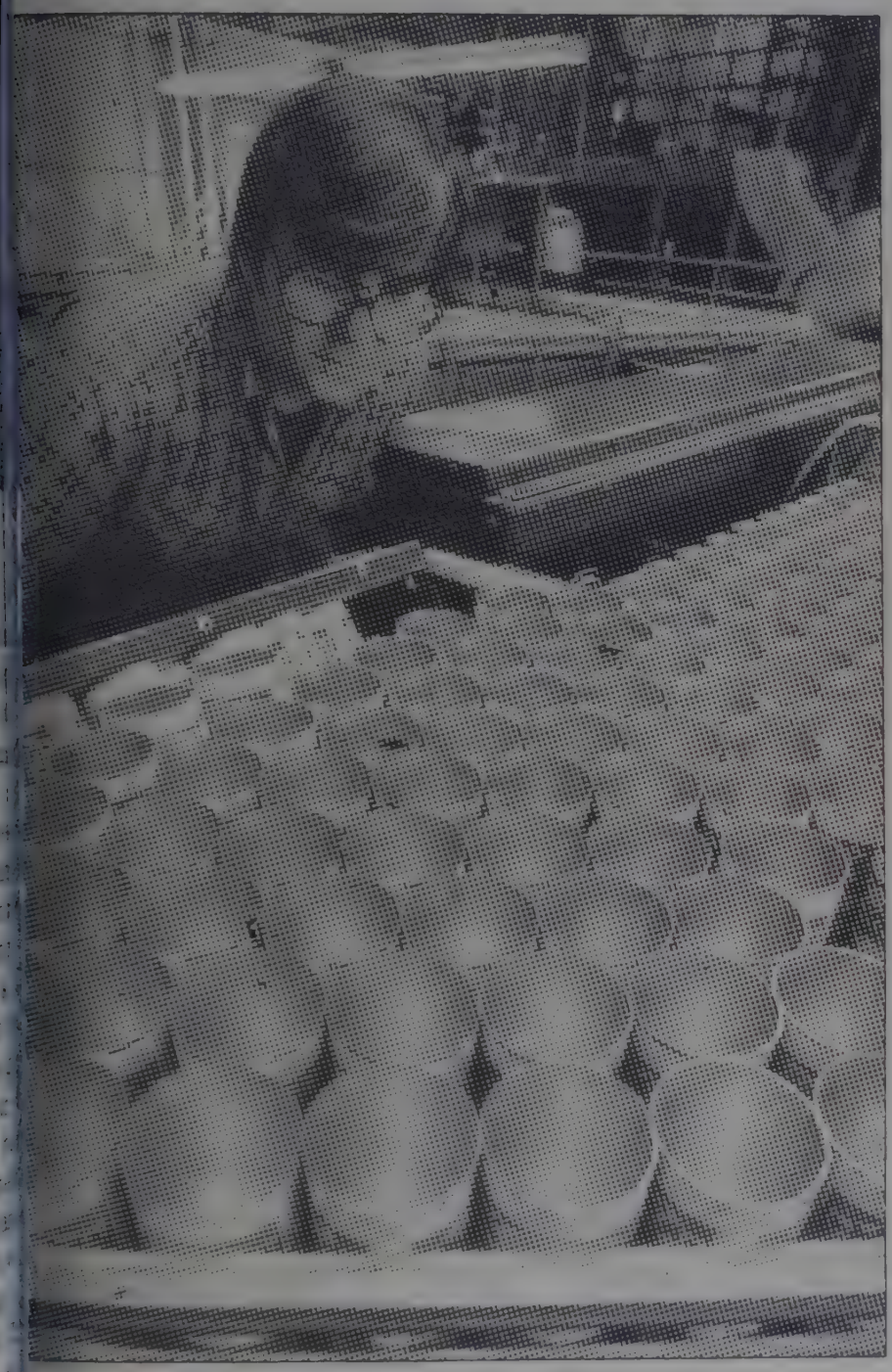
Pointless squabbles. These squabb do seem pointless considering that va of handloom exports is expected to re an all-time high of over Rs.450 cro which far exceeds the target. Handlo exports do not come under quota rest tions and there is no import of raw ma rials. Although the chairman and executive committee of the HEPC h met everbody from Tamil Nadu Gover P.C. Alexander to President R. Venkata man, it is not likely that the problems be sorted out before a secretary an deputy secretary are appointed to textile ministry.

■ SUSHILA RAVINDRAN

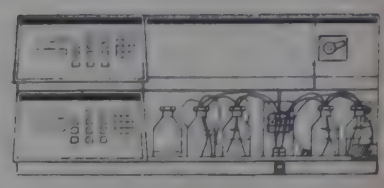
PHILIPS

PHILIPS IS AT THE HEART OF FOOD AND DRINK ANALYSIS

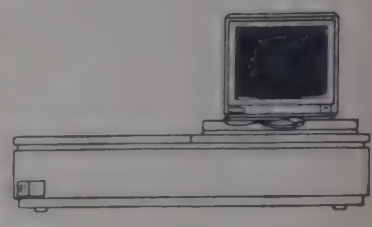
Philips Analytical



GAS AND LIQUID CHROMATOGRAPHY – techniques used to separate and identify complex mixtures. Essential oils, vitamins and preservatives are just a few of the samples that can be studied

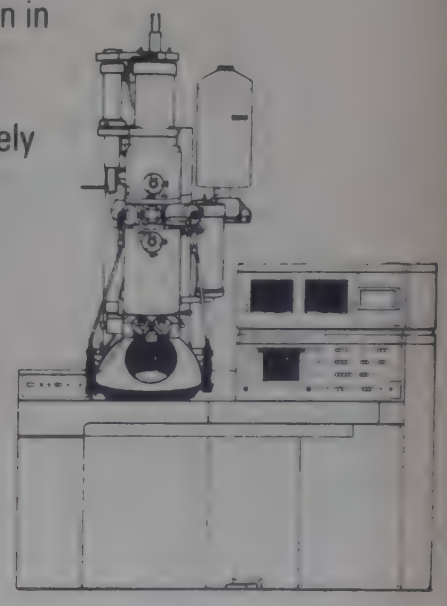


UV/VIS AND INFRARED SPECTROPHOTOMETRY – for applications varying from the analysis of substances such as carbohydrates and sugars to the study of food wrapping materials



ELECTROCHEMISTRY – methods for measuring pH and ion concentration in a wide variety of solids and liquids

ELECTRON MICROSCOPY – widely utilised for the examination of raw materials and finished products



PHILIPS – YOUR PARTNER IN PROGRESS

The food and drink industry needs to monitor produce at every stage of its development and production. The wide choice of top quality equipment offered by Philips Analytical ensures your success

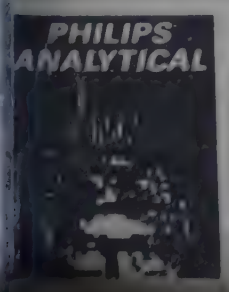
For more information on any of the above techniques mail this coupon rightaway to: Philips India, Industrial & Electro-acoustic Systems Division, 39/43 Nesbit Road, Bombay 400 010.

Name _____

Address _____

_____

Pin Code _____ Tel. _____

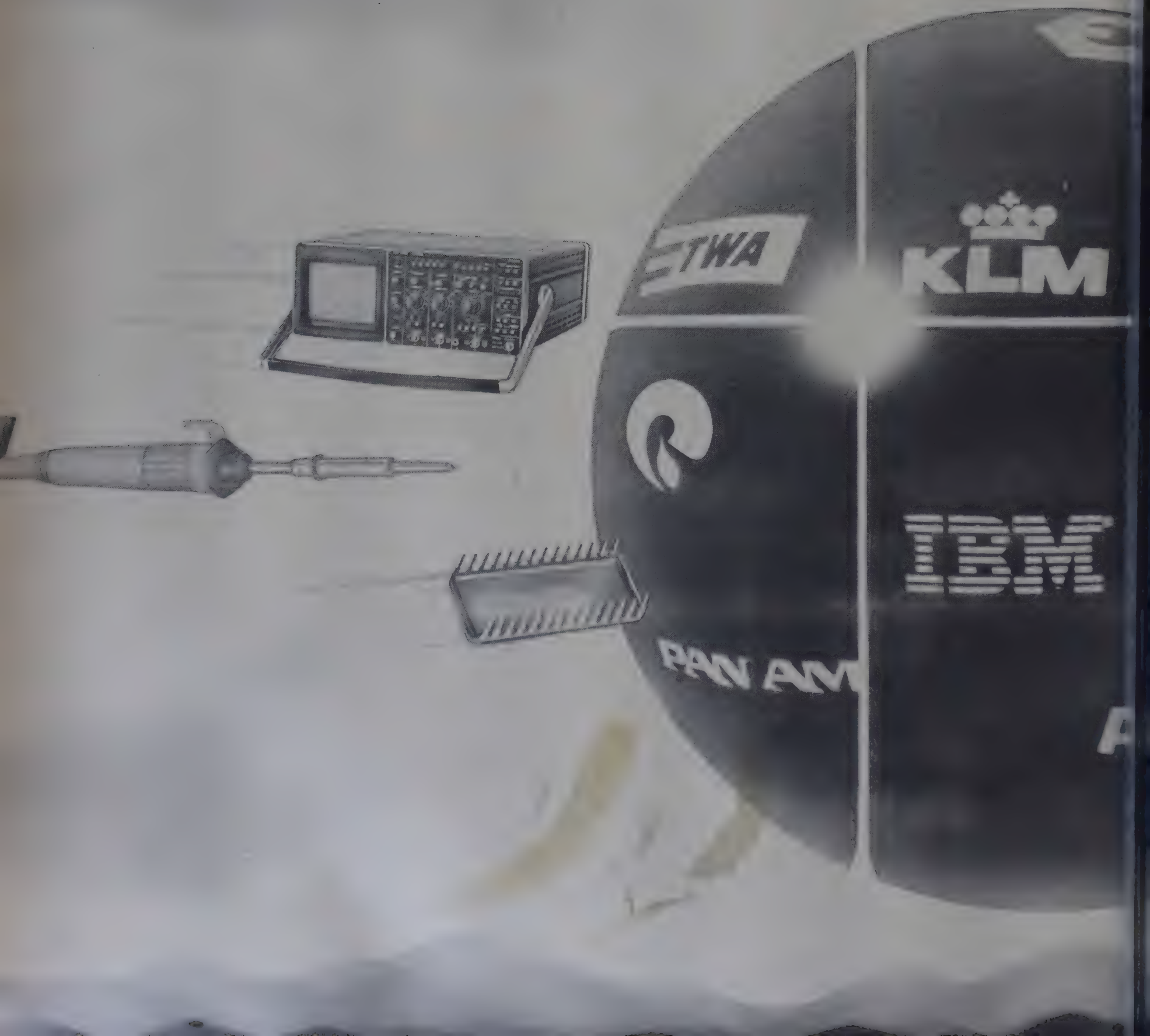


BIGGER IDEAS FOR BETTER ANALYSIS

Philips Analytical is a business division of Philips I & E Systems which offers additional expertise in Communications & Security systems, Test & Measurement equipment, Electronic Weighing equipment and Industrial Automation systems

Stop reading this if you already know why

CMS maintains the Telex, CSL and Raytheon Airline Reservation Systems for TWA, Pan Am, Singapore Airlines, Qantas, KLM, Cathay Pacific. And, the IBM 9375 for Tata Unisys. And, the IBM Systems 34, 36 for Philips, Bank of Tokyo a Maurya Sheraton. And, the VAX 11/750 System PDP Systems for Reliance. And, the VAX 11/730 IBM 370/158 for Escorts. And, the micro computers for JK Synthetics, BILT and others. And, the...



If you haven't stopped reading,
we will tell you why.

As you know, when a client is looking for a reliable maintenance outfit, he needs to be assured of the competence and capability of the team that will service his machine. Without any shadow of doubt.

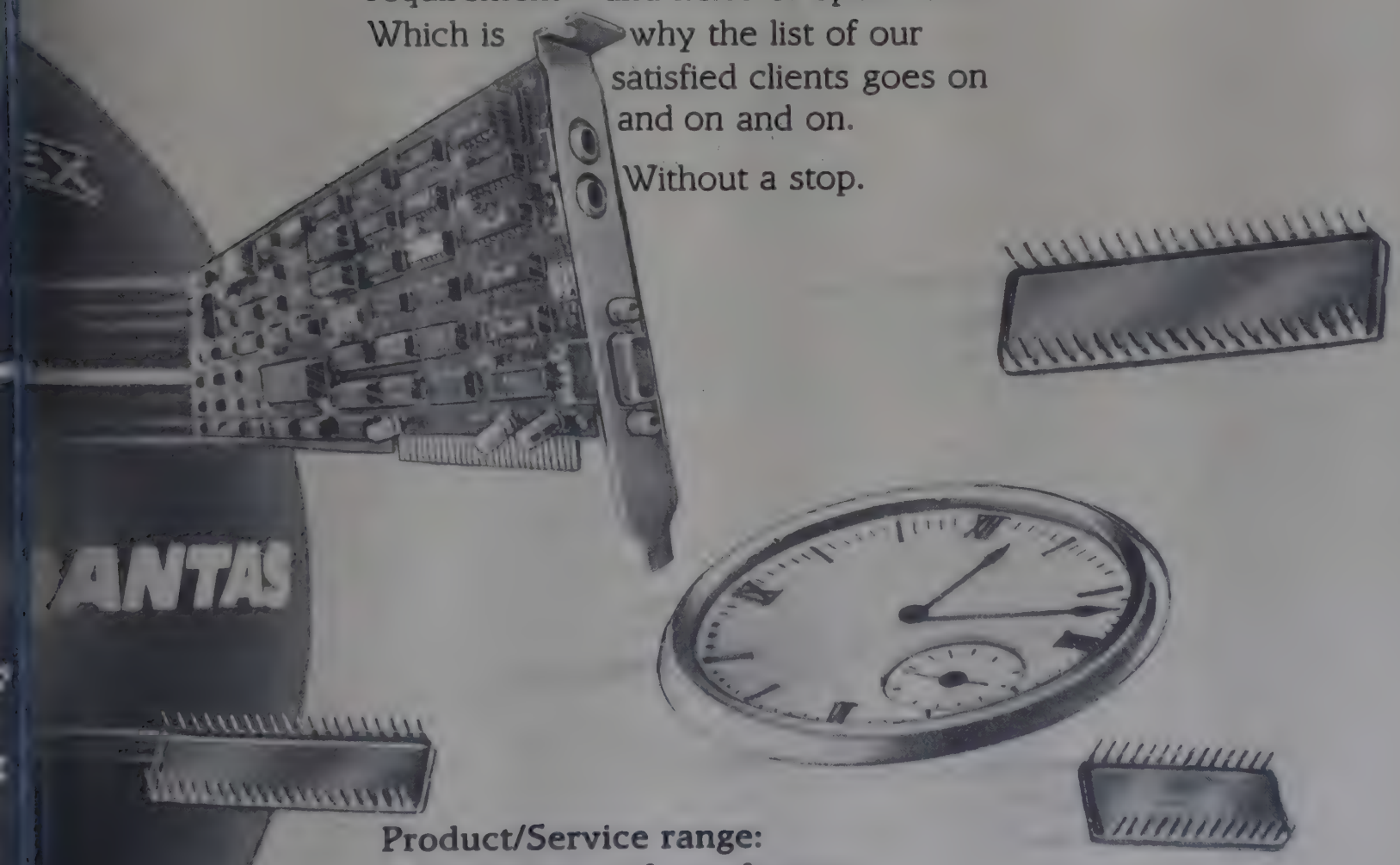
Our working philosophy is based on the principle of planned maintenance. Our resourcefulness and in-house courier supports enable us to procure the right spares at the right time and to get them where they're needed — fast.

Our technical expertise, built-in & enhanced over a period of 12 years, coupled with our 24-hour, 365 days-a-year service assists us to zero-in-on the correct maintenance procedures that meet all contingencies.

Which is why our maintenance solutions are as diverse as our clients' requirements and fields of operations.

Which is why the list of our satisfied clients goes on and on and on.

Without a stop.



Product/Service range:

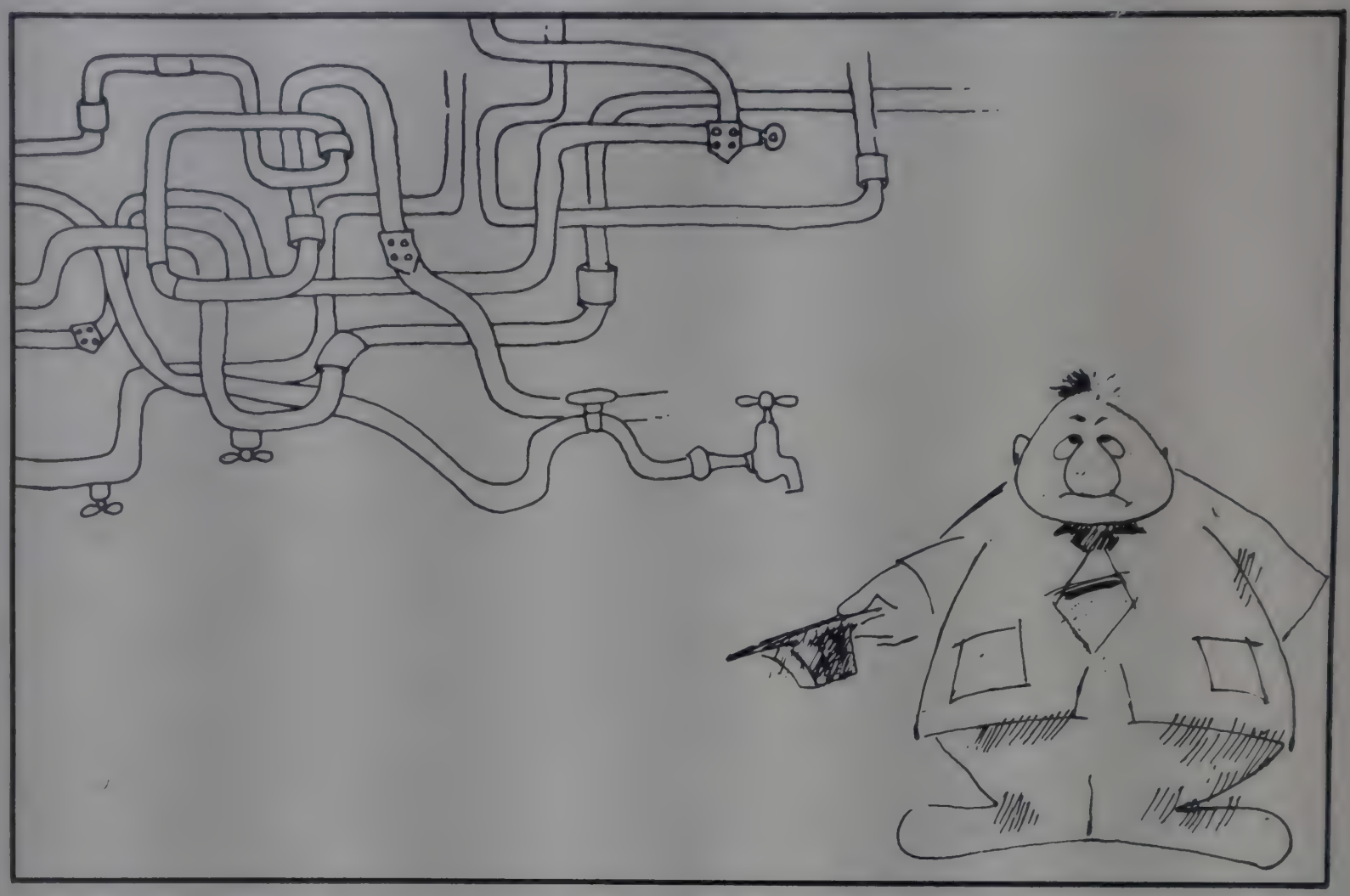
- Maintenance of mainframes, minis & PCs
- Manufacture of CMS minis & micros
- Supply of mainframes
- Development of software for critical applications

CMS

CMS COMPUTERS PVT. LTD.

201, Arcadia, Nariman Point, Bombay 400 021.

ARE YOUR FUNDS BEING BLOCKED BY HARD WATER SCALE?



COLLOID-A-TRON
BEST WATER TREATMENT AT MINIMUM COST

Now there is a new route to prevent hard water scale on water-cooled circuits of compressors, AC condensors, heat exchangers, generating sets, cooling towers and other such equipment.

Non-chemical COLLOID-A-TRON—the first water treatment equipment of its kind in India. Now being manufactured in India by Inteco-Colloids under technical collaboration with the Fluid Dynamics Group of Companies, U.K., the pioneers in the field.

COLLOID-A-TRON eleminates the use of expensive chemicals, has no moving parts and requires no maintenance.

It is easy to instal and does not involve any recurring costs, thereby paying for itself in a short time.

It works by galvanic action, and hence does not expend energy.

Plus, your equipment also consume less energy as they become more efficient due to its use.

What's more, the COLLOID-A-TRON is backed by a one-year money-back gurantee, a five-year replacement warranty and free after-sales service too.

Prevent hard-water scale in the safest and most economical way—non-chemical COLLOID-A-TRON.

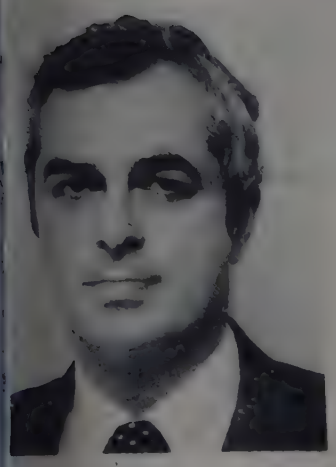
Go in for the best there is!

COLLOID-A-TRON

Inteco Colloids Pvt. Ltd., 606, Eros Apartments, 56, Nehru Place, New Delhi 110 019
Telephone: 6419319 Telex: 031-62328, 031-2530 Gram: PLUMBAGO

Distributors:

HARYANA & H.P. M/s AVCO ENGINEERS PVT. LTD., 6, Ajay Bijli Market, 2865-66, Shah Ganj, G.B. Road, Delhi-110 006 Phones: 526791
MAHARASHTRA M/s. WATER TREAT INDIA 509-B, 'Neelkanth', 98, Marine Drive, BOMBAY 400 002. Phone: 251531
GUJARAT M/s SANJAY ASSOCIATES, 615, Yashkamal Bldg., Sayaji Gunj, Baroda-390 005. Phone: 329017
MADHYA PRADESH M/s MANSA WATER TREATMENT ADVISERS, 79, Vinay Nagar, Shahd Pratap Ashram, Gwalior-474 012 Phones: 26548
TAMIL NADU M/s DYNAMIC ENGINEERS, 65, Ponnagaram Broadway, Madurai-625 010. Phones: 34946
BIHAR & ORISSA M/s M.M. MARKETING & SERVICES, B-30, Industrial Estate, Cuttack-753 010, Orissa. Phones: 24494.



FAROUK IRANI

The leasing industry revisited

Financial onlookers now are prepared at a moment's notice to furnish their "one minute" version of the "Decline and fall of the Indian leasing industry". India did witness an explosive growth of leasing companies during the early eighties. By the late eighties most of the 300 odd registered leasing companies had diversified their way out of the industry. To the "one minute" analyst, this pattern justifies the conclusion that the leasing industry in India had shallow roots.

This evaluation of the Indian leasing industry is far too facile. Discriminating observers of the industry were aware, during the early eighties, that apart from a handful of leasing and/or finance companies, the predominant number of new entrants who stormed the leasing arena had failed to do their homework on "cost of funds" versus the projected anaemic rental rates that would in all probability follow a period of intense competition.

Could any knowledgeable commentator realistically expect India, or any other country to grow 300 leasing executives overnight? It follows that the much-talked-about growth in the leasing industry was illusory. Discriminating observers were aware that the "real thing" did not number more than ten or 12 lessors of which some of the better recognised ones were First Leasing Company of India Limited, 20th Century, ICICI — Leasing Division, Sundaram Finance — Leasing Division, and Nagarjuna Finance, along with five or six other less known but effective lessors.

Financial observers adopted a position of "extremism" and talked about the development of a leasing industry, when all we had was a nucleus of promoters, consisting largely of the companies listed earlier.

INACCURATE ASSESSMENT

Right from the outset, the "maverick" group that entered leasing was not expected to "stay the distance". So it should not come as a surprise to those who understood and followed the leasing industry that the bulk of these lessors picked up their marbles and left.

The real leasing industry in India from the beginning upto the present has in fact consisted of the professional lessors referred to earlier.

These lessors or finance companies consistently reported good financial results, not just over one or two years, but over periods as long as 14 years. The company which has been in the business for the most number of years — First Leasing Company of India Limited — increased its profits from Rs.2.35 lakhs as of 30 November 1974, to Rs.2.8 crores as of 30 November 1987. First Leasing's performance is not exceptional.

The other significant companies such as 20th Century, Sundaram Finance mentioned above also reported outstanding results and increased profits, even in those years, when large industrial firms such as Reliance dropped profits because of environmental problems which they were unable to overcome in the short run.

The profit results of these companies, which essentially constitute the leasing industry, certainly do not seem to be those of a dying industry. I fail to understand how any observer could conclude from this that the leasing industry is about to drop dead.

Onlookers suggest that banks and financial institutions have begun denying funds to the leasing industry. This statement is inaccurate. For the first time in 14 years, the Industrial Development Bank of India (IDBI) and the Industrial Finance Corporation of India (IFCI) have provided substantial term loans to the leasing industry. Our company received more than Rs.13 crores in external credit from banks and financial institutions in 1988. This level of assistance far exceeds bank and financial institution advances made available to us in any one year during the past 13 years we have been in operation. Other strong lessors also received substantial assistance from financial institutions and banks during the current year.

MAJOR CONTRIBUTION

It is amazing to notice that financial onlookers go to the extent of suggesting that the leasing industry worldwide is dying. This observation is grossly incorrect. The leasing industry continues to be vibrant and is in a position to contribute significantly to job creation and commercial activity in general, as it has in the last two decades.

Consider the views of Peter K. Nevitt, perhaps the most respected international authority on leasing, a former president of Bank of America — Leasing, as also of First Chicago Leasing and currently president of Mitsui Nevitt Capital Corporation. At the Sixth World Leasing Convention, Sydney, in his address on 'The contribution of equipment leasing to the world economy", Nevitt observed, "I am sure that most of you are aware that in the US and in many countries of the world, about one-fourth of all business equipment is financed by leases, more than by any other method of financing except, perhaps, internally generated funds."

In the US the leasing industry has provided more assistance than even bank credit to enable companies to gain access to business equipment.

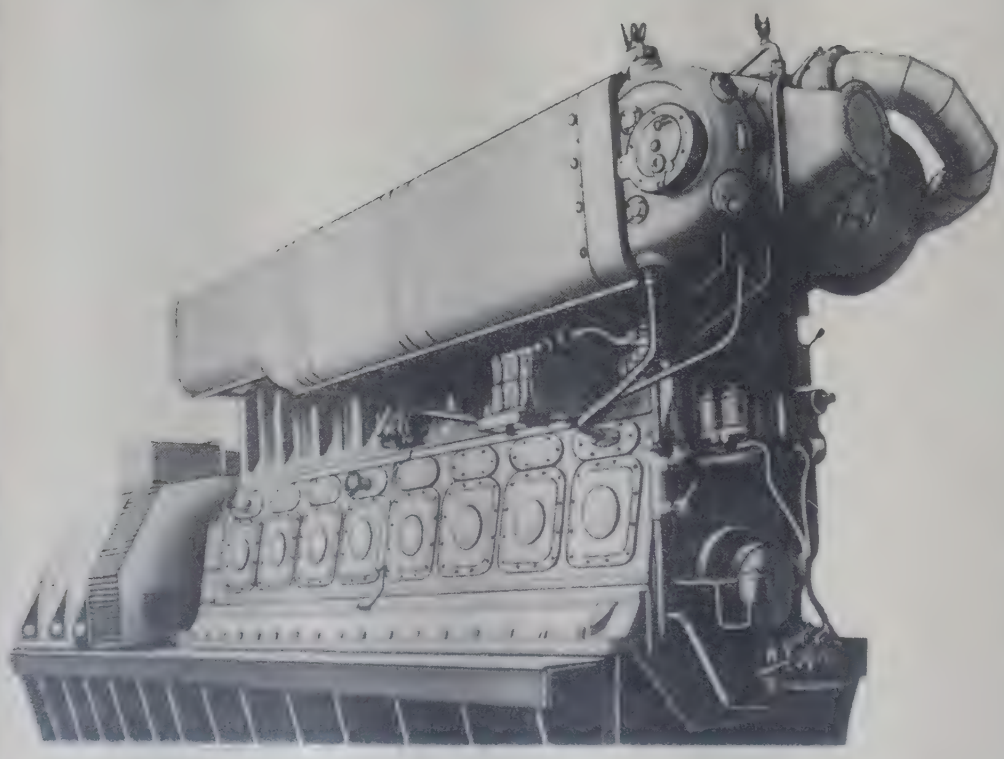
Peter Nevitt continues: "Today in the US, leas-

Farouk Irani is President of the Madras-based First Leasing Company of India

SKL GEN SETS

SKL GEN SETS
SKL GEN SETS
SKL GEN SETS

we engineer RELIABILITY



SKL 1150 KVA Diesel Generating Set
specially designed for the Indian climatic conditions

1150 KVA • 1050 KVA • 1450 KVA

Backed by four decades of experience and continuous technological research and development, SKL Diesel Generating Sets are sturdy, reliable and provide long lasting economy.

Special Features :

- Low consumption of fuel
- Round the clock operation
- Easy maintenance and long service life
- Possibility of operating on heavy fuel
- Multiple sets can run in parallel
- Original spare parts stocked in India

Kanubhai Engineers have sold and commissioned over 800 SKL Diesel Generating Sets in India. We have trained personnel in all our offices and can help you plan and erect a complete power station from designing to complete erection on turnkey basis.

Call or write to us today for a brochure.

Power is critical to your industry, contact the experts.

Manufactured by :
VEB SCHWERMASCHINENBAU
KARL LIEBKNECHT
MAGDEBURG, G.D.R.

Exported by :
TECHNOCOMMERZ
Volkseigener,
Aussenhandelsbetrieb
DDR 1086 Berlin, G.D.R.

Sold & Serviced by :

KANUBHAI ENGINEERS LTD.

- Sir RNM House, 3B Lalbazar Street, Calcutta 700 001.
  Phones : 288507 • 288508 • 282283 Tlx.No. 021-3532
- 117, Bajaj Bhavan, Nariman Point, Bombay 400 021.
  Phones : 2023237 • 2023320 • 2026718 Tlx.No. 011-4763
- 30 Motia Khan, Jhandewalan Road, New Delhi 110 055. Phones : 775079 • 774072 Tlx.No. 031-6163
- 5, Smith Road, Madras 600 002. Phones : 861565 • 861554 Tlx.No. 041-6932

ing is by far the most popular method of financing automobiles both for individuals and for businesses. Lessors make leasing attractive by typically requiring no down payment and often by the assumption of large residual values. About one-third of all automobiles sold in the US are leased. In dollar terms, this is a market size in the range of $ 40 billion to 50 billion which is over and above the $ 100 billion in equipment annually leased in the United States."

Is it any wonder that the US automobile industry is able to thrive, sustained as it is by US $ 50 billion of lease assistance. If India were to permit funding of even a tenth of this magnitude to the leasing and hire purchase industry, there would be no periodic downturn in the demand for automobiles, trucks or two-wheelers, as there would be adequate funding to support increased offtake.

GROWING NEED

In my address at the Sixth World Leasing Convention, I estimated India's "big ticket" leasing requirements over the next ten years as approximating $ 18.9 billion. I considered this a large enough figure to attract the attention of international lessors until Peter Nevitt stole my thunder by referring to the US leasing industry's leasing volumes of $ 150 billion per year.

I said: "We estimate India's general-purpose equipment purchase needs to annualise at US $ 1.5 billion over the next decade. India's special-purpose specific project equipment needs on a partial estimation approximate $ 3.9 billion and relate to the following:

- India's steel mills, especially the Rourkela and Durgapur plants, are projected to require an outlay of $ 1.3 billion on modernisation and upgradation activities.
- The Oil and Natural Gas Commission of India (ONGC), the government agency entrusted with India's offshore and onshore oil exploration, anticipated a need to purchase equipment valued at US $ 1.4 billion for its southern Indian operations alone.
- Indian Airlines alone may purchase 32 commercial aircraft at approximately $ 1.2 billion over the next five or ten years. Indian Airlines' long-term perspective plan indicates that by AD 2001 Indian Airlines expects to move 40 million passengers annually, requiring 45,000 seats.
- India will unquestionably be in the market for super computers.

I could extend this shopping list ad nauseam, but even if I pause at this early stage to strike a sub-total, the emergent number, aggregates US $ 18.9 billion."

The US leasing industry's annual contribution to asset growth at $ 150 billion is 7.9 times my estimate of India's lease equipment requirements over ten years. This ratio is indicative of the magnitude of the leasing industry in the US and can hardly be said to pattern the turnover figure of an industry on death row.

The leasing industry has just begun its existence in India. I am confident that it will expand significantly over the years ahead. The growth pattern of most high-growth industries is not very different from that of the historical pattern of the Indian leasing industry. The first promoters of industry normally generate meaningful profits which attract others. Those with investible funds seek entry into what looks like a high profit opportunity. The immediate consequence of this upsurge in competition is a lowering of rental rates and a reduction of profit margins. Only the fittest survive the price battle which follows. Others diversify out of the industry into more promising profit opportunities.

The fierce battle also has an unintended benefit. The desperate marketing efforts of the combatants result in an expansion of the leasing market as the benefits of leasing are communicated to more companies. After the "shake-out", the few that remain have a larger market than they started out with. This is the point at which consolidation takes place. The market expands while prices stabilise and improve. I believe that we are on the threshold of consolidation and growth.

A FACILE VIEW

In India we have often looked upon leasing as a sinful activity. We adopt the facile view without stopping to reflect that a lessor is merely an intermediary who secures funds from A, and lends them to B. If a lessor is an "intermediary", so is every other financial institution and bank as each one of them borrows funds from the public and lends them to industry.

Says John Phillips, deputy governor, Reserve Bank of Australia: "Leasing at bottom is one way of bringing together investment potential and capital resources. It is the investment which is important. No particular form of financing has a God-given right to market dominance or to a particular market share in promoting investment and contributing to capital formation."

By raising funds from the banking system/ public deposits etc, the leasing industry, during the last 14 years, has most likely contributed approximately Rs.1,000 crores towards the creation of incremental investment or assets in India. Can anyone say that this investment of Rs.1,000 crores has not contributed towards the creation of jobs and economic opportunities? The record is quite clear. The Indian leasing industry has positively made its contribution to the economic growth of our country and continues to be alive and kicking.

NIPPON DENRO ISPAT

A multi-product multi-dimensional company that has brought the finest technologies to India

Nippon Denro Ispat. A company dedicated to bring the finest technologies to India. Pioneering the introduction of 100% import substitute products thereby saving substantial foreign exchange.

The saga of Nippon Denro Ispat's pioneering effort began in 1985 when India's first plant to manufacture thin gauge Galvanised Steel Sheets in technical collaboration with **Nippon Denro Manufacturing Co. Ltd., Japan,** commenced operations.

Nippon Denro Ispat has now collaborated with the renowned industrial giant – **Hitachi Ltd. of Japan** for installation of a sophisticated 6 Hi-Combination Reversible Cold Rolling Mill, which has already commenced operations ahead of schedule in October, 1988. The product range comprises of a wide variety of Cold Rolled Sheets including ultra thin gauge sheets for the first time in India. The operational and maintenance know-how is from **Taiyo Steel of Japan.** The modern computer controlled Continuous Pickling Line and Electrolytic Cleaning Line for the Cold Rolling Mill Complex incorporates technology from Nippon Denro of Japan

Yet another venture is the plant to manufacture PVC / Colour Coated Steel Sheets for the first time in India, in collaboration with Nippon Denro of Japan and operational assistance from **Daito Kogyo of Japan.** This plant is expected to commence operations by the first quarter of 1989.

Simultaneously the expansion and modernisation of the existing galvanizing line is being undertaken with technical know-how from **Stein-Heurtey of France** and **Ajax Magnethermic of U.K.** This would lower the investment cost per tonne of the Galvanizing plant and result in substantial savings in operational costs. In addition, a new range of coated steel sheets with diverse applications would be introduced.

Nippon Denro Ispat is indeed a successful synthesis of the best available advanced technologies to bring to the country innovative products conforming to international standards.

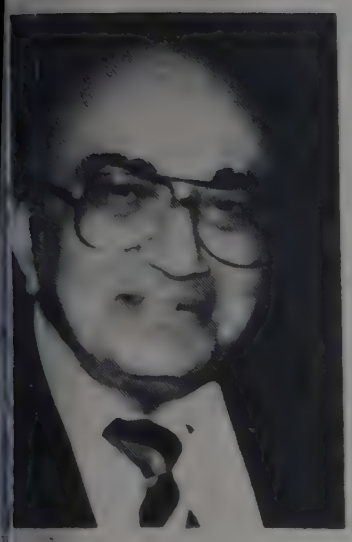
ISPAT

NIPPON DENRO ISPAT LIMITED

'Park Plaza', 71 Park Street,
Calcutta 700 016

We're the first. We are the future.

PRESSMAN



JUSTICE P.N. BHAGAWATI

Environment protection needs all-round participation

There is a growing awareness among all sections of society of the need to take urgent steps for preserving the environment and protecting the ecology — environmental protection as in a much wider range of activities than the mere prevention and control of air and water pollution. It includes within its compass, the maintenance and preservation of ecological balance and conservation of non-renewable resources, including proper and careful use of renewable resources.

In the light of such parameters, it becomes necessary to have a really comprehensive law which will take care of those aspects of environmental protection and prevention of what may be called ecological deficits. These include the loss of tree cover or of top soil, which often go unnoticed until they begin to produce negative economic effects. But by that time, excessive demand may have destroyed the resource itself, converting a renewable resource into a non-renewable one.

ACCELERATED DEPLETION

Ecological deficits occur when economic exploitation exceeds nature's carrying capacity and its delicate balance is disturbed. As demand on a system's resources continues to expand, there comes a time when the sustainable yield threshold is crossed. Thereafter, with each passing year, the pace of resource depletion will accelerate. This leaves future generations of society with few options for corrective action. This is unfortunately what is happening in most parts of the globe and India is no exception.

The degradation which is taking place is contrary to the cultural traditions of India — respect for the environment has been an integral part of our lives. Not for nothing have mountains, rivers, trees, flaura and fauna been worshipped as gods. These constituted a life-giving force sustaining the ecology; that is why they were looked upon with reverence. But what has been happening over many years now, in the name of development, is in defiance of this very practicable tradition.

Forest cover is fast vanishing and with it, important biological diversity is lost forever. Forests are dwindling due to excessive chemical stress, air pollution, acid precipitation and of course, man's insatiable greed. Most of the Himalayas, Western Ghats and Shivaliks are now devoid of forest cover, leading to gradual desertification. According to Satellite Imagery, India is losing forest cover at the rate of 1.5 million hectares a year. At this rate, there will virtually be no forests left to speak off by the turn of the century.

Perhaps the most worrisome loss is that of the topsoil at many places. Already, the difference between the rate of soil erosion over that of new soil formation is such that, within our own lifetime, it is bound to affect food production adversely. Efforts to offset such loss through increased use of chemical fertilisers only creates new problems of soil acidification and salinisation. In turn, this exacerbates water pollution. Then again, deforestation and loss of vegetation reduces rainfall and thereby the overall water supply.

VICIOUS CYCLE

With deforestation and increasing soil erosion, floods and droughts have increased in frequency, extent and severity leading to enormous losses and human suffering. There are acute shortages of fuel wood, fodder and drinking water. The poor are caught in a vicious downward cycle and are forced to overuse resources just to survive. The impoverishment of the environment has further impoverished the poor.

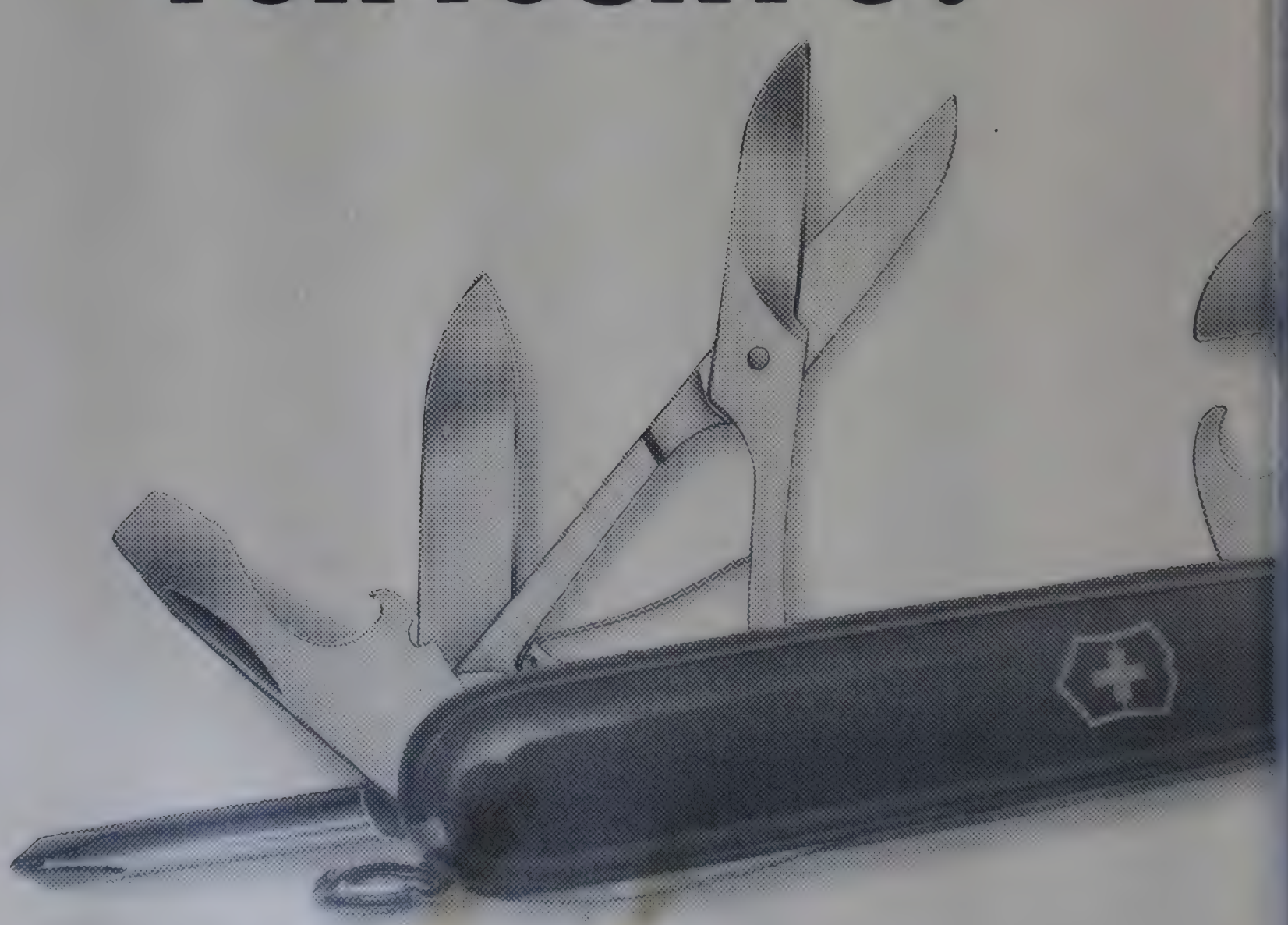
These are examples of environmental and ecological degradation which is threatening human life. It therefore becomes necessary to have comprehensive laws against such degradation. The process of making laws for environment, however, include inputs from environmental groups, representatives of industry, etc. Their comments and suggestions should be invited and taken into account. Social action groups must be involved not only in the drafting of such a law, but also in the implementation of its provisions. The government must recognise that an environment law cannot be enforced only through the bureaucracy; it is necessary to involve the people in the process of implementation and enforcement. That requirement is unfortunately absent in the new legislation.

FRAGMENTED UNDERSTANDING

Besides, no law can effectively grapple with the problematic relations between ecology and development, unless it adopts an integrated and holistic approach. Droughts, deforestation, floods, desertification, pollution of water and air, noise pollution, destruction of nature through large irrigation projects with abiding adverse environmental consequences and the unplanned growth of industries, including hazardous industries — all these are interrelated in more ways

The author was Chief Justice of India and ex-officio patron-in-chief of the Committee for Implementation of Legal Aid Schemes. He was also a recipient of the International Commission of Jurists' Human Rights Award

THE MAN ON THE SPOT. DOES HE HAVE THE RIGHT BACK UP SERVICE FOR YOUR PC ?



The small computer service down the road is a great chap to have around, when your computer is in trouble.

He responds, while the company that sold you the PC in the first place turns a deaf ear, now that the warranty period is over.

You have no choice but to go to the small shop. And make do with whatever resource available.

But is it good enough?

Now you can book the finest maintenance engineers. At Eiko.

Call Eiko. No matter what your brand of PC.

Get yourself a maintenance service reputed to be the best in the country.

The only maintenance service of its kind, offered by a computer company.

Eiko PC Care

Backed by a full-fledged computer manufacturing company. By a network of skilled service engineers.

By the facility to offer the best spares whenever you want it.

Everything to take on where the others left off.

Find out more.
Ask any Eiko PC Care customer

Ask Procter & Gamble, Nuware India, Kirloskar, C.D.O.T., Indian Organic Chemicals Ltd., Dabur India, Vedanta Printers, Chandan Auto Agencies, Mohini Wines...

Some names you know, others you don't know. But all satisfied Eiko clients. Because their PCs are the best maintained PCs in the country.

INTRODUCING

The best maintenance service for your PC

Yes, I want more details of Eiko PC Care.

Name : .....

Company : .....

Address : .....

.....

Tel No. .....

BI 3

Eiko Computers Pvt. Ltd.

10/5 Lakshminarayan Complex, 5th Floor, Palace Road, Vasanthnagar, Bangalore 560 052. Phone: 24969/70538 ■ 117-118, Dalamal Towers, 211 Nariman Point, Bombay 400 021. Phone: 232577/233296 ■ 1207-9, Pragathi Towers, 26 Rajendra Place, New Delhi 110 008. Phone 5713481 ■ Cisons Complex, 150 Montieth Road, Egmore, Madras 600 008. Phone: 861483 ■ 113/5A, Hazara Road, Calcutta 700 026. Phone: 482487/265802/268998.

Contract-EC-271-88

Quality. Technology. Innovation.
Bharat Electronics' new 3-pronged identity.

A company synonymous with the state-of-the-art in electronics, we are now poised for accelerated growth. Through a series of new initiatives.

Starting with our vibrant new symbol. Embodying our commitment to excellence on many fronts :

Quality *in all our activities.*

Technology *of our products and production processes.*

Innovation *in our R & D, for greater self- reliance.*

This is the thrust our new symbol represents . . . ushering in an exciting future, taking off on our dynamic present.

Bharat Electronics Limited
(A Government of India Enterprise)
Registered Office : Trade Centre
116/2, Race Course Road
BANGALORE-560 001

than one. A plethora of separate legislations passed at different times in different contexts, fragment the understanding of environmental issues in their totality. Uncoordinated, ad hoc and patchwork legislation on an all-encompassing subjects like this is not going to be of much help.

The new Environment (Protection) Act 1986 is in force but is totally inadequate to deal with the many aspects of the problem. It is not comprehensive enough to cover all forms and causes of environmental destruction and degradation. For example, though the definition of 'environment' in Section (2) (a) of the Act emphasises the interrelationship between water, air and land on the one hand and 'human beings, other living creatures, plants, micro-organisms and property' on the other, Sections 7 and 8, which deal with the environmental impact of large dams and irrigation programmes, are in effect powerless to prevent deforestation, soil degradation and erosion, flood, drought or desertification. These forms of damage must also be covered as such acts or omissions which may prove injurious to the environment.

The standards for a quality of environment in its various aspects must be prescribed by the law in a reasonably practicable manner. They must be attainable from a practical point of view, with due regard to the stage of development of science and technology in the country, and be effective in eliminating existing or potential threats of environmental damage. Of course, when there is industrial activity, some injury to the environment is inevitable, but it must be acceptable to society as a price to be paid for development. Otherwise, the law should be strong enough to be able to stop the offending industrial or development activity.

FULL ACCESS

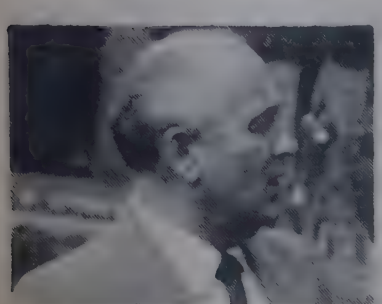
When environmental standards are fixed, they must have been arrived at after consideration of the widest possible solutions, and through a process where environmental experts and social action groups are involved. The government could set up an agency, possibly styled the Environmental Protection and Research Authority, with full access to all information on hazardous substances, their import, preparation or use, test reports, imports, etc. This information should form part of the public record.

The main functions of the authority should be:

- keep a record and disseminate information;
- undertake investigations into the hazardous character of enterprises;
- provide experts to the law courts;
- provide professional consultancy services for technology assessments and project evaluations done;
- help citizens and public interest groups by making evaluation reports on apparently hazardous projects and production processes;
- spread environmental awareness through programmes, books, periodicals, video cassettes and audio-visuals;
- undertake immediate techno-ecological analysis of ecological and environmental disasters to ascertain the causes of such disasters;
- instruct industry in disaster management techniques;
- identify areas which are endangering the environment and ecological balance for preventive action;
- assist in the formulation, development and drafting of environmental law, drawing on the Indian and international experience or the norms being evolved by the UN Environmental Programme (UNEP);
- and monitor the implementation and enforcement of the provisions of the environmental law.

In addition, the government would do well to set up environmental courts on a regional basis in order to adjudicate upon cases involving environmental and ecological issues. These courts should ideally be presided over by a high court judge and with two assessors to support him. The latter should be deputed from the Environment Authority referred to earlier. Such a set-up would considerably facilitate effective disposal of environmental cases. The environmental courts should have wide powers to grant such remedies as may be necessary for preventing environmental pollution and maintaining the ecological balance and also conservation of national resources such as forests, topsoil, water, air, etc. They may be empowered to entertain cases at the instance of environment groups and also deal with criminal cases arising out of the provisions of the Act and the rules.

Environmental protection is a complex question of control over a very baffling range of scientific, technological, industrial and economic activity. It requires a high degree of technocratic competance to assess the environmental impact of such activities. Thus, the presence of eminent environmentalists with specialisation in different branches of environment and ecology is crucial to the law making and keeping process. Also, feedback and constant inputs of information providing raw materials for policy decisions is crucial. The proposed Environmental Authority must have access to feedback from a comprehensive cross-section of society. This may mean the representation of workers' unions, consumer guidance groups, women's movements, etc, on the Authority itself. Only such a participatory structuring would make it really effective and meaningful.



Gorbachev returns The perestroika agenda

Gorbachev will soon be in India, just two years after his first visit. Much has changed in these two years. The Soviet Union has become a more open society. It has decided to give market forces freer play. And more important it is redefining its relationship with China. How will these changes affect Indo-Soviet diplomatic and trade relationship? A report

When Mikhail Gorbachev arrives in New Delhi on 18 November he creates history. India is the only country that the Soviet leader has chosen to visit twice. And with this unprecedented step Gorbachev sets to rest several rumours that had begun to trouble Indo-Soviet relations in recent times. The first is that in the era of *perestroika* and *glasnost*, India no longer merits the special relationship — economic and political — that it used to enjoy vis-a-vis the Soviet Union in earlier times. The second is that a liberalisation-oriented Rajiv Gandhi government has little use for the bear hug that Gorbachev guarantees when he arrives from Moscow. Considering the fact that Gorbachev himself arrived in November 1986, had Rajiv over in July 1987 and is back himself in November 1988, all these rumours seem clearly baseless. Says a secretary in the ministry of external affairs "The message clearly is that India matters".

Official statements are that Gorbachev, is visiting India to receive the Indira Gandhi award on 19 November, and to ring the curtain down on the Soviet festival in India. But clearly there is a great deal more than the purely ceremonial. Foreign ministry officials point out that a second visit by Gorbachev is the kind of public signal that has both global and bilateral significance which cannot be overlooked. Says an official, "While ceremony may seem to dominate, the substance is the bedrock of the visit."

RAPID GROWTH IN TRADE

And the foundation of the relationship is strong. Commerce ministry officials in Udyog Bhavan New Delhi are excited by the prospects of growing trade with the USSR. Says commerce secretary A.N. Verma, "The bilateral trade targets we had set for this year have been achieved. Growth is the order of the day." Officials in the commerce ministry point out that the trade turnover for the current year may well be over Rs.5,400 crores. The growth rate of "between 30 and 35 per cent" that officials in New Delhi are busy discussing, no longer seems unrealistic. Says Verma, "The two leaders, in their earlier summit, had proposed a two-and-a-half tim growth in trade by 1992. It sounds simple b gearing up for that kind of growth is an en mously complex exercise. But this year's figu show that we are headed in the right directio While the 1988 plan production had called fo figure of Rs.5,000 crores, the ministry is n pitching for well over Rs.6,000 crores in 19 Clearly, the bucks (whether they are in rupees roubles) are big and growing. Informed sourc in the finance ministry add that the target two-way trade at a level of Rs.10,000 crores ann ally three years from now may therefore not unrealistic.

Big bucks and brotherhood — the bedrock Indo-Soviet relationship also finds expression the high-level delegation that accompanies G bachev on this visit, which comes shortly aft the party chairman's revamping of his own par machinery. Gorbachev's team will encounter equally powerful array of cabinet ministers a officials from the Rajiv government. While fin details about who will constitute the Sovi leader's team were not available as we go press, observers in New Delhi suggest that the will be many heavyweights.

In fact, on the eve of Gorbachev's arrival, th steady stream of high-ranking Soviet officia closetted in confabulations with local ministe and officials suggest that the USSR is taking th "largely ceremonial" visit rather seriousl Among those in New Delhi to pave the way f Gorbachev was, of course, the Soviet defenc minister. Military equipment and co-operatio after all, even in this era of glasnost, will co tinue to figure prominently in the Soviet leade talks. Other prominent visitors included the S viet Minister for foreign economic relations, th deputy chairman of GOSPLAN (the Soviet pla ning agency) and Soviet economist Gennad Lisichkin.

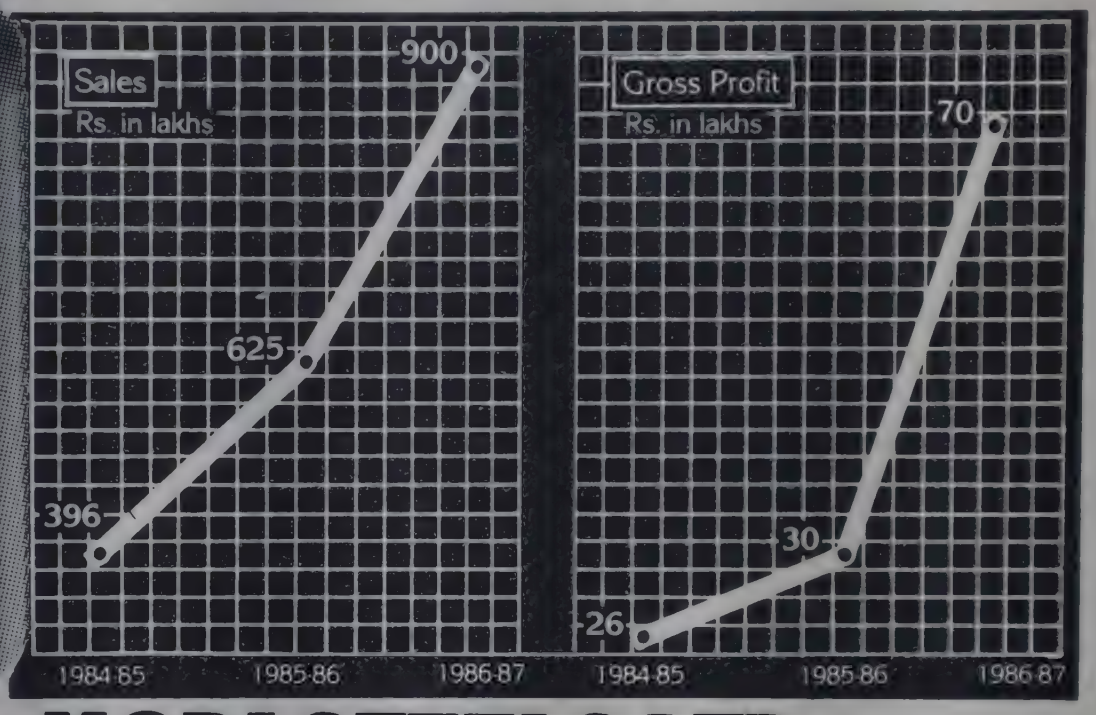
CONSOLIDATING TIES

But apart from the presence of point men mos insiders insist that the success of summit meet ings is determined by the personal chemistry

Gorbachev and Gandhi: personal chemistry

A Company is measured by the growth it achieves.

The Growth Story



A PREMIUM ISSUE

MODI STEELS LTD.

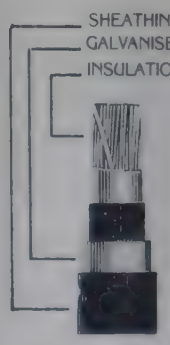
expands its existing operations and diversifies into

POLYMER COMPOUNDS-

vital for manufacturing

Jelly Filled Cables.

100% Import Substitution



THE TRACK RECORD

Take a look at the graphs. They tell the success story of Modi Steels Ltd. (MSL) —its dynamic growth, in terms of sales and profits. Adding up to a track record that spells healthy and rewarding returns to the investors in this Premium Issue. From a Company dedicated to the cause of its shareholders.

THE YEARS AHEAD

Now take a look at the future. MSL is modernising and expanding its existing unit at Patna and diversifying into Sheathing and Insulating Polymer Compounds essential for manufacturing Jelly Filled Telecommunication Cables. This diversification project at Surajpur in U.P. will manufacture products which are 100% import substitutes. MSL is assured of an ever-growing market from the jelly filled cable and power cable manufacturers. It will also make MSL the only Integrated Feeder Company for the Cable Industry... marking the beginning of another chapter in the MSL growth story.

THE ISSUE

To part-finance its investment plans, the Company is entering the capital market with a Premium Issue.

Indeed., an outstanding opportunity for you to share the benefits of MSL's 18 years experience and goodwill. Come, make the best investment decision of the time.

Welcome to the Modi Steels family of shareholders. Welcome to a growing family.

Public Issue of 9,00,000 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 4/- per share aggregating Rs. 126 lacs.

Issue Opens :
12th November, 1988 for Non Resident Indians;
21st November, 1988 for the Indian Public.

PREMIUM ISSUE HIGHLIGHTS

- A premium issue from a profit-making, dividend-paying Company.
- The largest manufacturers of Cold-Rolled and Galvanised Steel Strips for the Cable Industry.
- Diversifying into Polymer Compounds — 100% Import Substitute; plant imported from world renowned Pomini Farrel SpA., Italy.
- Products in heavy demand, essential for the high priority, fast expanding Telecommunication Industry.
- The only Integrated Feeder Company for the Cable Industry.
- High value-added Insulating Compounds being produced first time indigenously.
- 80L, 80M and other Wealth Tax benefits.
- Easy liquidity — listing at the Patna, Ahmedabad, Bombay, Calcutta and Kanpur Stock Exchanges.

Managers to the Issue

The Industrial Credit and Investment Corporation of India Ltd
Merchant Banking Division

SR Capital Markets Limited

Co Managers to the Issue

Standard Chartered
Standard Chartered Bank
Merchant Banking Division

Advisors to the Issue

Champaklal Investment & Financial Consultancy Ltd.

MODI STEELS LTD.

Industrial Area, Patliputra, Patna 800 013
Swallow Lane, Calcutta-700 001

The only Integrated Feeder Company for the Cable Industry

Sobhagya/C/MSL/4.88

e two leaders. Says a key official in the ime minister's office, "Officials and en ministers are just there to fill airs". And going by the bonhomie that s already marked the Gorbachev-Gan- i meetings so far, the upswing in rela- nship is likely to persist. Says foreign inister Narasimha Rao, (speaking to viet media) about the forthcoming it, "I foresee a steadily rising graph in do-Soviet relations in the future"

Nudging the graph upwards is, how- er, no easy task in the new world that rbachev and Gandhi find themselves in w — a year after their last meeting. hile foreign ministry officials attempt to ficially paper over their worries about e future, *perestroika* and the accom- nying *glasnost* are likely to have far- aching consequences. Both in the realm economic relations and in the political here, key insiders agree that "there is use for concern". And they speculate, it possibly to reassure India that the rela- onship between the two countries will ntinue to be special that Gorbachev is aking this public spectacle of a second ate visit at this time. As if acknowledg- g this inherent tension, Gorbachev, in is curtain-raiser-to-India remarks, said the Soviet Union recently that he oped to consolidate "the unique, iendly interaction between two very dif- rent and influential countries". (Note e use of the word different).

FFECT OF PERESTROIKA

he "differences" between the two coun- ies are likely to increase in many ways – at least when compared to the cosy attern that the relationship had ac- uired over the last few decades. Today dia is concerned about two basic issues – how *perestroika* will affect the way the o countries will do business with each ther, and how their individual relation- hips with the rest of the world will affect ilateral relations.

In a sense, therefore, the Gorbachev isit seems to be carefully timed. "Seems" nly because, the ceremonial trappings of he visit — on account of the Festival of he USSR and the Indira award — were rdained much before the factors cur- ently at play, came into focus. The back- lrop of the latest Gorbachev-Gandhi ummit is therefore at least as important s the agenda that the two leaders have et out for themselves. In the realm of lobal politics, a new American president vill have been elected, Europe is heading owards its 1992 merger, Rajiv is going to China and so is Gorbachev. On the economic front, Gorbachev's party has re-endorsed *perestroika*; India is finalising its next plan strategy; for both countries exports and overseas markets are becoming crucial and Indian companies are now getting the first benefits of industrial and tax liberalisation.

Gorbachev's visit, unwittingly perhaps, gets played up more in India than back home. But, perhaps because everybody knows that elections in India are only a year away, Gorbachev has sent subtle hints that suggest he intends to play the visit at low key. Besides reports of denying curtain-raiser interviews to semi-official Indian media Gorbachev handlers in the Kremlin are also pushing for a written agenda. The message being, of course, that Gorbachev would prefer not to be part and parcel of any Rajiv governments political hype for local consumption.

THE GREAT RUSSIA OPPORTUNITY

Against this backdrop, the agenda for the two leaders seems almost cut out for them. Clearly, talks on their respective China policies will dominate, even if details remain unreported for obvious reasons. Most observers believe that the details available for public consumption will be a re-assertion of both nations' belief in a strife-free world with peaceful borders and amity between the people. And, as a consequence of the predictable diplomatese that permeates all such pronouncements, the nitty gritty of economic co-operation will get unwittingly highlighted. The advantage of all this as far as the Indian business community goes, is that it will once again help focus attention on the great Russia opportunity. The Russia opportunity, which an ecstatic Italian Prime Minister described last week as "the El-dorado of the nineties" is a significant one for Indian business. And the dynamics of *perestroika*, in the gospel according to Gorbachev, will determine whether India gets going in this area at the right moment.

Perestroika, however, is unlikely to enter the biggest deal that Gorbachev will swing in India this week. He will sign a protocol to supply two giant nuclear reactors of 1000 MW each. The nuclear reactors of the pressurised water variety are expected to open a whole new era in nuclear power co-operation between the two countries. The reactors that Gorbachev will sanction are enormously larger than the 440 MW reactors that India had originally opted for. The reactors which are estimated to cost Rs.5,000 crores and are at the centre of a controversy in nuclear circles here. The Russians, however, insist that fears about the technical aspects of the project are confounded since they have provided a five-year buffer stock of enriched uranium and agreed to take back spent fuel.

While the 1000 MW giant nuclear plants threaten to loom large on the agenda, the basic details of new areas of co-operation will find their way into the fine print of the summit minutes. The Soviet role in the power sector, as elsewhere, is seen as significant in the finance ministry. Says a key economic official in the government, "The Soviet power plant offer must be seen in the context of our need for resources in the Eighth Plan. The way they plan to finance these nuclear reactors allows us to use the funds we have elsewhere."

Indeed, as officials in the East Europe division of the finance ministry observe, "In May 1985 the Soviet Union granted 1000 million roubles worth of credit. This was followed, in the drought year of 1986 with a further credit of 1,500 million roubles". Clearly then, these credits and those that will be announced this time around will make a major impact on resources available with the makers of economic policy. Adds an official in Yojana Bhavan, "The advantage of rouble credits is that we are able to plan some sectors (eg, power) in a manner that ensures that free foreign exchange use is optimised. What the Russians can supply has been identified and will be supplied over a period of years. And, in most cases, once the leaders sign the protocols, little else needs to be done".

NEW AREAS OF CO-OPERATION

In a sense though, protocols and *perestroika* do not mix. That then is what this Gorbachev visit must mean. Says Alfred Gonsalves, secretary in the ministry of external affairs, "We still have a clearing system, as far as trade is concerned. But, in the long-term perspective all this is changing". And, it is this change that the latest summit could well be a harbinger of. Gonsalves points out that the Indian government as well as Indian industry "has begun to look at new areas of cooperation", because of the need to achieve the two-and-a-half times growth in trade that the leaders had already agreed upon.

Yogindar Alagh, member, Planning

THE FOREIGN HOLIDAY

But of course you must go. You've earned it. At your level you don't need to give reasons but it's impressive to let slip that you are going to check out the world's best continuous duty diesel generating sets.

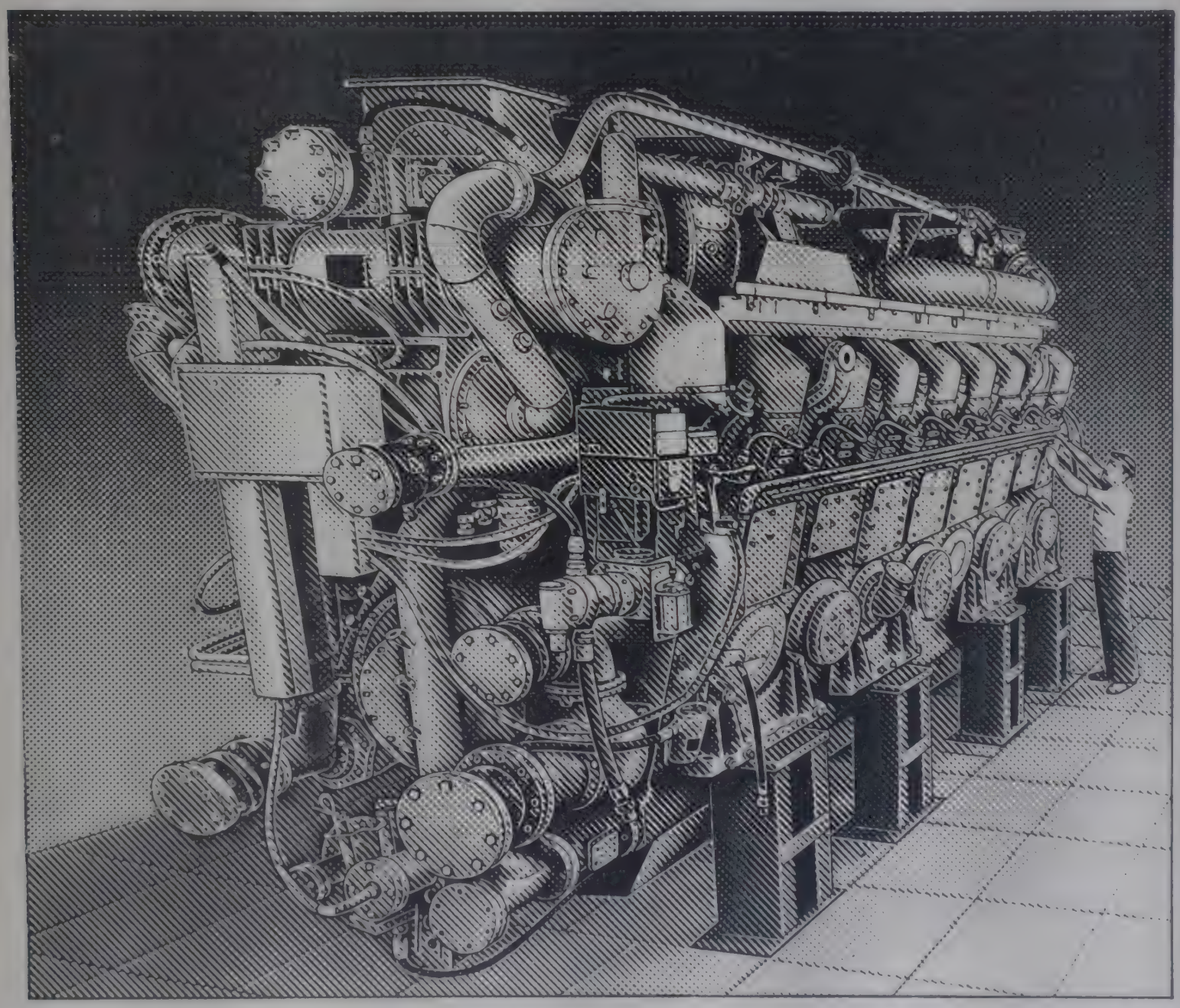
Buy your wife the Paloma Picasso perfume. And a print of the Matisse dancers for yourself. Splurge. After all when you get back you'll be buying the 2.2 to 4.5 MW Kirloskar Pielstick right here at home. And saving millions in foreign exchange. Not just on the engine but on spare parts too. And you may expect one other continuous thing from the Kirloskar Pielstick. Our after-sales service.

The Kirloskar Pielstick. A real warhorse. Ask the Indian Coast Guard. They've been flogging it in six off-shore patrol vessels day and night for years now. And the Indian Navy is installing it on several Corvettes and other naval vessels. So have a great number of the most advanced navies in the world. Now tell us, what better proof can you get of continuous duty operations?

And on land? You know what the power situation in the country's like. And it's not likely to improve for a long time to come. So a whole lot of industries like Andhra

Cement, Orissa Sponge Iron, BEML, Bihar Sponge Iron are picking it up as their prime mover. And discovering that they'll never be short of power again. Ever.

Why don't you call Mr. S. Goswami at (0212) 55341/ 56454? Or better still, kill two birds with one stone, have a cup of tea with us at Kirkee, Pune 411 003, and see this magnificent genset? That's if one is still left on the shelf.



Kirloskar Pielstick... you'll never be short of power again.

Kirloskar

KIRLOSKAR OIL ENGINES LIMITED

Print No. KOEL 161 88 BM

The rouble rolls over

"The political decision to make the rouble convertible has already been taken," says a senior official in the foreign ministry. And by all accounts, the ministry of external affairs is keeping a close watch on this process. Ministry officials, however, believe that discussions on the implications of such a shift for India may not yet figure prominently on any summit agenda. At the same time, they insist that the process of making the rouble convertible is proceeding faster than outside observers currently estimate.

External affairs economists have an inkling of the Soviet economy's creditworthiness — which inevitably is linked to a convertible currency — by the alacrity with which foreign banks have extended credit to the Soviet Union. Moscow watchers in New Delhi are paying particular attention to the loans — of over $ 10 billion — pledged to the USSR in the course of the last month. By all accounts, say experts, the Western economies' interest in China has waned. The disenchantment with China and the new hope in Gorbachev is causing western bankers to look at Russia with a gleam in their eyes. Moscow watchers believe that this optimism is enough at the moment for rouble convertibility to be a minor factor in any lending programme.

While the external affairs ministry believes that the rupee-rouble link may not be a forever bond, other arms of government in New Delhi think that this issue need not figure now in the domestic policy debate. As a senior commerce ministry economic analyst says, "Its still very far away. In any case, you cannot wipe away 70 years of history in one grand conversion. The process is more complex than just letting their currency float."

This view is echoed elsewhere in the finance ministry which also believes that the rupee-trade arrangement is likely to remain stable in the foreseeable future. Says an official, "In any case, given our political links, there is nothing that precludes an arrangement whereby the rupee and rouble continue to have a special relationship." For the moment, therefore, North Block and Yojana Bhavan have decided to maintain the rupee trade zone as inviolate and continue to treat the balance of payments problems within the region as merely a clearing exercise.

The market clearing exercise based on trade agreements is, however, bound for change. While Sino-Soviet clearing is in Swiss francs, Indo-Soviet clearing is in rupees; within the CMEA, it is in roubles. Over time, these differences, however, are likely to even out with a common denominator coming into force. For those who are looking for signals, Kremlin watchers suggest that several discreet stages are likely to precede a free floating rouble; for one, price reforms will continue.

It is expected that a wholesale price reform will be all that Gorbachev will attempt initially (specially given the turbulence in Poland over retail price reforms). That, in the medium term, will be accompanied by commodity support — to ensure that goods are available at stipulated prices. At this stage, the pressure on consumer goods imports is likely to be high. Therefore, say experts, the Soviet Union will probably attempt a national rate of exchange within the CMEA region. If this is successful, a further opening up will become possible.

As for a timetable for all this to happen? Indian officials doubt at the moment whether anything close to a convertible rouble will exist before the year 2000. So, one would do well to stick to the rupee system for the moment and work on making sure his export items figure in the trade protocols. Before the rouble really floats, everyone will have lots of notice.

■ DILIP CHERIAN

Commission, who led an Indian delegation that included Sam Pitroda to the USSR last month says, "We are discussing a whole new range of areas for co-operation. For example, we have talked of manufacturing the AN-28 (a 23-seater civilian aircraft in India.)" Officials in Yojana Bhavan and South Block advise caution in trying to detail the new joint venture areas, "They are so many and lots of them need to be explored further." One official cites with caution that after the three hotels currently being constructed by Indian companies in the USSR, seven more may be awarded for construction by 1990 and 30 more may be awarded in the 1990-1995 Five Year Plan." Other joint ventures in the area of newsprint, furniture and food processing may well be in the offing, they say.

Officials in the commerce ministry believe that "services" could well be a growing area. A think of experts from India. They suggest that besides the mini hotel boom there could be a hospital construction boom. Moreover, the officials say, management services including areas like marketing, finance and software are a boom area for the future.

SEVERAL OBSTACLES

The stumbling blocks in all this hectic hoping are many, concede officials in the foreign ministry. They agree that the Soviet Union is attempting to implement a joint venture law with hardly any previous experience with joint ventures. The other big block that officials in Udyog Bhavan highlight is that with *perestroika*, individual units in the USSR who now have freedom to operate, are seeking to balance their trade account. "Such balances are impossible and we have not accepted this new principle at all," say officials.

However, officials insist that such details of unit-level balances versus sectoral balances and wrinkles in joint venture legislation are unlikely to figure in tal at the Gorbachev-Gandhi level. This, th say, only sets a tone — if the leaders set path, the details fall into place.

The other area of concern is the repor currently doing the rounds that th rouble is turning convertible. While mo officials in the commerce, finance, a external affairs ministries agree that t matter is important, views on the urgen differ *(see box)*. They do, however, agr that Rajiv Gandhi will probably get better feel of the pace of Soviet refor from the current round of consultation And this "feel", they believe, will have finally influence the pace at which t Indian government and therefore Indi companies begin their plans of copi with the possibility of "rupee trade" tur ing into hard currency trade. The officia also believe that except for this visit pr viding an opportunity for such insights well as indications of what "specia terms (vis-a-vis the East Bloc) India c

Some of the most exquisite reasons for shopping in Hong Kong are made in Switzerland

You can see a few of them here. More persuasive, though, are Swissair's Excursion Fares between Bombay and Hong Kong and the three non-stop flights every week. Equally alluring is the service, perfected in Switzerland.

For travellers to Bangkok and Singapore, Swissair has a no less attractive offer: two flights every week to either city and the added bonus of Excursion Fares. All bearing the stamp of unmistakable Swiss quality.

swissair

For details call your IATA travel agent or the nearest Swissair office:
AHMEDABAD 449149 • BANGALORE 571983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 224244 • KATHMANDU 222452 • MADRAS 861583

One is, of course, referring to clothes and accessories that reflect a grown man's allegiance to all that is enduring.

An allegiance shared by Park Avenue. So consi for a moment, just one aspect of their readymad package: Formal Trouser and Shirts.

From the knife-edge crease to the understated self-striped patterns. And from the pleated fro to the pure silk, cotton or blended fabric of the fused-collar shirt, discover how Park Avenu emphasizes the one thing that survives every antic of fashion:

Style.

Is there anyone out there who still knows how to package a grown man?

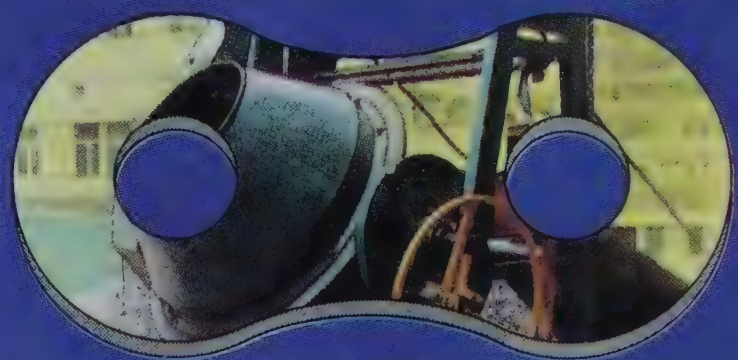
Style...
it never goes out of fashion.

The Park Avenue Collection.
Readymade for you:

Suits, Jackets & Blazers
Safaris
Trousers & Shirts
Kurtas
Jeans
T-shirts
Woollen Knitwear
Ties
Scarves & Cravats
Handkerchieves
Socks
Belts & Leather Articles
Men's Toiletries

For a free Park Avenue booklet
write to: J.K. (Bombay) Ltd
P.O. Jekegram, Thane - 400 606

The Big.



The Small.

And hundred others in between have a common link.

Diamond Industrial Chains. From 3" to ¼" for hundreds of application areas...

From giant oil rigs to concrete mixers... paper mills, cement plants, textile mills, fertilizer plants and many, many more.

Diamond Industrial Chains is the one name that has chains in pitches varying from 3" to ¼" manufactured to both AS and BS specifications.

Widest range of transmission chains

☐ Single and multi-strand chains ☐ Leaf chains ☐ Carding chains ☐ Extended pin chains ☐ Heavy duty chains ☐ Conveyor chains ☐ Special purpose chains ☐ Standard application chains

A team of highly trained engineers, 17 warehouses around the country and hundreds of outlets give easy access to Diamond Industrial Chains.

Application Engineering Cell for special needs

Diamond Industrial Chains' Application Engineering Cell will innovate the perfect solution — with a custom-built chain for very specialised requirements.

TI Diamond Chain Ltd.,
Madras 600 053.

Diamond Industrial Chains.
Made in technical collaboration with Diamond Chain Co., USA.

REGIONAL OFFICES:

Bombay: United Bank of India Bldg., Sir P M Road, Fort, Bombay 400 001. Phone: 2870903. Telex: 011 2216. Grams: TUBEIND.
New Delhi: Post Box No 7087, 9 & 10/3 Asaf Ali Road, New Delhi 110 002. Phone: 270535. Telex: 031 2319. Grams: TUBEIND.
Calcutta: 37-A Camac Street, Calcutta 700 016. Phone: 442595. Telex: 021 7359. Grams: TUBEIND.
Madras: Post Box No 1501, Anna Salai, Madras 600 053. Phone: 656181. Telex: 041 22083. Grams: TICHAIN.

TA 1204

X.1000 MW NUCLEAR POWER STATIONS

The pros and the cons

During this visit an agreement will be signed for two giant 1000 MW nuclear power stations. These will be located at the southern tip of India. These atomic power plants, as well as the Tehri dam, agreed on during Gorbachev's last visit (see Focus, p. 89) have stirred major controversies. *Business India* spoke to critics of the arrangement as well as key officials in the Department of Atomic Energy including the Secretary Dr.M.R. Srinivasan.

The arguments for and against these nuclear plants

PRO	CON
Balancing trade The sale of two turnkey nuclear plants at approximately Rs.5,000 crores each will help balance the huge export surplus (Rs.800 crores in 1986-87). Our government is not purchasing heavy industries and the private sector is unwilling to purchase Soviet capital goods or technology. The purchase terms also help our capital resources constraint.	This is not merely a trade transaction but will erode our sovereignty in the nuclear field, particularly our nuclear weapons option. In any case the trade gap and energy shortfall can be closed by importing huge conventional thermal power stations.
The Tarapur experience While Tarapur highlighted the danger of dependence on an outside source for enriched uranium fuel, contractual arrangements provide fuel for the full life of the reactor. Also a five-year stockpile of fuel is provided for.	This showed that we could be blackmailed into accepting full scope safeguards. Turning off the fuel supply would lead to a shortfall of 30 per cent in the southern grid.
Safeguards The tripartite agreement with the Soviets and the International Atomic Energy Agency (IAEA) specifically restricts safeguards to these two sites. Similar restricted safeguards apply to Tarapur and elsewhere.	These sites specific safeguards will enmesh us in the IAEA net by indirect means. Apart from fuel, the Soviets can hold back essential spares, supplies and services (like trading) on the excuse that we are going for nuclear weapons. Also since the safeguards are in perpetuity, we cannot develop indigenous fuels. USSR along with USA has been the strongest supporter of non-proliferation.
Spent fuel For the life of the reactors USSR will supply fuel and take back spent fuel.	Even its East European allies have not been permitted to construct enrichment or reprocessing units. East European power stations have fuel delivered to them and spent fuel transported to enrichment centres in USSR. The same system is being sought to be imposed on us.
Abandoning our nuclear programme Senior officials deny that acceptance of these two plants imply a deviation from the nuclear blue print drawn by Dr.Homi Bhabha in the 1950s. They argue that these plants are not outdated but on the contrary are an established design and continue to be produced. It is true that in the second stage fast breeder reactors are envisaged, but currently in spite of the large experience in USSR and France such fast breeder reactors are still not cost effective to produce power. It is denied that there is any abandoning of the earlier independent plans. Nor do we give up our weapons option, though there is no intention to go nuclear.	The Indian atomic energy establishment is progressive according to the Bhabha blue print, even though the first stage pressurised heavy water reactors have not been fully mastered, we need to persist with our plan to move to fast breeder reactors, which in turn will lead to the third stage of new generation of reactors based on uranium 233. In an effort to make the Soviet light water reactor program a success, the brightest and best of Indian scientists will be inducted into it and will garner disproportionate resources leading to a dilution of the effort to attain self reliance.

expect in such a situation, there is little that a summit will actually produce, on this front.

Hopes on joint ventures, the supply of nuclear technology and the impact of a convertible rouble aside, the China factor is probably the item highest on the minds of both Gandhi and Gorbachev at this point in time. Since Gandhi's planned visit to China precedes Gorbachev's visit there, detailed discussions on this subject are likely to result. While the politics that surrounds the border issue for all the three countries is the thorniest problem, by all accounts the Soviets seem to be far ahead of India in the area of border negotiations.

The border issue is not the only one that is likely to figure in the talks. In the area of trade too, China has become an important factor. Suddenly Indian trade and industry is worried silly that China is making an entry into Russia and East Europe. Says an official in the commerce ministry "The China card is being made into an unnecessarily big issue." What has made headlines set off officials worry, is that the Soviets have been making overtures that the Chinese have reciprocated readily to, in the area of consumer goods. This [illegible] external affairs officials that China is just another country which seeks to grab the Russia opportunity. Says Alfred Gonsalves, secretary external affairs, "Everybody from South Korea, Taiwan, Japan, Italy and West Germany is beating a path to Russia's door."

IN A FLUX

But commerce ministry officials believe that the "China factor" is not as significant to Indian trade prospects as made out at the moment. The Soviet hunger for consumer goods is almost insatiable and they believe that India has little reason to worry about China as far as exports are concerned. Complacency, however, is not advisable, commerce officials say, adding, "Their packaging, their delivery schedules and their public relations are far better than ours. But more important, the Chinese pricing policy allows for a rate of exchange that allows their products to outprice ours." They also point out that the pace of price changes and the limited introduction of market mechanisms in the Soviet Union and China has put everything into a flux. The current Sino Soviet trade pattern also works on a market clearing system, except that historically the conversions have always been on the basis of Swiss francs, point out officials in the trade ministry. They foresee all this changing as both economies closer towards becoming ma oriented.

All of which indicates that on s fronts the lessons of *perestroika glasnost*, are bound to get to Indian ness very soon. Says N. Verma, com secretary, "Indian companies must to take Russia seriously. We have used to having the inside track. N may have to compete to stay on it." Gonsalves, "The special relationshi ween India and Russia is there all But for industry to take advantage much greater efforts at being comp are essential."

Says an external affairs of "Indian industry must get its act to and move very fast. There is going to big advantage in political cosines going to be business that wins the

And an insider says: "Russian tra no longer be taken for granted. Th are looking for ways that will allo jects they buy, to repay their borro out of earnings. India must reali this." And, as they say, if all this out, the bear hug that Gorbachev Gandhi may have more meaning an tent than just diplomatic rhetoric.

The Chola Sheraton Business trip

There is a fine difference between a business trip completed and a complete business trip.

It takes more than just a hotel to prove it. It takes the Welcomgroup Chola Sheraton. And the discerning business traveller.

For whom we have created the **Executive Club,** a new world of hospitality with specially appointed rooms and suites, extensive business support facilities and personalised valet service.

And the **Executive Club Lounge.** Quiet, elegant and distinctive. Ideal for informal meetings and private entertainment.

But the 'complete' business trip means more than business. And we at the Chola know this.

The new, fully equipped **Health Club** not only smoothes away the creases of your hectic schedule, it also helps you unwind—for the leisure hours.

So that you can revel in the pleasures of dining at our speciality restaurants, and, of course, the **Peshawri**—the North-West Frontier restaurant that brings you an unforgettable gourmet experience!

All this in an environment which exudes the inimitable Chola warmth and hospitality.

WELCOMGROUP

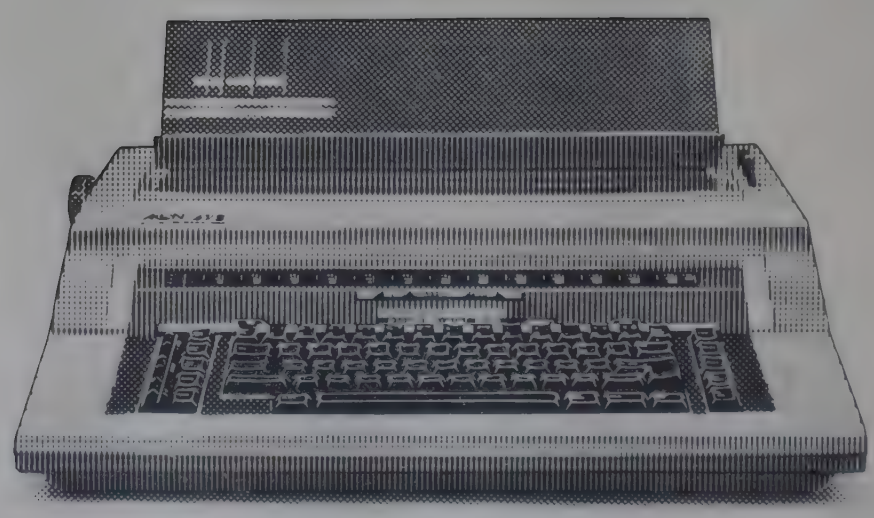
Chola Sheraton

The complete business experience.

10, Cathedral Road, Madras, Tamil Nadu Tel.: 473347 Telex: 041 7200 WELC IN Fax: 478779 Cable: HOTEL CHOLA, MADRAS

HTA 6143

20TH CENTURY FOX, AMERICAN EXPRESS AND AIR FRANCE COULD HAVE BOUGHT THE WORLD'S BEST ELECTRONIC TYPEWRITER.



THEY DID.

Right here.

They chose the ACN Electronic Typewriter. Manufactured in India, in technical co-operation with Nakajima All, Japan. And Nakajima All, they well knew, is the largest manufacturer of electronic typewriters in the world. Possessing, undoubtedly, the most advanced technology. Technology behind the phenomenal success of the international best-sellers — Triumph Adler, Smith Corona, Olympia and Sears. The kind of typewriters they could have imported from anywhere in the world.

Quality and technology on par with the best in the world, something more clinched the deal. Professional guidance and service. Prompt, efficient and always at hand. Plus, the Ranutrol Group reassurance. Reassurance of over 18 years in high-technology, in India.

An ACN for all three. Certainly not by coincidence.

ACN

FROM

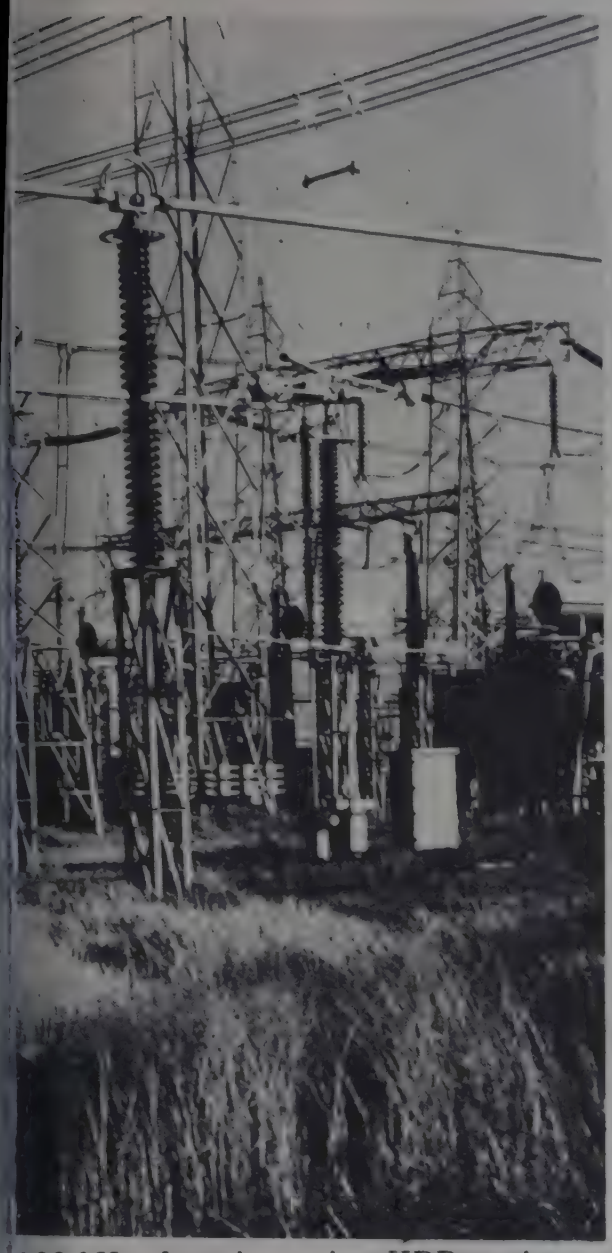
NAKAJIMA ALL, JAPAN.

RANUTROL GROUP

INTERNATIONALLY, THE BEST.

For further information, contact: Auto Controls Pvt. Ltd., 414, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001. Tel: 331 0137, 331 6464, 683 6001. □ Branch Office: No. 17, 10th Floor, Embassy Centre, Nariman Point, Bombay – 400 021. Tel: 23 3629, 23 4424 □ Sales Office: 114, Ist Floor, A2 Building, Shah & Nahar Indl. Estate, Lower Parel, Bombay – 400 013. Tel: 492 0097, 492 7125 □ S-1, Stephen Court, Park Street, Calcutta – 700 016. Tel: 29 1755. □ 4, Parsan Menere, 602, Anna Salai, Madras – 600 006. Tel: 47 [illegible] □ Natraj Complex, 9, Residency Road, Bangalore – 560 025. Tel: 57 8846. □ 1108, Sector 33C, Chandigarh – 160 001.

Enterprise No. ACL 2



400 kV substation using HBB equipment

ASEA BROWN BOVERI

The new powerhouse

Barely ten months after the merger of Sweden's Asea AB and the Swiss BBC Brown Boveri, their respective Indian arms have followed suit. Even as the new company, Asea Brown Boveri, is beginning to homogenise the corporate cultures, a new force has emerged in the electrical equipment industry

Competitors yesterday. Partners tomorrow. The proposed merger of Asea, Bangalore, with Hindustan Brown Boveri (HBB), Baroda — cleared by the two Indian boards on 25 October 1988 — will make the two companies, engaged in similar businesses and with complementary product profiles, a single legal entity. If accepted by the courts, the shareholders and the government (a formality, say the two companies), the merged company will be christened Asea Brown Boveri Ltd (ABB) which is the name of the parent company in Sweden. The new entity will then confront other companies in the industry — Siemens, Kirloskar Electric, NGEF, Larsen & Toubro and others — with a far better capacity to service customer requirements.

The proposed merger — one of 39 such in as many countries — follows a similar exercise carried out by the parent companies earlier. In August 1987, a simultaneous statement was issued in Stockholm and Zurich, informing the public of the merger of Asea, Sweden, and BBC Brown Boveri Ltd, Switzerland, with effect from January 1988. The merger, which took place by mutual consent of the management and stockholders of the two companies, was an equal one. The two blocks of shareholders — of Asea and BBC — will have a 50 per cent holding each in the equity capital of the new company. The bulk of the assets of Asea, and BBC Brown Boveri was transferred to the new company, Asea Brown Boveri Ltd (ABB), Sweden.

hattacharyya: no diversification into related areas

NO COMEBACK

"The greatest European across-the-frontier merger of the post-war period" (according to the West German *Manager Magazine*), has turned the spotlight first on ABB abroad and now on the Indian operations. The obvious question is, will the merger succeed? Percy Barnevik, ABB president and chief executive officer, does not have any doubt. He told the magazine, "ABB will be a success story. We have no other choice. There is no comeback." Says a Siemens manager based in Bombay, "The merger is a result of both companies coming to terms with increasing competition."

Says Amiya K. Bhattacharyya, the Stockholm-based president of Asea Brown Boveri (West and South Asia) Ltd, who is in charge of ABB subsidiaries and associate companies in 16 countries, "ABB wants to be the world's leading electro-technical company at the lowest cost. The new company has a commitment to the core business and there will be no diversification into unrelated areas." Bhattacharyya (a member of the board of Asea, Bangalore) who was in India in the latter part of October as a representative of the parent company, stresses that the consumer will stand to gain from an undertaking which now has greater financial resources at its command.

The merger of the two companies which has generated so much interest in India will bring together two companies with similar profiles and complementary products, observes Bhattacharyya. Both the companies are essentially in the electrical equipment business. Asea's products include weighing equipment, thyristor drives and high tension capacitors whereas ABB manufactures low tension motors, power line carriers, etc.

LARGEST PRODUCTION BASE

"The two major products in which we compete are medium voltage switchgear and relay and protection systems, while some competition had also started in furnaces and electronic equipment," says Arun K. Thiagarajan, managing director of Asea Ltd, Bangalore, who will take charge as joint managing director of the merged ABB in India. K.R. Shenoy, managing director of HBB, will take charge of the new company as managing director. Medium voltage switchgear is sold mainly to state electricity boards (SEBs) and various industries. Relays and protection systems are sold to the SEBs and NTPC, while furnaces are sold mainly to foundries and steel/non-ferrous industries. After the merger, ABB will operate six

HIGH
SOCIETY

BRITISH AIRWAYS

Box 1

The shape of things to come

K.R. Shenoy, managing director of Asea Brown Boveri Ltd, India, spoke to Business India *on the shape of things to come after the merger*

Organisation structure.
We are going to look at our product range rationalisation. We are going to have the same concept as the ABB group in Sweden. There will be a very flat corporate management and decentralised profit centres at the level of each business group.

Overlapping areas.
There are certain production areas which are common to both Asea and HBB, eg, relay and production systems and low voltage switchgears. Both the companies have a sufficient order

book position in these two products. But the technologies are different, so are the customers. Both companies will therefore continue to manufacture these items to keep their commitments to the users. Moreover, in Europe no decision has been taken on which of two common technologies will survive. Here, in India, we will tackle overlapping products on the basis of the economies of manufacture, cost-effectiveness and commitments given to customers.

Retrenchment.
We are in a growing market and there will be no retrenchment of the work force. That would have been the case in a stagnating market. But, yes, we expect redeployment of staff.

The consequences for shareholders.
Three basic parameters — yield value, book value and market value — were used by S.B. Bilimoria & Company, chartered accountants, who worked out the exchange ratio. The ratio is 1:1.2 in favour of Hindustan Brown Boveri's shareholders. Which is to say that every one share of HBB (Rs.100 paid-up) will be exchanged for every 12 shares of Asea (Rs.10 paid-up).

factories, four R&D centres, and 13 marketing offices, with a total of 4,000 employees. India will then become the largest production base of the ABB group, east of Europe.

What changes do the merger necessitate? If the management of the new company intends to derive not merely a more dominant market presence but also synergistic advantages, it needs to curtail overlapping functions. Some of the important responsibilities include: selection of the top and middle management cadre; scaling down or getting rid of manufacturing divisions that are less economical or profitable; eliminating jobs which become redundant in production as well as R&D; retraining the work force for redeployment; building a new organisation structure in place of the old if the need arises.

In the parent company, Barnevik and his team have reportedly already completed some of the tasks. According to *Manager Magazine*, Barnevik's motto is: "Speed is the essence in the implementation of a merger." Says David Mitchell of Business International, Geneva: "The speed at ABB is impressive." Just six weeks after negotiations began, the two groups signed on the dotted line.

With such a model before them, it would not be an exaggeration to say that for the Indian managements of Asea and HBB half the task is done. With some patient modifications, realignment towards the market should not be a major problem for ABB India.

The initiation and familiarisation programme started in January soon after the merger of Asea and BBC Brown Boveri. Shenoy and Thiagarajan participated in a conference of 250 Asea-BBC chief executives from all over the world, held in Cannes on the French Riviera in January. An entire morning was devoted to a 198-slide show outlining the company's future plan of action. It was announced that ABB would not retreat from the core sectors and that there would be more aggressive marketing and expansion of markets in the US and the Far East. The axiom, "First reorganise and then grow", summed up the new orientation. "The conference gave an idea of the strategy and direction the new company would take," says Thiagarajan. That was the first step.

Around March, Shenoy and Thiagarajan started investigating the impact of a possible merger of the two Indian companies. Six task forces were set up — finance, legal, personnel, marketing, technologies and products. "We had joint teams from the two companies, with a

CNC machine shop at HBB's Baroda plant

GAGAN® Vanaspati
GINNI Refined Oil
Uncle Chipps' Potato Wafers
ALFA Soap
AMRIT Paper

The list of our best sellers keeps growing.

High product quality and excellent consumer marketing skills have taken us from one success to another.

Amrit Banaspati Company Ltd. One of the largest vanaspati manufacturers in the country. A household name for nearly 50 years.

Excellent Quality and a Wide Range.
A most modern plant together with stringent quality control ensures that products conform to the highest standards.

Gagan Vanaspati—among North India's largest selling brands. **Ginni Refined Groundnut Oil. Ginni Refined Cottonseed Oil. Bansari Refined Mustard Oil. Soya Lite Soya Oil.** And **Sunehri Teer** (vanaspati for bulk consumers).

Amrit Banaspati offers a wide range indeed.

Anticipating consumer needs... and responding to them.
Today, the group product range also includes **Alfa Washing Soap; Amrit Paper**—manufactured from agricultural waste, a non-traditional raw material and the highly popular **Uncle Chipps' potato wafers** (manufactured by Amrit Agro Industries Ltd.).

Over 800 stockists. More than 1,00,000 retail outlets. And millions of consumers. There is strength in our numbers.
Amrit Banaspati serves the consumers in the interior markets with a strong marketing network. The result—runaway brand successes.

And now a complete line of fitness foods and beverages.
Amrit Banaspati's new venture, Amrit Protein Foods Limited will manufacture a complete line of fitness foods and beverages. To fulfil a vital need of Indian consumers. Among the fast growing products in the West, they will open up a new dimension in the Indian consumer market. Yes, the excitement will soon begin.

Now promoting
AMRIT
PROTEIN FOODS LIMITED
—an exciting venture in new generation, fitness foods and beverages.

Amrit Banaspati Co. Ltd.
A winner all the way.

nimum of two at the GM and VP levels," alls Thiagarajan.

The deliberations of the task forces ok between two and three months. "In e personnel area, we found that no anges in the wage structure would be quired," states Shenoy. The task force served that as a first step the market- offices should merge. "We need more ople, so the question of cutbacks in the rk force does not arise," says Thiagara- n, echoing Bhattacharyya's point of w. According to the Asea managing ector, the two companies were budget- to increase staff. "Now we don't have take on more people," he says. Both enoy and Thiagarajan are of the view at the problems identified by the task ce are not insurmountable.

While the decision to merge was for- alised only in October, the two Indian mpanies started responding to the erseas decision taken in August 1987 most immediately. Around that time ea had decided to invest US $ 17 mil- n in a high-voltage circuit breaker ant. That decision was frozen and later opped on account of HBB's presence in at business. "Those funds will be useful ter either for making new products or r upgrading technology," says Bhat- charyya. Similarly HBB would have had invest funds in the manufacture of rger relays to catch up with Asea, but cided not to. Conversely, Asea wanted become an electric motor manufac- rer, either by acquiring a motor plant through new investment. "But now we ve HBB's plant in Faridabad," says hattacharyya.

EIGHTAGE TO BACK-UP

this unique merger likely to achieve nders in the Indian marketplace? mments Ranjan Dasgupta, vice-presi- nt of the control equipment group of mpton Greaves, "In the marketplace, e user is not concerned about who con- ls which company. But the discerning er gives weightage to technical back- p. Whether ABB will provide an im- roved version of what is available, I can't y at this stage." According to him, ABB n't score over the competition by pro- ding turnkey solutions. "The big users, amely the public utilities (state electric- y boards) prefer to buy equipment ther than go in for turnkey projects. hey have a large retinue of their own ngineers, and they put together the en- re system."

Given that most of the equipment made by Asea and HBB is tailormade and sold directly through their own marketing organisations, the two companies in their new avatar hope to achieve a greater marketing depth. "That may be possible in the area of power station auxiliary controls where Asea is considered superior and in starter relays — here there is a solid marriage," says Dasgupta.

However, he does not see how the customer will benefit. "I don't think they will have a price advantage." He expects that in the overlapping areas of production, ABB will decide which one is more cost-effective. "They will perhaps lay one cold or kill it. But on a product such as switchgears, cutting prices would be suicidal. One can only work at improving realisations and market shares."

The competition is not unduly worried by the proposed midi-merger. ABB will be India's second largest electrical equipment company (the largest is Siemens) in the private sector with expected sales of Rs.200 crores in the first year of operation. For one, the advantages accruing to ABB are going to be limited, at least initially.

"It isn't going to be easy to update technology rapidly. There is a price attached to it," comments Dasgupta. "The government of India expects companies to develop their own technology. But if ABB brings in new technology, then it would be acceptable, I presume, to the government."

NO RETRENCHMENT

And then there is the matter of redeployment of the work force. Bhattacharyya is categorical about "not foreseeing any retrenchment — "our idea is to find the place that an individual belongs to and then transfer him there" — which amounts to retraining manpower.

But this could create problems of its own as the two companies think differently. "It's like taking a south Indian to work in Delhi. He would face problems of food and climate." This could well turn out to be a real problem if, say, staff from Asea's Bangalore office or factory is moved to HBB Delhi. And judging by the Siemens experience, retraining can be a lengthy process. It took eight months for Siemens to retrain its own workers in Nashik before they were ready to move from switchboard manufacture into electronics.

"It is nice to have an able competitor, but the merger is no threat," states Dasgupta. "We will survive on our own merit and the merger will not conflict with our plans." It may be too early for the competition to rethink strategy. But it is clear that they do not expect the nature of the marketplace to change radically, partly because a large chunk of the purchases is made by the government, directly or through SEBs and the NTPC. "The merger makes ABB a stronger company, but at this stage, it does not require much of a response from Siemens. We are clear we want a larger market share," says the Siemens manager, "and our wider product range will continue to give us a lead over others."

Thiagarajan: enthusiastic about the merger

FAMILIAR BUZZWORD

Both Asea and HBB have set in motion their plans to make the Indian merger a success. Setting up the task force to look at key impact areas — finance, legal, production, etc — was a first step. Will the merger achieve the necessary economies of scale and establish marketing systems that will bring ABB closer to customers? The management is not about to give out details of the restructuring, saying "it is too early". A great deal hinges on whether "operating synergy", an all too familiar buzzword, is put into practice. Says Thiagarajan, "The organisational structure of the joint company will be finalised shortly. However, this will be done on the business area concept where each product group is treated as a separate profit centre. The task will be simplified as the concept is already in use in Asea and to a large extent in HBB."

Needless to say, all eyes are rivetted on one of the biggest restructuring exercises in the Indian corporate sector which is expected to result from the merger.

BASUDEV DASS

DEEPAK FERTILISERS

Joining the big league

With a Rs.346-crore diversification at hand, Deepak Fertilisers is all set to join the big league. If all goes well, the company will grow fivefold by 1991

A relatively small and low profile company, Deepak Fertilisers and Petrochemicals Corporation Ltd (annualised sales: Rs.37 crores), is on a diversification spree. The company has one plant at Taloja in Maharashtra manufacturing 90,000 tonnes of ammonia per annum. At this site, it is now setting up five new plants at a cost of Rs.346 crores. The four products to be made, including ammonium nitrophosphate and methanol, fit in perfectly with the company's overall vertical integration plan. Diversifications into new but closely linked downstream products of ammonia was perhaps the best option for Deepak Fertilisers to grow big. In three years from now, when the expansions are over, Deepak Fertilisers will join the big league of the industry with a turnover of Rs.250 crores per annum.

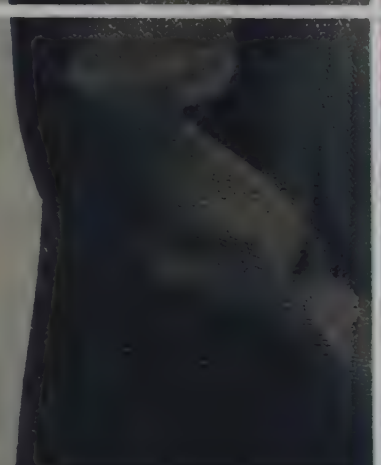
Deepak Nitrite Ltd (sales: Rs.23.56 crores), the other company in the group, is also setting up a new project at its present site at Baroda to produce some new chemicals. The cost of this project is Rs.50 crores and when commissioned will add about Rs.50 crores to the present turnover of the company. To finance i massive project cost, Deepak Fertilise soon plans to enter the market to rai Rs.190 crores by way of convertible debe tures. The issue will be the second large after RPL's mega issue last Augus Another Rs.130 crores will come fro term loans (including Rs.55 crores in fc eign currency) and the balance Rs. crores from internal funds.

Deepak Fertilisers came into being December 1983 when its ammonia pla at Taloja was commissioned. But t price of ammonia, the key material f fertilisers, is controlled by governmer Profitability is therefore limited. Mor over, Deepak Fertilisers' ammonia pla is the only merchant plant in the count — its output is available for sale unli the ammonia produced by fertiliser co panies for captive use. The government neither allowing new merchant plants f ammonia nor permitting existing ones t expand because it is far cheaper to in port ammonia. "We at Deepak were fee ing very constrained. We had to find ne avenues to grow," says Chimanlal Mehta, chairman and managing directo

OWN PIPELINE

The existing plant's entire ammon production of 90,000 tonnes, which currently being sold to two fertiliser co panies, will be used to produce amm nium nitrophosphate (ANP), low densi prilled ammonium nitrate (LDPAN), a concentrated nitric acid (CNA). The co laborator is Stamicarbon of Netherlan for ANP and LDPAN, and Adolf Pinl Sohne of W. Germany for CNA. Besides, 100,000-tonne gas-based methanol pla is also being set up in collaboration wit I.C.I. of U.K. at the same site The lett of intent for the new projects has bee obtained, technical collaboratio with foreign firms finalised and th basic engineering work commenced. A these projects will be commissioned in short span of six months between Octo ber 1990 and March 1991 *(see table)* Once the new plants become operationa a part of the ammonia produced by th company will be converted into weak n tric acid (WNA) and the rest will be use to produce ANP and LDPAN. Again, part of WNA will be used to manufactur ANP and LDPAN and the rest to produ

We cut no corners.
We give you a square deal.



Clothes make the man. And Sharmas set the trend with ready to wear fashion that is not available elsewhere.

Jackets, Trousers, Shirts, Fashion accessories and Knitwear with a winning combination. And anything else you could ask for the entire family. Yes, Sharmas offer you more.

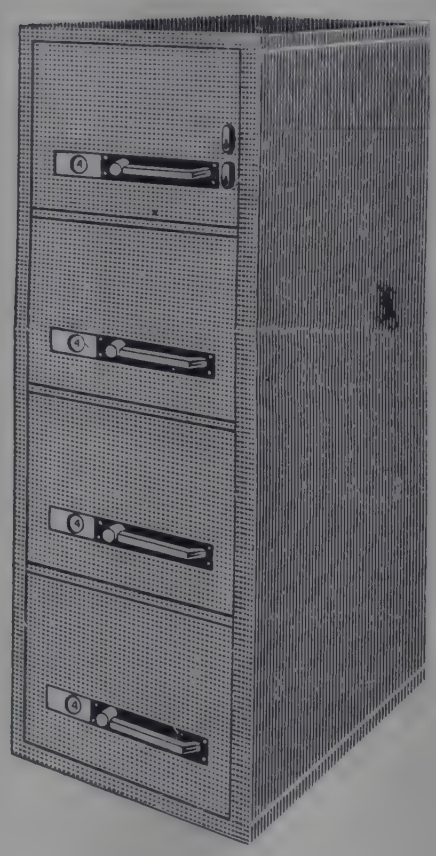
Capture the very essence of Sharmas, especially its impeccable tailoring that is often copied — but never equalled.

S.C. SHARMA & CO. PVT. LTD.
7-D, Connaught Place, New Delhi-110 001
Tel: 3320174, 3322180

Sharmas
India's Leading Fashionwear House

graphisads/236

IN A FEW SECONDS YOU CAN MAKE THIS PAGE FIRE RESISTANT!



FIRE RESISTANT FILING CABINET

Yes, that's all the time it'll take you to house this page in a Remington Fire Resistant Cabinet.

OK. We're not really talking about this page.

We're talking about your agreements, contracts, letters of credit, bank drafts and other vital documents which cannot be easily recreated. A fire can destroy them in minutes.

If you do not have a Remington Fire Resistant Cabinet or require more cabinets in case you have one, fill in the coupon.

I would like to order **Remington Fire Resistant Cabinets.** Please send me more information.

Name .....

Designation .....

Company .....

Address .....

.....

.....

To **General Sales Manager,**
Remington Rand of India Ltd., 3, Council House Street, Calcutta-700 001

REMINGTON FIRE RESISTANT CABINETS — because paper burns.

REGIONAL OFFICES:
3 Council House Street Calcutta 700 001
155 Mount Road 2nd Floor Madras 600 002
Mehta Mahal 15 Mathew Road Bombay 400 004
"Jivan Vihar", 3, Parliament Street, New Delhi-110 001

BRANCH OFFICES AT:
Ahmedabad • Allahabad • Amritsar • Bangalore • Bhopal
Bhubaneswar • Chandigarh • Ernakulam • Guwahati • Hyderabad
Jaipur • Kanpur • Lucknow • Meerut • Nagpur • Patna • Pune
Tiruchirapalli • Visakhapatnam

CNA *(see flow diagram)*.

Interestingly, Deepak Fertilisers is the only company in the country which has its own pipeline for the transportation of gas. Its 45-km long pipeline from Uran (a Bombay High gas fall point) to Taloja was set up at a cost of approximately Rs.6 crores in 1982. This gives the company a tremendous cost advantage over the other users of gas. The Gas Authority of India Ltd (GAIL) charges its customers along the HBJ pipeline Rs.2,250 per 1,000 cubic metres of gas comprising a basic price of Rs.1,400 and transportation Rs.850. Since Deepak Fertilisers uses its own pipeline, it pays just Rs.1,400. Thanks to this cost advantage, by 1991, when the new projects become operational, the present ammonia plant along with the pipeline, will have been fully paid for.

The lower cost of gas and zero depreciation and interest for the ammonia plant mean that the input costs for the downstream products will be lower. Says R.R. Kotwal, vice president (project planning), "Against the market price of Rs.5,500 per tonne of CNA, our cost will be only Rs.2,600." And on the total gas consumption of 202.5 million cubic metres of gas a year, the company will save around Rs.15 crores every year on a projected turnover of Rs.250 crores.

KEY MATERIALS

The largest of the new projects is the ANP plant with a capacity of 230,000 tonnes per annum. ANP being a fertiliser, however, will not enjoy the benefit of lower input cost. This is because of the retention price fixed by the government for fertilisers which is on a cost-plus basis. So the higher cost of production gets automatically neutralised. But ANP is in great demand in the country. Points out Mehta, "RCF's ANP fetched a premium last year despite the overall slack in fertiliser consumption due to drought." This is because half of the nutrients in ANP are readily available to the plant and the other half released gradually. In case of other fertilisers, like diammonium phosphate (DAP), the initial release of nutrient itself takes too long resulting in loss of nutritional capacity. Deepak Fertilisers also claims that the ANP produced by it will be superior to that made by RCF (the largest manufacturer making 300,000 tonnes) because the phosphoric acid it uses will be 100 per cent water soluble whereas RCF's is only 70 per cent soluble. (This claim could not be cross-checked).

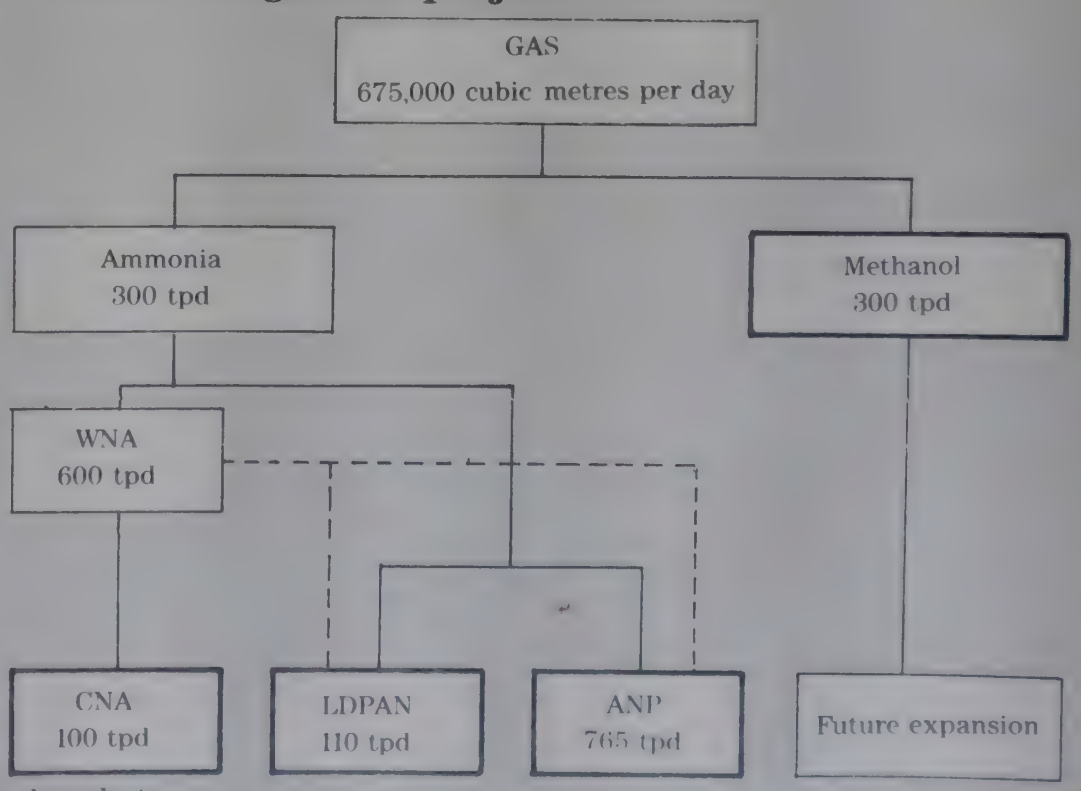
Chimanlal Mehta: "our input costs will be the lowest"

Sailesh Mehta: exploring new avenues for growth

The ANP project of Deepak Fertilisers, which will contribute 64 per cent of the company's sales, could still face problems if the demand slackens. This possibility cannot be ruled out because Gujarat Narmada Valley Fertiliser Company (GNFC) is also putting up an ANP plant at Bharuch in Gujarat with a capacity of 140,000 tonnes. Another damper is the price control on ANP by government.

The next important project of Deepak Fertilisers is the 100,000-tonne methanol plant. Currently methanol , an important industrial raw material, is in short supply in the country. Against the total demand of around 180,000 tonnes, domestic production last year was about 150,000 tonnes. The shortfall was met through imports. But will the shortage continue when Deepak Fertilisers' plant goes on

The vertical integration project



☐ Final products

WNA: Weak nitric acid
CNA: Concentrated nitric acid
TPD: Tonnes per day

ANP: Ammonium nitrophosphate
LDPAN: Low density prilled ammonium nitrite

Note 1: Gas for the project is supplied by ONGC at Uran and brought to the plant by Deepak Fertilisers' own pipeline

Note 2: For the ANP plant, 375 tpd of phosphoric acid will be brought from outside and used

WHAT MAKES TEXTEL THE IDEAL MESSAGING SYSTEM.

The TEXTEL detects errors. And corrects them. And even compensates for line disturbances! No other messaging system can deliver this. And that's just one reason why the TEXTEL is the ideal messaging system.

The TEXTEL ensures quick, efficient, and inexpensive messaging within any organisation that has dispersed operations. It stores, sends, and receives messages over the telephone line, at speeds up to 20 times that of telex. Night-time transmission and other automatic functions make for enormous money savings.

In addition, the TEXTEL doesn't need air-conditioning, has a battery-protected memory, and allows normal telephone use. It can serve as a long-haul terminal. Not to mention its ability to handle forms, automatic printout of messages, personal security codes, and a built-in directory.

The TEXTEL is a product of India Tele-Comp Limited (ITL), a venture of the Dalmia group; and British Telecom, world leaders in communications.

The TEXTEL is the only contemporary system specifically designed and dedicated to messaging. It doesn't perform a whole lot of functions, but it does one thing very well. And if messaging is what you need, make no error about it.

TEXTEL

The dedicated messaging system.

HTA 6080B

Tell me more about the Textel as my ideal messaging system.

Name _____

Designation _____

Company _____

Address _____

_____

Tel _____

For more information mail the coupon to:

INDIA TELE-COMP LIMITED

L-12, South Extension Part-II, New Delhi-110 049. Ph: 6462199, 6411764

Regional Offices:

New Delhi: B6-16 Local Shopping Complex Safdarjung Enclave New Delhi-110 029 Ph 602318, 6872849

Bombay: 101, Mittal Court, 'C' Wing, Nariman Point, Bombay-400 021. Ph: 245112, 2041465, 2028079

Calcutta: Ph: 440098, 440099 Madras: 479854, 475451.

stream? "Definitely not", says H.S. Purushottam, group finance director, Rama Petrochemicals, which produces 50,000 tonnes of methanol per annum. "In about three years from now, methanol capacity in the country will outstrip demand. This is because GNFC is also putting up a 100,000-tonne methanol plant while Rama Petro is doubling its capacity." Thus the total installed capacity in the country will soon swell to 430,000 tonnes, while the demand is expected to grow to only around 250,000 tonnes. "In such a scenario, the older plants with lower depreciation and interest charges will be more price competitive," says Purushottam. However, he adds a rider if the government permits methanol to be mixed with petrol to improve the latter's octane rating which reduces automobile pollution, as in the US and Japan, the demand for methanol will skyrocket.

Mehta of Deepak Fertilisers, however, does not think that there will be a glut in methanol. Says he: "Even if there is oversupply, we have nothing to worry about because our input cost will be lowest in the industry." He argues that the technology used by RCF (which produces 40,000 tonnes per annum) is very old and consumes 1,500 cubic metres of gas to produce one tonne of methanol. Its cost of gas is also higher. RCF's input cost therefore works out to Rs.2,400 per tonne. Similarly, Rama Petrochemicals, which uses naphtha as feedstock (naphtha prices are far higher than gas) has an input cost of Rs.3,200 per tonne of methanol. Deepak Fertilisers, on the other hand, by using an energy-efficient technology, will be able to restrict its input cost to Rs.1200 per tonne or just half of RCF's cost. "Our gas consumption per tonne will be lower and our gas prices are lower too," explains Kotwal. However, Deepak Fertilisers' only advantage over GNFC will be in the price of gas. Rama, on the other hand, has already made representations to the government to either lower the cost of naphtha or raise the price of gas to bring about parity in input costs. RCF is also modernising its plant to make it more efficient. All this means that the advantage Deepak Fertilisers is hoping to enjoy over the others may be considerably reduced.

Ambitious plans

Project	Installed capacity (tonnes per year)	Cost (Rs crores)	Expected date of commissioning	Value of production (Rs crores)
AMMONIUM NITROPHOSPHATE (ANP)	230,000	186	December 1990	160
WEAK NITRIC ACID (WNA)	200,000		October 1990	Captive
CONCENTRATED NITRIC ACID (CNA)	33,000	61	November 1990	15
LOW DENSITY PRILLED AMMONIUM NITRATE (LDPAN)	36,000		January 1991	20
METHANOL	100,000	93	March 1991	55
ENERGY SAVING RETROFIT OF AMMONIA PLANT	90,000 (existing)	6	Mid-1990	—
Total		**346**		**250**

Projected growth

(Rs crores)

	1987-88[1] Current production	1993-94[2]
SALES	46.33	243.00
PROFIT BEFORE TAX	5.33	70.00
PROFIT AFTER TAX	4.49	60.00
SHARE CAPITAL	16.32	53.00
NET WORTH	23.38	210.00

1. 15-month period.
2. At full capacity

BRIGHT PROSPECT

Deepak Fertilisers, however, is also preparing to counter any glut. In the second phase of diversification, the company plans to put up a 10,000-tonne polyacetol plant at a cost of Rs.150 crores. Polyacetol being a superior grade engineering plastic has a wide range of uses in automobiles and building materials. According to Mehta, 40 per cent of the engineering plastics used in the USA and Japan is in the form of polyacetol. Says he: "This project will consume 15,000-20,000 tonnes of methanol on a full capacity operation." The company has also made an application for another methanol-based petrochemical (Mehta will not disclose details at this stage) which will consume another 20,000 tonnes of methanol.

The other two projects, CNA (33,000 tonnes) and LDPAN (36,000 tonnes), are smaller in size but appear to have better market prospects. These will also enjoy the benefits of cheaper gas. CNA, a key chemical intermediate, is in acute short supply. But it cannot be imported because of its corrosive nature. RCF's production never exceeds 20,000 tonnes as its plant is very old. The other producer, Deepak Nitrite — a sister concern of Deepak Fertilisers — has a small 3,000 tonne capacity. GNFC too is coming up with a 33,000-tonne CNA plant. The total capacity will thus go up sharply in the near future. However, both GNFC and Deepak Fertilisers officials are confident that demand will be no constraint. "CNA has a large export potential and many new small and medium sized user units will come up if it is not in short supply," they say.

The company is also confident of the prospects for LDPAN — an explosive material superior to ammonium nitrate. "The two other rival firms are too small in size and their product will not be as pure as ours," says Sailesh Mehta, vice-president, commercial planning, Deepak Fertilisers. Prilled ammonium nitrate has blasting power equal to nitroglycerine but it is one-third cheaper. Adds Sailesh "That is why prilled ammonium nitrate now accounts for nearly 40 per cent of the explosives used in the developed countries."

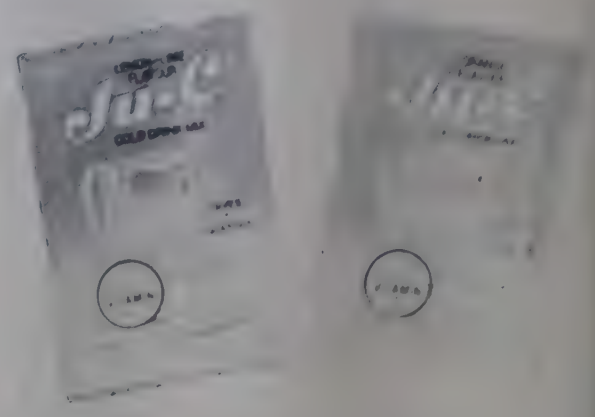
Clearly, the key advantages of Deepak Fertilisers' new projects are their lower input cost compared to their rivals and acute domestic shortages of the products they will turn out. But soon, the supply is likely to outstrip demand, particularly in the case of ANP and methanol. So the survival of manufacturers will largely depend on their marketing ability. But Deepak Fertilisers does not have any marketing experience to boast about. All these years, its only product, ammonia, was sold only to two fertiliser companies on a contract basis.

But Sailesh does not think that marketing will pose any problem. "We already have marketing skills within our group," he says. "Most of Deepak Nitrite's products like sodium nitrate and CNA are sold in a competitive market." At the same time he admits of a need to build up a strong marketing team in Deepak Fertilisers. "The process has already started," he says.

■ DILIP MAITRA with D. MITRA

KOTHARI GENERAL FOODS

Waiting for succour



Kothari General Foods is in trouble. Its products have not had the desired impact on the mass market and pressure is mounting on the company's already strained finances. It now needs a saviour

The identity of the new partner in Kothari General Foods (KGF), should soon be known. KGF, the Madras-based joint venture between Kothari Industrial Corporation Ltd (KICL) and the giant General Foods Corporation (GFC) of the US, was incorporated in 1985 amidst high hopes. The plant was set up in Mysore for the manufacture of soluble coffee, powdered food beverages and vegetable-based protein products. At the end of this, its first full year of operations, the company is badly strapped for cash and is in need of a saviour.

Whoever comes in will have to pump in at least Rs.5 crores to keep operations going. Takeover artiste R.P. Goenka (RPG) was considered to be in the lead until recently. But now the Modis (specifically, K.K. Modi of the Gujarmal branch of the family) are believed to be serious contenders who may pip RPG at the post.

The joint venture was mooted in 1981 when the Kotharis were in top gear. The cost of the project was Rs.34.85 crores. Out of the equity of Rs.11.40 crores, KICL and GFC put in Rs.3.80 crores each and the rest was offered to the public. KICL had turned in a record profit after tax of Rs.4.6 crores, on a turnover of Rs.53.40 crores. It had diversified from its traditional lines of textiles, sugar and plantations into caustic soda when demand for it was booming. DC's reputation as a leading industrialist was flying high.

D.C. Kothari: errors in judgement

DRAMATIC DOWNTURN

Clearances took time and the project went on stream only in 1987. By that time, however, DC and his brother, H.C. Kothari, had split. The caustic soda project, into which DC had sunk Rs.25 crores, turned out to be a disaster, and KICL's fortunes took a dramatic downturn. It was thought then that KGF would provide a turning point for DC.

That was not to be. KGF's entry into the mass market with Ju-C, a powdered soft drink concentrate, based on the highly successful Kool-Aid of GFC, in 1987 turned out to be inopportunate. The failure is attributed to the inability of local manufacturers to provide a consistent quality of vital inputs for Ju-C. Also, competition from more cost-effective units like Pioma Industries (the makers of Rasna) and Corn Products, was severe. Ju-C was withdrawn from the market. Tang, another popular GFC product, introduced by KGF at Rs.49 a bottle, is proving too expensive for the Indian market.

On the coffee front too, KGF has problems. It is entirely dependent on the USSR for instant coffee exports. This year, it has managed to get an order for 1,500 tonnes from that country, valued at Rs.12 crores. In the long run, however, this is not likely to be profitable. And, to make a dent in the highly brand-conscious domestic coffee market, which is dominated by established names like Nestle and Brooke Bond, is going to be very expensive and tough.

KGF now needs to make good urgently. Its large investments (reportedly totalling Rs.50 crores) mean a heavy debt servicing burden. Also, suppliers are queuing up to be paid off. Ideally, it should choose a product which does not have competition in India, and which can be introduced fairly rapidly without too much expense.

TIGHT SQUEEZE

GFC, it is said, remains committed to its Indian venture. It has brought in an additional $ 1.3 million and is reportedly not averse to bringing in more funds if its Indian partner does the same. But KICL can't. The financial results of the company for 1987-88 show a loss — for the third consecutive year — of Rs.1.83 crores.

It is not surprising then, that there are many waiting in the wings to take over the company. Food processing is the 'in' business in India today and GFC, with the widest product range, is the biggest name in the industry. What is more, it wants to continue with its Indian venture.

It is reported that R.P. Goenka has offered a Rs.2.50 premium on every share held by the Kotharis. His condition, however, is that the Kotharis must sell their entire one-third stake for a total consideration of Rs.4.75 crores. But DC apparently does not want to let go off KGF. He would prefer to remain a partner, albeit with a reduced equity stake. GFC too, which has been controlling marketing and technical operations, does not want to hand over complete control to the Goenkas.

K.K. Modi's interest in KGF is partly explained by the fact that he has an indirect association with GFC. The latter has been taken over by Phillip Morris, the US tobacco giant, which has a 40 per cent controlling stake in Godfrey Phillips, India — a K.K. Modi company. It is this association that has led many to believe that GFC may have a preference for the Modis.

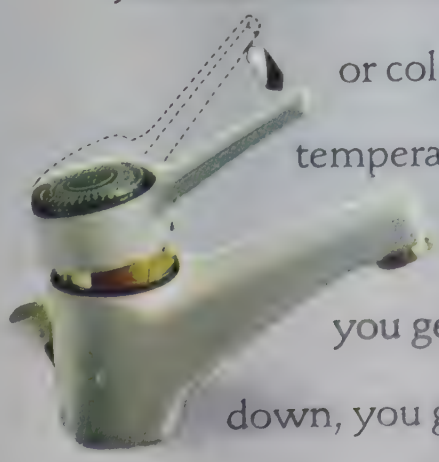
At the moment, GFC top brass are in Singapore, conferring on what to do next. Reportedly, K.K. Modi will be going to New York soon to negotiate with Phillip Morris. By late November, the suspense should be over.

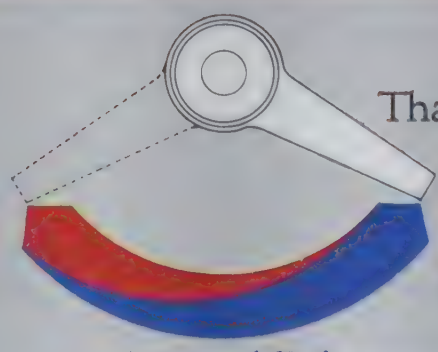
• SUSHILA RAVINDRANATH

RANUTROL HANSA AQUA MIXER. THE EASIEST WAY TO GET HOT, COLD OR AS-YOU-LIKE-IT WATER.

With the Ranutrol Hansa Aqua Mixer, a single lever does it all.

Just flick the lever and you get hot water or cold water. Or any temperature in between. Move the same lever up, you get more water. Move it down, you get less. Simple, isn't it.





That's the wonder of ceramic cartridge technology from Hansa Metallwerke AG, the world's largest seller of aqua mixers.

So, if you want to take it easy in your bathroom or kitchen, all you have to do is choose from a range of stunning designs.

RANUTROL HANSA
AQUA MIXER
From Hansa Metallwerke AG, West Germany.

For a free booklet, write to: Auto Controls Private Limited, 414, New Delhi House, 27, Barakhamba Road, New Delhi 110001. Tel: 331 6464/0187.
Branch Offices (Tel.)–Bombay: 492 7125, 492 0297, 23 3629, 23 4424. Calcutta: 29 1755. Madras: 47 6723. Bangalore: 57 [illegible]6

How do you measure the distance between high tech and supertech?

Measure the time it takes for everyone else to catch up. When people were still using punch cards, Hinditron was already into terminal-based computer systems. When consultancy companies were offering batch processing services, Hinditron was offering on-line services. When companies were still using first-generation computers, Hinditron was already into computer net-

vorking. When India's software industry was in its infancy, Hinditron was
ousy designing complex diagnostic software for Digital. We also pioneered
colour graphics terminals, CAD/CAM consultancy centres, artificial intelli-
gence... and that's not even half the list. Much of the technology you consider
state-of-the-art today was being offered by Hinditron many years ago. That's
the distance between high tech and supertech.

Hinditron. Beyond high tech, there's supertech.

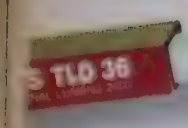
HINDITRON

PHILIPS

'I converted 10% of the office lighting bills nto profits. With just one switch."

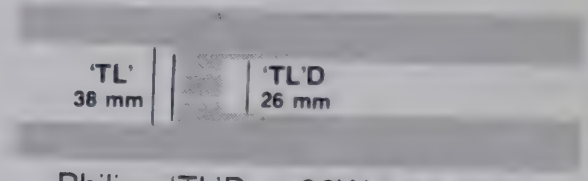
Philips 'TL'D.

When you're talking about lighting in offices, industries, hospitals, institutes, clubs... you're talking about a large number of installation points. And long hours of lighting. Imagine the savings!



It converts 10% of your lighting bills into profit.

Switch to Philips 'TL'D 36W, the slim, energy-efficient tubelight that actually pays back money over its service life.



Philips 'TL'D, a 36W tube that provides as much light as any ordinary 40W tube. It fits easily into existing luminaires and operates efficiently on a 40W ballast.

Switch to Philips 'TL'D. Slim tube • Slim bills • Bright light.

Philips India BI
Light Department, Band Box Building,
254-D, Dr. Annie Besant Road, Worli,
Bombay 400 025.

Kindly send more details on how I can save money for my installation

Name _____

_____

Designation _____

Address _____

_____

HTA 2H1

When it's Philips, you're sure

HOTEL LEELA VENTURES

Another beginning

The Hotel Leela Penta in Bombay had not been doing too well. Now, with an improved rating, a new foreign partner, and ambitious expansion plans under implementation, the hotel seems to be set for big business

The Leela, Kempinski: at last, five star deluxe status

On 15 July 1988, after making Hotel Leela Ventures Ltd wait for two long years, the Department of Tourism awarded its hotel in Bombay, then called the Leela Penta, "five star deluxe" rating (till then it had only a five star rating). The new status allowed Leela to raise room rates by a third; the higher income is expected to help the hotel out of the red soon.

Consequently, Leela has entered into a new sales and marketing agreement with Kempinski Hotels of West Germany which runs a chain of 10 deluxe hotels in different parts of the world. With the agreement, the Bombay hotel has been rechristened Hotel Leela, Kempinski; the earlier Leela tie-up with Penta Hotels has been discontinued. Leela is now substantially expanding its facilities in Bombay and setting up a new luxury beach resort in Goa. This is expected to help augment the Rs.11-crore turnover five times in the next three years.

NO PROFIT YET

What Leela's 26,000 shareholders are now asking is: when will it turn around and declare a dividend? The company made a public issue in February 1985 and it has yet to reward investors.

The hotel became operational in November 1986 with 205 rooms. Subsequently, another 77 rooms and a banquet hall were added and the final tag was Rs.35.43 crores. The unaudited results show that during the year ended June 1988 (the first full year of operations) the company made a net loss of Rs.93 lakhs, after providing for depreciation, on a net turnover of Rs.11.43 crores. And this, despite a very high occupancy rate of 85 per cent.

What went wrong? For one, positioning Leela Penta as an airport hotel was probably a wrong marketing decision. Last year, nearly half of Leela's rooms were occupied by airline crews and layover passengers. "Discounts in airline-related business can be as high as 40 per cent sometimes," points out Vivek Nair, managing director of the company.

Also, income from sales of food and beverages has been very low for Leela. The hotel has four good restaurants and several conference halls, but there hasn't been much business. This is mainly because the hotel is located in the industrial belt of north Bombay, far off from the main business and office centres of the city.

Overheads have been high too. To meet the total project cost of Rs.35.43 crores, Leela Ventures had to borrow Rs.23.63 crores from financial institutions — the interest burden (including some lease expenses) last year was therefore Rs.3.22 crores, eating up 28 per cent of the company's net income. Also, the number of employees, at 2.5 to a room in the Leela, is higher than the average of less than two in newer hotels.

NOT UNIQUE

People in the industry, however, point out that these problems are not unique to the Leela. Most new hotels face them because initial investment is always heavy. Leela has perhaps found the going tougher because it has yet to establish its full capacity. The hotel is now adding another 200 rooms at a cost of Rs.9 crores. "Once the expansion is over, our operating cost per room will come down considerably," points out C.P. Krishnan Nair, chairman of the company. Room rates will be higher too.

The management is now trying to change the guest profile of the hotel. "We are marketing Leela now as a corporate hotel for Indian and foreign individuals and groups. The emphasis is no longer on airport-related guests," says Vivek. According to him, their number is to be brought down from 50 to 35 per cent of the total.

The management is vigorously marketing its conference and meeting facilities, and is spending a lot on advertising its restaurants. With these efforts, it expects to notch up a net profit of Rs.1.50 crores or so this year (nine months ending March 1989), and Vivek hopes to declare a dividend too.

The more ambitious project Leela is now implementing is a 180-villa luxury beach resort near Kolva beach at Goa. The Rs.25-crore project is to be operational around mid-1989 and is expected to earn Rs.25 crores in the initial years. The company will soon apply to the banks for funds and is also planning to make a rights issue.

There are many who feel that the Goa market is already too crowded and that there will be too much competition. Krishnan Nair, however, is confident that "ten more such hotels can come up and still do good business in Goa". His confidence perhaps stems from the fact that Lufthansa has agreed to charter flights to Goa to keep his villas occupied.

■ DILIP MATHRA

When it comes to quality, it's difficult to come down.

Indcon—The Reliable Company.

When it comes to

- PSA Nitrogen/Oxygen Generators
- Inert Gas Plants
- Dry Compressed Air Plants.
- Pneumatic conveyors
- Air Blowers

Indcon are the market leaders.

The company that offers a cost-effective blend of international know-how and indigenous components. The company that delivers tailor-made equipment to meet your exact specifications.

And there's the team of dedicated personnel. At your service. So you know your business is in safe hands.

Indcon—placing your business above everything else.

INDCON

INDCON POLYMECH LTD.

311, Mansarovar, 90 Nehru Place, New Delhi-110019 **Phones:** 6431908, 6438365, 6436869 **Telex:** 031-61678

Branches **Calcutta • Bombay • Madras • Hyderabad • Bangalore • Baroda**

Shems/6056

JUTE

New entrepreneurs to the rescue

The once flourishing jute industry has been reduced to a state of near bankruptcy, largely because of a lack of initiative on the part of the big industrial houses and competition from Bangladesh. But, the entry of a new breed of businessmen has brought a ray of hope

Over the last couple of years, a new breed of entrepreneurs has been entering the down-and-out jute industry. As many as 13 mills have changed hands during this period. Of these, nearly one-fourth have started showing better results. There has also been an improvement in productivity as well as in the working atmosphere. Is all this only a flash in the pan or have these new owners set in motion a trend that will turn around this beleaguered industry?

Right now, they appear to be full of confidence and optimism. Arun Bajoria, who virtually pioneered the new trend and owns four sick mills, is determined to make the experiment a success. Similarly, Ghanshyam Sarda and B.P. Agarwal have taken upon themselves the burden of running four and two sick mills, respectively. "The big houses, because of their increasing diversification into newer areas, could not pay as much attention to jute as they ought to have. That had its impact," Agarwal notes. He claims that it is purely because of his team's personal involvement in day-to-day management that the Kamarhatty Jute Mills, which had incurred a loss of Rs.3 crores in 1986, has recorded a marginal profit of Rs.6 lakhs this year. He acquired this mill from S.S. Kanoria in January 1987.

Almost all the companies that Bajoria, Sarda, Agarwal, and others like S. Bagaria and R.K. Mall, et al, have now come to own belonged not long ago to the big business houses. The Birlas have sold off the Rameshwar and Hukumchand mills, both of which were sick. Some mills are still doing well, as for instance, the Birla jute mill (largely because it diversified into other lines at the right time) and the Surrah mill. The Bajorias have walked out of Waverley and Megna. The S.S. Kanoria group's Ludlow mill is doing all right but it has given up Kamarhatty. The Bangurs, Goenkas and Mehtas, who were heavyweights in the industry, have similarly withdrawn from the scene.

The big groups themselves did not seem to have much of a choice. The increasing competition from mills in Bangladesh and from synthetics created doubts about the future of the industry. So they have chosen to invest in the newer sunrise industries, leaving jute to its fate.

It was at this juncture that the new band of owners stepped in. One of the first noticeable changes that they instituted in the mills was a gradual replacement of officer-based with personalised, owner-based management. The owners started visiting the mills more frequently and tried to establish personal rapport with the workmen. The approach paid handsomely and helped to de-escalate the tension that had been building up in the industry over the years.

A jute unit: back in business

In most mills, the new owners have imposed wage cuts. As Sarda explains it, "In my mill, the average wage has been brought down from Rs.1,100 to about Rs.900 a month. We have told the workers that the balance of Rs.200 is being kept in a reserve fund and that it will be paid to them as soon as the liquidity position of the company improves."

The wage cuts, the cheap prices at which the new owners acquired the mills, and, in several cases the cancellation or deferment of outstanding liabilities, have all helped in the revival of the sick units.

DAUNTING ODDS

But the odds against which the industry has to fight are daunting. According to Sarit Ray, deputy secretary of the Indian Jute Mills Associaton (IJMA), while the average price of jute goods has gone up by 148 per cent since 1970-71, wages have spiralled by 545 per cent. And while productivity has gone down, the number of workers has steadily increased, with the result that almost all the mills are burdened with surplus labour.

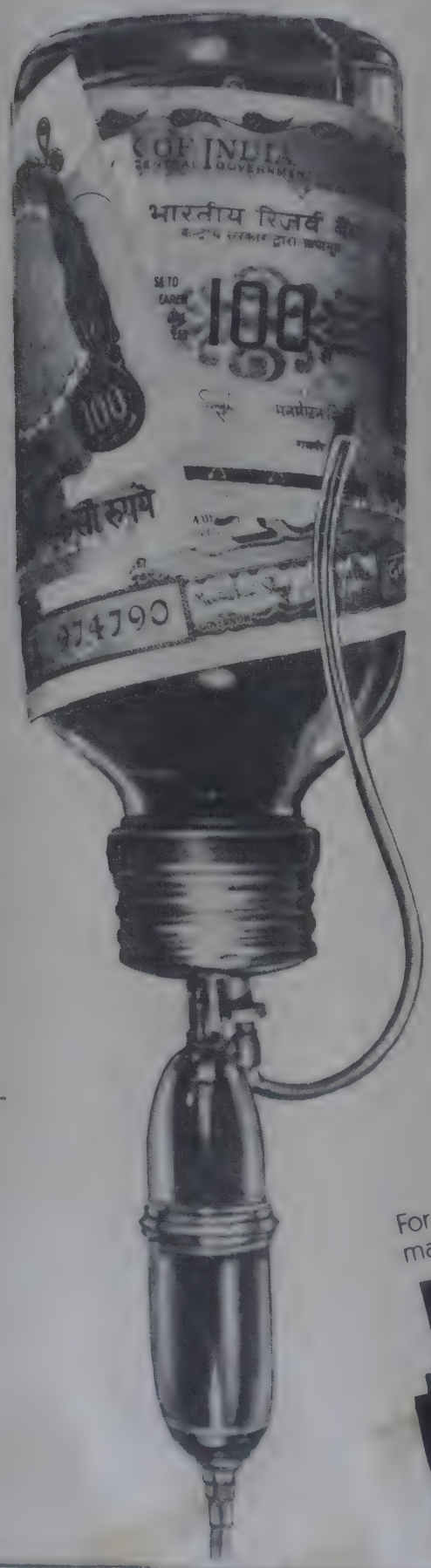
"No one really has an answer to this problem," says a new owner. "In a state that has a government with an avowed pro-labour stance, any retrenchment is unthinkable. We have left the matter to a

Time series data on the jute industry

Year	No. of units	Installed capacity (million tonnes)	Production (million tonnes)	Capacity utilisation (per cent)
1980	406	1.65	1.38	84
1982	439	1.58	1.29	82
1983	441	1.46	1.33	91
1984	444	1.30	0.94	72
1985	463	1.44	1.05	73
1986		1.39	1.21	87
1987		1.22	1.04	85

MIE estimates, based in highest monthly production in that year.
The number of mills in operation were obtained from the Indian Labour Journal.

TO SAVE YOUR LIFE, YOU MIGHT NEED YOUR LIFE'S SAVINGS.



Major illnesses can be pretty expensive indeed. Reason why, United India has tailor-made Mediclaim slabs to help you when you need help most.

With its total hospitalisation and domiciliary hospitalisation scheme, UI Mediclaim helps you cope with the heavy expenses of major illnesses—a probability in everyone's life.

For a premium that amounts to less than 60p. a day, Mediclaim reimburses your hospitalisation and domiciliary hospitalisation expenses upto Rs. 13,600/- per year (minimum slab) and you can avail of the best in medicare.

Inexpensive and tax-deductable

The most attractive feature of UI Mediclaim is that premiums upto Rs. 3000/- enjoy a deduction on your taxable income.

Family Discount

UI Mediclaim also offers a special family discount of 10% if you cover besides yourself, spouse, two children and dependent parents.

Take the UI Mediclaim Cover

Premium per day	Premium per annum	Hospitali-sation	Domiciliary Hospitali-sation
Rs.0.54	Rs. 200	Rs.10,500	Rs. 3,100
Rs.0.68	Rs. 250	Rs.17,600	-
Rs.0.95	Rs. 350	Rs.25,500	-
Rs.1.64	Rs. 600*	Rs.37,750	Rs. 5,250
Rs.2.30	Rs. 840*	Rs.52,750	Rs. 7,400
Rs.3.56	Rs.1,300*	Rs.82,500	Rs.11,500

* Personal Accident cover available on payment of additional premium.

For further information, fill in the coupon and mail today.

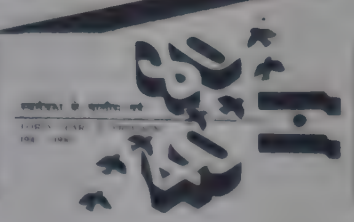
MEDICLAIM

Please send me the Mediclaim folder with information on United India's Mediclaim.

Name _____

Address _____ BIB

UNITED INDIA INSURANCE CO. LTD.
(A Subsidiary of the General Insurance Corporation of India)
24, Whites Road, Madras - 600 014.



We cover you all the way through

Interpub/UI/88

Box 1

Wage anomalies

The wage bill accounts for nearly 40 per cent of the final cost of jute goods. It is the single largest item of expenditure, followed by raw jute which takes up about another 35 per cent. During the last few months, however, the wage pattern in the industry has undergone some major changes. On 5 July 1988, a tripartite agreement was signed for higher dearness allowance for nearly 30,000 employees of the five public sector jute mills under the National Jute Manufactures Corporation (NJMC). Now for every point rise in the cost of price index (CPI), the DA will be Rs.1.65, compared with the prevailing Rs.1.50. Earlier, on 24 February, following a 72-day strike, these same workers were granted an *ad hoc* wage increase of Rs.50 and a lump sum settlement of Rs.500.

A majority of the workers of private sector jute mills too have obtained a wage increase. Under the latest tripartite agreement for the jute industry signed on 25 February, they have secured an *ad hoc* wage increase of Rs. 40 and a DA hike of Rs.1.65 per point rise in CPI.

There is a third category of jute workers for whom things are different.

Most workers have had to settle for wage cuts

These are the employees of the erstwhile sick units now being taken over by a team of new owners. They have had to sign bilateral agreements which almost always have meant a cut in their wages. (Some industry insiders estimate that the cut is as much as 50 per cent while the new owners claim that it is 18 to 20 per cent at the most).

However, for the workers, as for the industry, it is a question of either making compromises or being lost forever. Says one of the new owners, "We are not cutting back the wage. We are only holding back part of it to secure breathing space. As soon as our finances improve, we hope to pay the workers their dues in full."

Box 2

Exports on the wane

India's exports of jute goods, in terms of both volume and value, have been declining. The high cost of production and freight rates are major reasons. According to the Calcutta Jute Fabrics Shippers' Association (CJFSA), freights costs, as a percentage of the fob value, at US $400 per tonne on an average, work out to as much as 41 per cent. But, Lalit G. Toolsidass, chairman of the CJFSA, maintains that it is still possible to boost exports to over Rs.350 crores from the present Rs.250 crores, even within the current constraints, provided exporters "get adequate goods at the right time to sell".

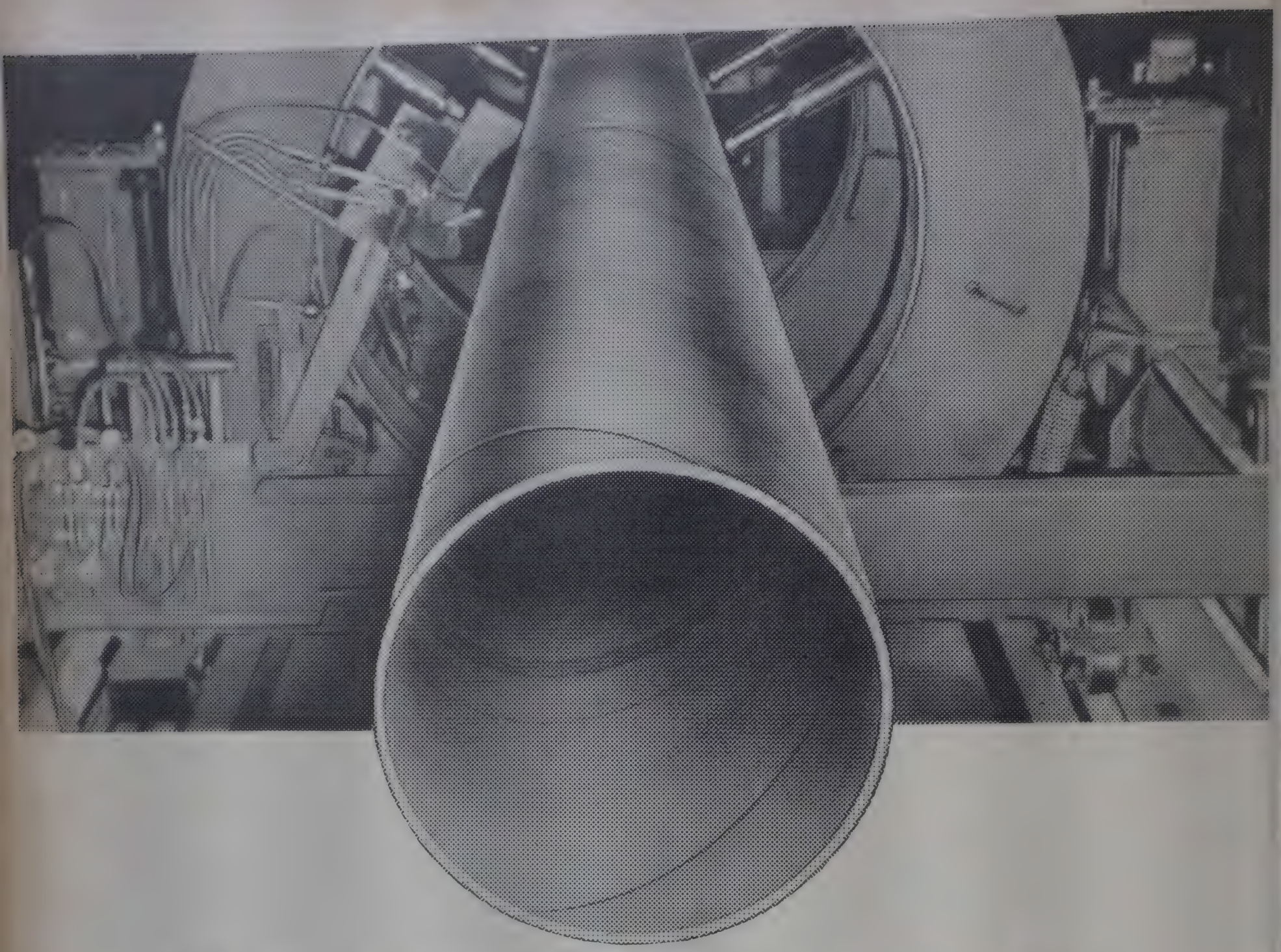
But, the major thrust has to be in the development and marketing of new products. Non-traditional jute goods now account for only 0.2 per cent of the total market. But even this can be pushed up to 5 per cent without much effort. As the former jute commissioner, B.R. Basu puts it, "Since jute industries are concentrated in this part of the world it is we, and not the West, who must develop the technology to meet the challenge of modernisation."

Toolsidass: still possible to boost exports

process of natural elimination, through retirement, deaths, etc." Some trade union leaders, allege that of a total work force of about 32,000 in the mills taken over, about 8,000 workers have been struck off the rolls.

Wages account for 40 per cent of the product cost and raw jute for 35 per cent. On both these counts, the Indian industry is at a severe disadvantage compared with its counterpart in Bangladesh. In fact, Bangladesh, because of its low-cost economy, has to pay half of what the Indian industry pays for raw jute and labour. Against a daily wage of Rs.60 in India, Bangladesh's cost is about 40 to 42 taka, or about Rs.17.

According to Sarda, Bangladesh enjoys a cost advantage of about 25 per cent over India, "even if its productivity, in spite of more modern machines, is not as good as India's". This is the main factor that helps it to underbid India in the export market. (The total export market worldwide is estimated at 1 million bales, of which India's share is 250,000 on an



PICK OF THE PIPES

SPIRAL WELDED PIPES from ROURKELA STEEL PLANT

First in strength. First in value. First in hi-tech features.

Large diameter spiral welded pipes. The only one of this kind in India. It established Rourkela as one of the few manufacturers of the finest and high-tech steel pipes in the world.

Named for its unique spiral-welded strengths—a result of advanced submerged arc welding technology—SW pipes are famous for their precision and capability of taking high-stress loads.

Spiral Welded Pipes from Rourkela changed the very notion of what steel pipes mean in the country. Sophisticated ultrasonic and X-ray fluoroscopy testing ensures flawless construction and long-and-trouble-free performance even under tough operating conditions. That's why SW pipes from Rourkela are the first choice for water supply schemes, oil, petroleum and gas pipelines, irrigation, sewerage et al.

More importantly, Spiral Welded Pipes from Rourkela are readily available in a range of size and in all grades including API from the 16" (406.6 mm) outer diameter to the large dia 64" (1625.6 mm) pipes, and in a variety of wall thicknesses.

Professionals in every sphere have acclaimed the versatility of Spiral Welded Pipes and put it to innovative uses even outside pipeline construction. The invisible leaders continue to lead.

STEEL AUTHORITY OF INDIA LIMITED
CENTRAL MARKETING ORGANISATION

TCP/SAIL 092 A5/88

Box 3

Confusion over pricing

The government of India has changed its pricing policy for raw jute, from the year beginning 1 July. Ever since 1975, when it first introduced the statutory minimum price provision, it had been announcing a statutory minimum price for the commodity at the beginning of every jute year. But this year, it decided to withdraw the statutory status of this minimum price. The policy change has given rise to widespread confusion.

Some industry representatives think that this will adversely affect the supply of raw jute which, in any case, is very erratic. Others feel that jute growers will not get remunerative prices for their produce which, in turn, will dissuade them from growing jute. In order to allay this 'misconception', a highly placed official in the union textile ministry says, "The statutory status of the minimum support price has undoubtedly been withdrawn. But a minimum support price will always be announced and the Jute Corporation of India will still be buying whatever raw jute is brought to it for sale at that price."

In practice, the only effect that this withdrawal of statutory status would have is that from now on no one can be legally penalised for buying raw jute at prices below the statutory minimum. But, as B.R. Basu says, "Through all these years, not a single person has been brought to book though there has been large-scale trading of raw jute at prices below the statutory minimum."

Raw jute: supply determined by price

average and Bangaldesh's, 450,000 to 500,000. The balance is shared by China, Thailand and Nepal.)

LARGER OPERATION

In terms of scale of operation, however, the Indian industry is much larger, compared with that in Bangladesh. The installed production capacity of the mills on a monthly basis is 115,000 tonnes in India and only 56,000 tonnes in Bangladesh. Similarly, India consumes 637,650 bales of jute a month against 310,800 bales in Bangladesh.

A cause for great concern, however, is that the mills have to operate with obsolete machinery. In fact, the much discussed modernisation plan announced by Rajiv Gandhi in September 1985 is meant precisely to tackle this problem. A sum of Rs.150 crores has been earmarked for this purpose, besides another Rs.100 crores for the jute development fund. But, till end-June this year, the total assistance under both the schemes totalled only Rs.39 crores.

What has been worrying the industry most is the state of the domestic market. According to the Jute Packaging Material Act, 1987, all foodgrains and sugar, 70 per cent of cement and 50 per cent of non-corrosive fertilisers have to be packed in jute bags. However, many user industries opposed the order and have taken the matter to court. The case has gone up to the Supreme Court where it is now pending final disposal. HDPE and PP sacking manufacturers, who have been hoping to finish off the jute industry, are now urging New Delhi for some support.

A LOT OF HOPE

India's export earnings from jute now average around Rs.230 crores to Rs.240 crores a year. And even this is proving difficult to maintain. But industry sources are extremely hopeful that exports can be raised substantially if government policies help to create the right climate. Cash assistance, in their opinion, is not enough. There is need for a total policy package involving product development, cost subsidisation and rationalisation, freight control, proper market intelligence and changes in obstructive rules (see Box). Goverment sources say that there is no question of writing off jute exports. Also the development of new products like poly-jute bags made of a mixture of jute and synthetics has been well received.

For the time being however, the industry is still very shaky. Out of the 48 operating mills in the country (another 10 are now shut down) only a few have managed to stay out of the red. The others have huge provident fund, gratuity, ESI and tax dues. They together owe over Rs.100 crores on these accounts. The Board for Industrial and Financial Reconstruction (BIFR) has declared 80 per cent of the mills sick. The industry is running on borrowed money and its debts are several times its paid-up capital. A Reserve Bank study shows that among the major industries, the deposits of the jute industry, at Rs.7.3 crores in 1986, were nearly the lowest. So were its net owned funds; these amounted to only Rs.102.6 crores.

It is in this perspective that the entry of a new team of owners assumes importance. Most of them have risen from the ranks of jute traders and therefore have thorough knowledge of the business. Pessimists say that their involvement won't last long and that they will call it a day once they have recovered their dues. But the new owners feel that it is only a canard that is being spread to harm them.

■ KAVERI BO

ABU DHABI · AL-FUJAIRAH · AMMAN · ATHENS · BAHRAIN · BANGKOK · BOMBAY · CAIRO · COLOMBO · DAMASCUS · DAR ES SALAAM · DELHI · DHAHRAN · DHAKA · DOHA · DUBAI · FRANKFURT · HONG KONG · ISTANBUL · JEDDAH · KARACHI · KHARTOUM · KUWAIT ·

OUR FLOWERS OFTEN COME BACK TO US.

Our hostesses live up to that description in every sense of the word.

Like any true hostess, they will make you feel like a guest aboard our plane, not a paying passenger.

Because, as world business demands it, pressure and stress increase daily.

And nothing is so appreciated as genuine courtesy, warmth and willingness to please.

daCunha/GA/6/88

طيران الخليج
GULF AIR

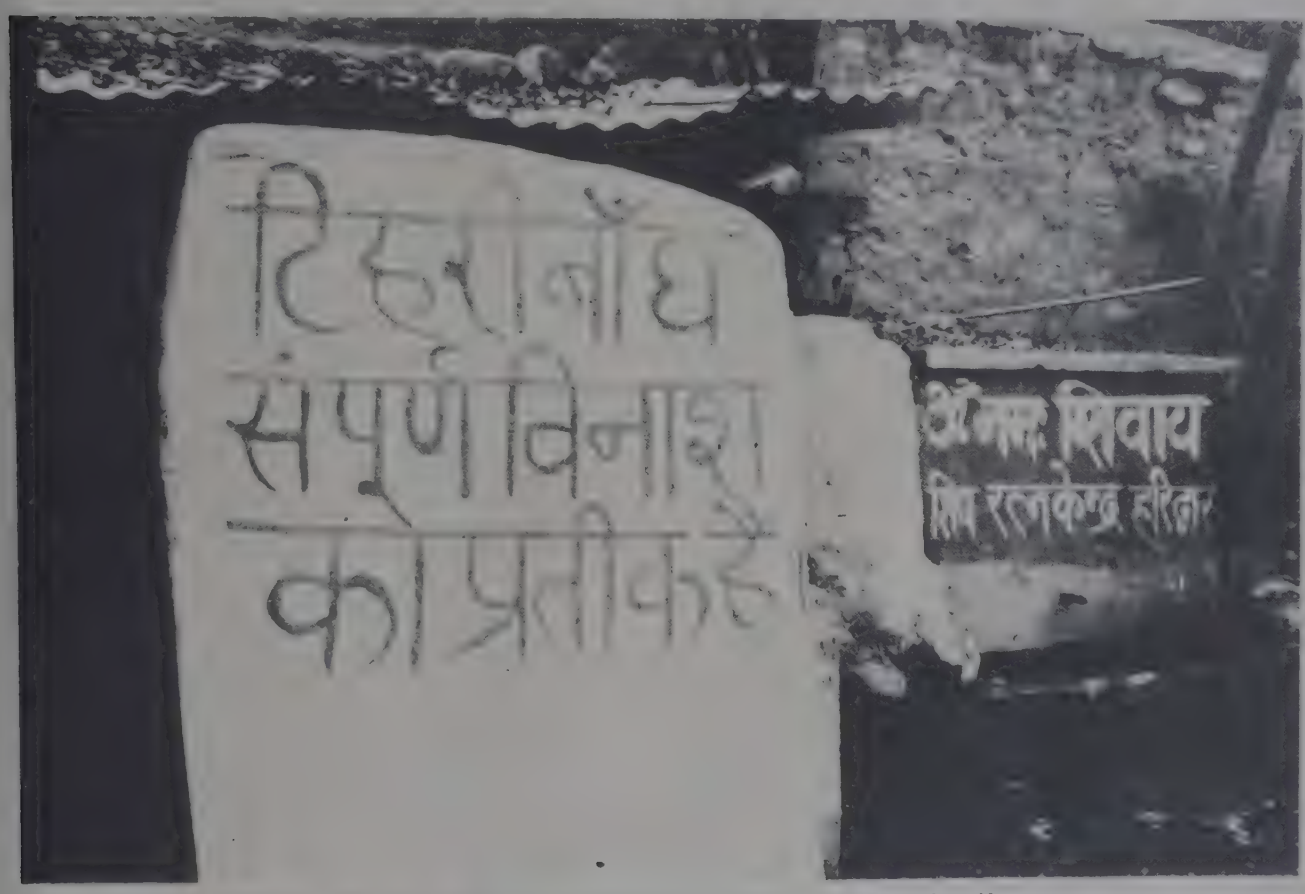
A TRULY CIVILISED WAY TO FLY.

SHARJAH · SANAA · SALALAH · RIYADH · RAS AL KHAIMAH · PARIS · NAIROBI · MUSCAT · MANILA · LONDON · LARNACA

TEHRI DAM

Neither safe nor economical

The Tehri dam project is an invitation to disaster, say environmentalists and seismologists. The proponents of the dam insist it is safe. What's more important, they argue, it will work wonders for the surrounding region. A report on the controversial project



Slogan on a bridge: "Tehri dam is a symbol of total destruction"

The department of environment of the government of India has categorically spoken against it. There has been strong opposition from the local population. Serious techno-economic flaws have been pointed out. Despite all this, construction work on India's tallest rockfill dam at Tehri in the Garhwal Himalayas has gone on for more than a decade. Even the fact that the Planning Commission has not cleared the revised version of the project has not succeeded in stopping it. Nor has the threat of serious loss to life and property if the dam were to fail.

In its initial form in 1972, the cost of the project was estimated at less than Rs.200 crores. By 1986 the cost had gone up to Rs.1,765 crores. And by December 1987, estimates had reached Rs.2,400 crores, a 1,100 per cent increase in 15 years. The specifications of the dam had not changed in the meantime. The height of the dam and its water-impounding capacity remained constant at 260.5 metres and 3,615 million cubic metres respectively. The irrigation potential of 2.7 lakh hectares, and the installed capacity of 1,000 MW have also remained constant.

To justify the economic feasibility of the dam the project authorities over-estimated the value of benefits and under-estimated the costs in its 1986 project report. They also decided to build another storage dam about 20 km downstream at Koteshwar as a part of the same project to further augment the installed power capacity and thus raise the value of benefits. But the Koteshwar dam also added Rs.600 crores to costs.

The Tehri dam controversy took an unexpected turn in November 1986 when Mikhail Gorbachev visited India. A project which was dying a natural death due to the bloated weight of its own costs was suddenly revived. The Soviet Union and India were working towards an economic agreement. The nuclear component of the agreement was in trouble. Casting around desperately for a project to announce during that visit the Tehri dam was chosen. And so the Tehri dam project, which had practically been abandoned due to a lack of funds and unattractive economic prospects, got a new lease of life.

In June 1987, a general agreement was signed in Moscow, according to which it was decided that Soviet and Indian engineers would construct the Tehri hydropower complex. The Soviets were to render technical assistance in the erection of the dam, the hydro-electric and storage plants, and a transmission line on a turnkey basis. The Soviets insisted that their experts would come to India in October to collect the necessary data and prepare a new design if need be.

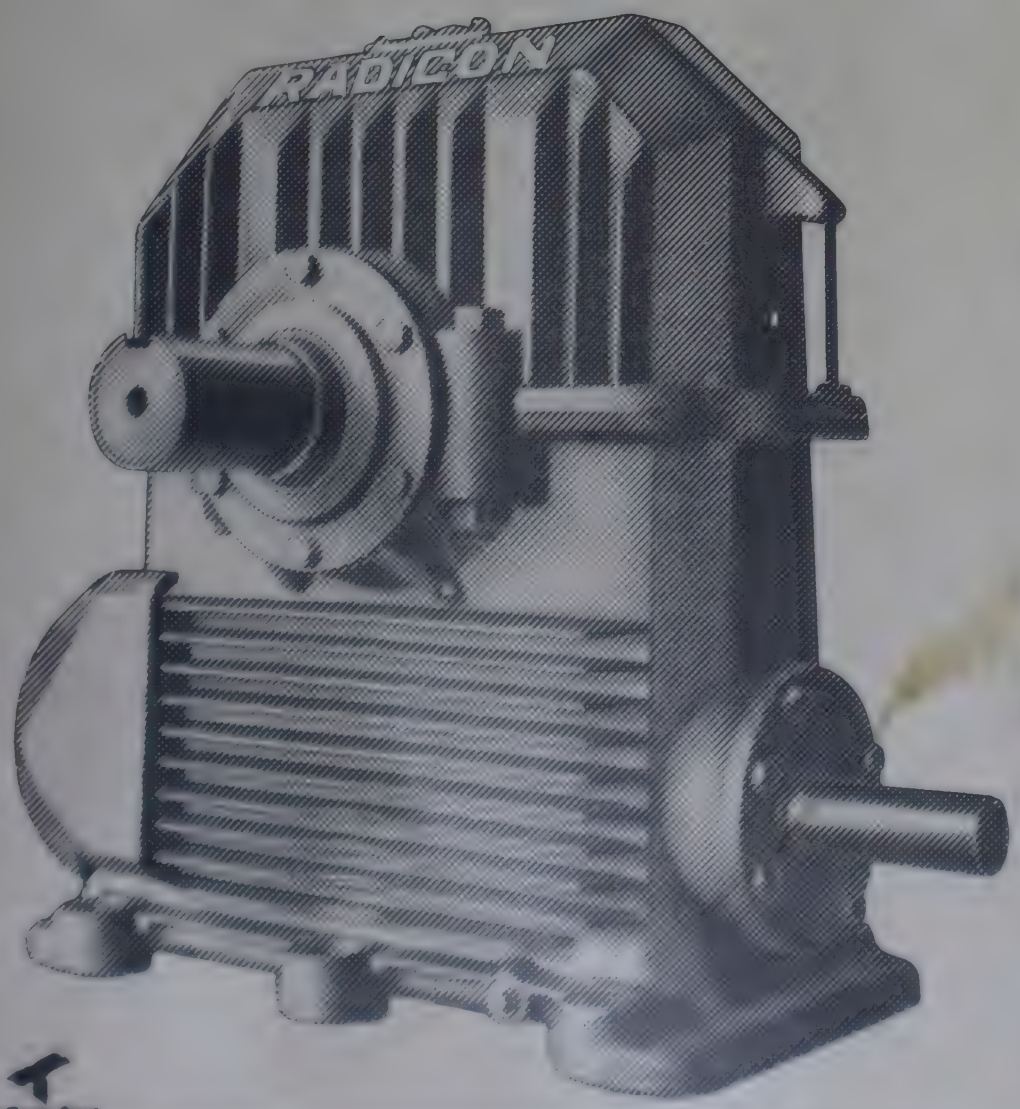
On 2 October 1987, they unilaterally issued a press statement saying that the existing design had failed to take into account the high seismicity of the Tehri area. The design, they said, was not sufficiently reliable especially considering the height of the dam and the fact that a densely populated area lies behind it. Soviet scientists estimated the site's seismicity at nine points, ie, one point higher than specified in the design. They concluded that the design needed revision because it did not meet the safety standards applied to similar structures in the Soviet Union.

THE PEOPLE PROTEST

The citizens of Tehri had been arguing on exactly the same lines. In October 1986, in a writ petition filed in the Supreme Court, they had challenged the project on the grounds that:

- It would endanger the life and property of the inhabitants of Munikiret, Rishikesh, Haridwar and other places on the banks of the Ganges, as the dam is located in a seismically active and tectonically unsuitable area.
- It would create insecurity among peo

HOW YOU CAN BENEFIT FROM DAVID BROWN GREAVES' 26-YEAR EXPERTISE IN RADICON WORM REDUCTION GEARBOXES



Every David Brown Radicon worm reduction gearbox has been engineered to offer you lasting efficiency and reliability... with minimum maintenance.

In fact, Radicon gearboxes installed more than 25 years ago are still performing as satisfactorily as ever.

This high quality is a result of David Brown Greaves' experience and expertise. In the design and manufacture of an ever-increasing range of gearboxes.

Widest range for greatest choice

- 15 sizes.
- Three types – horizontal, vertical and double-reduction.
- Speed ratios from 5:1 to 4900:1.
- Maximum versatility and convenience – due to high interchangeability of gearboxes.

Custom-made gearboxes, too!

Apart from its standard units, David Brown Greaves also offers you custom-built gearboxes. To suit your specific needs.

This is possible because of its access to the latest international manufacturing technology and equipment. Through its world-famous collaborator, David Brown Gear Industries Ltd. (U.K.).

Quick delivery, prompt service

Today, you can get prompt deliveries of Radicon gearboxes. Through any of Greaves Cotton's 21 Sales and Service Centres spread across the country.

While Greaves' qualified and experienced personnel give you speedy and efficient after-sales service.

The next time you buy a gearbox, ensure high quality and good service. Insist on a Radicon.

Contact:

SOLD & SERVICED BY GREAVES

GREAVES COTTON & CO. LTD.
David Brown Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023.
- Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, NEW DELHI 110 002.
- Thapar House, 25, Brabourne Road, CALCUTTA 700 001.
- 13, Second Line Beach, MADRAS 600 001.

GREAVES

Manufactured by:

DAVID BROWN GREAVES LTD.
Chinchwad, Pune 411 019.

Under Technical and Financial Collaboration with:

DAVID BROWN GEAR INDUSTRIES LTD.
Huddersfield, England.

David Brown – mastery in gears

R K SWAMY/GC 0832 B

ple staying on the rim slopes of the reservoir.

• It would cause mindless destruction and degradation of the environment.

Unfortunately, as is the plight of other public litigation cases, the hearings, adjournments have been going on for the last two years. The TBVSS (Tehri Bandh Virodhi Sangharsh Samiti) headed by the 80-year-old veteran advocate, V.C. Saklani of Tehri town, continues its battle against the project. Recently the Supreme Court judges have indicated that it would be best to have the whole issue settled at the earliest in the national interest.

The Soviet press-release referred to earlier states: "In constructing the Tehri dam, various engineering solutions will also be used so as to enhance its reliability and safety. For example, a foundation width of 1.5 km will securely keep the dam on its feet and will not allow it to tumble down." The only inference from this statement is that the width of 1.1 km designed by Indian engineers had been rejected by the Soviet experts as unsafe. The Tehri dam authorities reportedly called a special meeting at Roorkee in December 1987, where the Russian experts were told that their unsolicited statement to the Indian press had been extremely embarrassing. However, the Soviets have not, to date, changed or withdrawn any of the statements made in the press-note.

Currently the Soviet engineers along with their Indian counterparts are working towards implementing the agreement, which would necessarily mean significant design inputs to satisfy their safety and technical standards. Little information is made public by the authorities on the progress of this gigantic project.

Yashpal Singh, director of construction for Tehri dam has claimed that by March 1988 Rs.271 crores had been spent on diversion tunnels, head race tunnels, excavation work and approach passages. "If work on the dam was to be stopped, this amount would be a loss to the exchequer."

However, opponents of the dam emphasise that these investments need not be wasted at all, as the very same facilities could be still used virtually as is, for run-of river power generation even without the dam. Similarly, new roads, new Tehri town and other amenities are assets useful to Garhwal in any case.

The findings of a Pune research team commissioned by INTACH (Indian Natural Trust for Art and Cultural Heritage), whose chairman happens to be the prime minister, reveal a classic case of bad planning and ignorance and neglect of social and environmental variables. The study should be an eyeopener.

Head-race tunnels which feed the power turbines

BHAGIRATHI'S HYDROLOGY

The Bhagirathi, as the river Ganges is called till it reaches the confluence of the Bhagirathi and Alaknanda at Deoprayag, originates at Gomukh at a height of about 12,000 feet. It has a catchment area of 7,511 square kilometres. Of this almost one-third is snow-bound and lies at an altitude of more than 16,000 feet.

A scrutiny of the detailed project report prepared by the Uttar Pradesh government in 1986 revealed that the Tehri dam project authorities have absolutely no data on the entire snow-bound area of the Bhagirathi river. Their reports contain no studies about the total or average snowfall (annual), the seasonal variations in the rate of snowmelt, glacial and morainic movements, the 'ice-falls' and 'debris' sections of the glaciers, all of which have a considerable influence on the water discharge and 'silt-load' carried by the tributaries and sub-glaciers feeding the Bhagirathi. This means that the data base related to annual yield, maximum probable flood and the frequency of floods is incomplete and therefore unreliable.

The project authorities have all along maintained that there is no danger to the Tehri dam as similar structures in the USSR, like the Nurek dam which is 300 metres tall and in a region of high seismic activity, proved to be safe. However, what the authorities omit to mention is that the Soviets have a hydrological time-series data for a minimum of 60 years and often more than 100 years, while our data for rainfall and run-off, dates only from 1964. Discharge data is available only from 1970. Yashpal Singh has this to say: "Should we wait for 100 years to construct this dam? We have sufficient data. Data for a longer period will help in economising on the structure but will not affect the safety."

The authorities say that they have used statistical methods for "extrapolating" rainfall and yield using data collected at Raiwala, 65 km downstream from Tehri.

The Geological Survey of India, the National Geophysical Research Institute at Hyderabad and several scientists have expressed grave apprehensions about the safety of a dam of this scale built right on top of geological faults and "shear zones" at the Tehri site. Vinod Gaur, Director, NGRI, says, "The probability of a major earthquake whose rupture zone may traverse the dam site is high."

SILTATION AND EARTHQUAKES

The economic life of a dam is determined by the "dead storage capacity" and the rate of silt accumulation in the reservoir. In the case of the Tehri dam it would mean the number of years required for the silt level in the Tehri reservoir to reach an elevation 720 metres above

We bottled these contents

NAGEMA Bottling Equipment

Yes. We helped them pile up the profits, faster. Because Nagema Bottling Equipment forms an integral part of their total manufacturing process.

Our customers know how vital it is to have a quick, hygienic and dependable mode of bottling. It is no wonder then, that they have installed Nagema Bottling Plants.

Nagema Bottling Machinery is precision engineered for reliable working and long life. As a result it needs minimum maintenance. It is this obsession with quality and perfection that has given Nagema Bottling Equipment a world-wide reputation to be proud of. Nagema Bottling Plants are exported to over 40 countries around the world.

World famous Nagema Bottling Equipment is available with speeds of up to 50,000 bottles per hour. It's suitable for all kinds of liquids, including:

Aerated Soft Drinks	**Beer**
Fruit Juices	**Wine**
Milk	**IMFL**
Ketchup	**Rum**

And now, in India, **these** bottling plants are manufactured by Rita Bottling Machines Private Limited in technical collaboration with Nagema, GDR.

For further details please contact our Sole Selling Agents in India:

rita

M/s. Rita Agencies
55, III Main Road,
Gandhi Nagar,
Madras 600 020.
Phone: 412698, 414115.
Telex: **041–21045** RITA IN

Also Selling Agents for Bangladesh, Nepal, Sri Lanka and most African countries.

FORTSCHRITT

Exporter:
M/s. Fortschritt
Landmaschinen
Export-Import,
DDR 1185 Berlin,
Bruno Taut Strasse 4,
G.D.R.

Manufacturer:
M/s. Veb
Getrankemaschinenbau
DDR 3014 MAGDEBURG,
Sudenburger Wuhne 48b,
G.D.R.

Nagema Bottling Equipment on display at:

- India International Trade Fair, New Delhi, 14th-29th November, '88
- India Pack, New Delhi, 25th January-3rd February, '89.

Creative Unit 6324 R3

mean sea level. When this happens, the head-race tunnel leading to the power-generating turbines would get blocked.

Calculations by the Ganga Discharge Organisation (GDO) indicate that the annual rate of siltation is 16.53 hectare metres per hundred sq kms per year. At this rate, the dead storage capcity will be exhausted within 61.4 years. The Tehri dam will therefore be useless in economic terms in a little over 60 years, after which the generation of hydel power will not be possible, and irrigation will be restricted to what spills over the gates of Tehri dam. If we also take into account the fact that the rate of land erosion in the Garhwal Himalayas due to deforestation has become alarming in recent years, the Tehri dam may not yield hydel power for more than 50 years. However officially the dam life is claimed to be 100 years.

BENEFITS FOR WHOM?

"Tehri will provide power for 140 industrial townships which will provide jobs for 4 million families," claims Yashpal Singh. Much of the power generated by the Tehri dam, opponents of the project point out, will be used to meet the requirements of industrial units and the urban elite. Those who will be most affected by the dam and face the greatest risks will benefit the least.

Only a minuscule part of the power from the Tehri project will go to the backward districts of Uttarkhand. Most of it will be fed into the northern power grid to satisfy the demands of the urban areas. Environmentalists argue that the highest priority in terms of poverty alleviation should be accorded to the generation of power from non-conventional sources. What happens in fact is that expensive and exorbitant investment options are justified on grounds of 'public-demand' and 'national-interest'. They argue that there is obviously a conflict of priorities inherent in this approach.

Devender Kumar, superintending engineer, Tehri dam says: "Of late, the importance of environment has been overemphasised. If the dam is abandoned, the country will forever be deprived of the enormous, inexhaustible and renewable power source. Bhakra did not adversely affect the environment, nor will Tehri."

The environmentalists argue that the statement that hydel power is a renewable source of energy needs to be examined carefully. Hydel power generated on run-of-the-river schemes is certainly renewable, they say, but when it is based on a reservoir which has an economic life of barely 60 years — like the Tehri dam — it certainly does not qualify to be called renewable. Therefore, considering the high environmental and social risk involved, high dams with large storage reservoirs — especially in the Himalayas — are not the long-term answer to our "peaking-power" requirement.

They also question whether hydel-power projects are cost-efficient. Although in the fifties and early sixties, the per unit cost of generation of hydel power was between 3 paise and 7 paise, time over-runs, bureaucratic inefficiency and galloping material and administrative costs have raised the cost of generation to about 70 paise per unit. This has made hydel power as expensive as other conventional power sources. However the dam authorities claim that taking all increases into account the cost per unit will be 35 paise.

The north-western districts of Uttarkhand like Saharanpur, Muzaffarnagar, Agra, etc. are today among the most intensively irrigated districts. They have enjoyed the benefits of the Ganga canal system for more than a hundred years. In addition the Ganga-Yamuna Doab is endowed with stable, exploitable groundwater resources. Consequently more than 60 per cent of these lands are already irrigated.

The Seventh Five Year Plan has stated that instead of starting new major projects, the emphasis should be on greater utilisation of existing irrigation resources. In spite of this and other suggestions like giving priority to drought-prone areas and tribal districts the Tehri dam authorities have decided to build another canal parallel to the existing Upper Ganga Canal and Agra Canal. Thus, instead of protective irrigation for water-scarce areas, canals have been planned for further enriching the irrigated areas.

The opponents of the dam say that there has been an unrealistic overestimation of benefits. They further allege that various ruses have been used to overestimate the benefits, and thus debasing the economic feasibility study. In addition, the phenomena of water-logging and land salinisation which turn productive lands into unproductive wastelands have been totally ignored, even though, if the experience of projects elsewhere is any indication, this is bound to occur.

An anti-dam morcha in Tehri town

The Tehri dam is likely to submerge villages and towns with a population of almost 85,600 people. Yashpal Singh claims that the figure is 46,000. However, the opponents point out that this government figure does not take into account the population on the rim slopes of the reservoir that would be displaced and the growth of population in the last nine years. These 'oustees', who are likely to be the greatest sufferers are being undercompensated taking into account the real value of their properties; and settled in the dry beds of hill streams or in forest lands near Rishikesh and Dehra Dun.

TAKING QUALITY STANDARDS BEYOND NORMAL LIMITS, FOR A VERY IMPORTANT REASON.

THIS.

Friendship may seem an odd subject to discuss in the context of business. But we have long held the belief that it is what business is all about. Establishing a relationship with clients based on trust, understanding, respect, commitment and cooperation. And cultivating it even further by raising quality standards even higher. By accepting tight schedules and then going all out to meet the deadlines. By offering service that's sincere, not superficial. At Khimline, we try harder to get into our customers' minds, which is why we now enjoy a place in their hearts.

Khimline®

THE FRIENDLIER COMPANY TO DEAL WITH.

A Joint Venture with **SULZER**

For more information contact:

KHIMLINE PUMPS LTD.

Kalshet Road, Thane, Maharashtra 400 607, INDIA. Ph: 501361 (Three Lines). Telex: 011-72147. Grams: KHIMLINE THANE. Fax: 202-3419

Branches at: BOMBAY, BARODA, CALCUTTA, MADRAS, NEW DELHI

Dattaram-KP 33 A/88

Many now argue that they should have been given land in the benefit zone. Instead, they have been allocated 2,767 acres of forest land near Dehra Dun which is already under severe pressure from tourism, limestone quarrying and urban expansion. What is worse, the project authorities adopted the 'divide and acquire' approach when they faced stiff opposition to land acquisition. They offered lucrative compensation to the Doms and Bajgis, the scheduled castes, who then withdrew their opposition to the dam. The Tehri dam Control Board then passed an order that "those families who could earn a livelihood without depending on land, be paid compensation in cash only, instead of land". Undercompensation and withholding of land titles was another way of harassing the oustees resettled at the Baniawala settlement. Since they had no official title to the land the oustees could neither sell nor mortgage the lands allocated to them. Then came the second eviction, to make room for the extension of the Dehra Dun Airport. Today,the oustees resettled at Baniawala are disillusioned and aggrieved. Under the leadership of Chattersingh, a local leader, they have formed the Tehri Vistapit Samiti and are getting ready to protest against the dam.

Tehri town

THE WRIT PETITION STALEMATE

The strongest evidence against the Tehri dam was the note submitted by the department of environment of the government of India to the union cabinet for consideration before granting final approval to the project. It severely criticised the manner in which the Tehri dam authorities had dealt with the oustees and pointed out that the life of the dam is not likely to exceed 50 years. "After considering the relevant environmental implications and after being aware of the fact that over Rs.200 crores had been spent for divergence tunnels," the note concluded by saying "that it will not be advisable to continue further work on the project." Yet, in the Supreme Court the project authorities pleaded privilege, and declined to make this note public as its contents were not in the public interest. It is ironic that a report of the department of environment whose objective it is to protect the interests of the displaced people and the environment, is being held back in the 'public interest.'

Earlier in 1982, the S.K. Roy Committee report had also raised several objections relating to the environmental hazards and the problem of rehabilitation. But the main objections related to the safety of the structure and were based on detailed submissions by the National Geophysical Research Institute, and the Wadia Institute, Dehra Dun.

After the Roy Committee report, the work on the dam virtually ceased. While the project has not formally been abandoned, virtually no central funds were made available and the state government provided only sustenance funds.

The obvious question which arises is, why is work on the dam still continuing? Part of the answer lies in the fact that once a project is initiated, and has the full weight of state machinery behind it, it is difficult to bring it to a complete halt. Probably no politician would like to risk announcing publicly abandoning a project on which tens of crores have been spent. Moreover, contracts for part of the work had been handed out earlier, and the state government possibly did not want to risk suspending the contracts. So the project limped along, with very small amounts being provided by the state government in every year's budget. Then in November 1986, the project was given a resuscitating boost with the announcement of Soviet assistance for the project.

The broad terms of the agreement are that the Soviets will provide all the turbines and other machinery for the power generation, while India would have to pay out of its own resources for all the civil works including the rockfill and concrete for the dam itself.

Unfortunately, the government releases little information on the implementation of the agreement. It appears that so far both the Soviet and Indian teams are working on further design inputs in the light of the concerns earlier expressed by the Soviets. Since work on the dam proper has not even started, it is not surprising that no completion date is even being mentioned. Given past experience with high dams, it is unlikely that the project will be completed before the turn of the century.

The Tehri dam issue has been raised several times in Parliament. Representations have also been made to all levels of government. In Parliament debate is usually avoided on the plea that it is a state subject. Cases filed against the project are pending in the courts.

A view that is now being expressed by the citizen groups and bureaucrats in the state and central governments is that the matter is finally likely to be decided by the Supreme Court. The more cynical say that the government, after the next elections, using the Supreme Court as the cover, may finally take a decision.

In this state of affairs, the proponents and opponents of the dam are watching with interest, if any developments might take place during Mikhail Gorbachev's current visit to India.

■ VIJAY PARANJPYE

The author is an economist teaching at the Ness Wadia College of Commerce, Pune. He also led the study team commissioned by INTACH to investigate the Tehri project

Myths about innovation

Over the last decade Indian elites have been increasingly bothered by the stagnation in the growth of Indian industry in comparison with countries like South Korea, Singapore and especially Japan. They also feel cheated that though the level of their training, education and intelligence is similar to that of the elites in these South-East Asian countries, they don't seem to make as much money and don't possess as many of the fancy consumer goods which should be theirs by right.

There is an impatience that the rich here are not able to catch up with the rich of the rich countries. It is a feeling strengthened by every trip abroad; and it is no longer uncommon for professionals and members of the upper classes to make trips abroad. In this atmosphere it becomes much easier for ideologues based in and supported by the capitalist nations to push their case for recruiting India into the league of third world nations which follow "open door" policies. This is justified in the name of faster economic growth supported by a vigorous and innovative science and technology sector.

Very little attention is paid to the historical background of nations which have been able to follow such policies "successfully" and the prevailing social structures making this possible. Surprisingly, even less attention is paid to the social dislocations caused in low income countries when World Bank policies are implemented in them. For example, the social structure in Sri Lanka started collapsing soon after the Jayawardene government started implementing World Bank/IMF prescriptions. Is this just a coincidence? Would it have happened in any case? Or, are the genes of social disruption built into economic policies which are divorced from the aims, aspirations and cultures of the people they affect? These questions have to be debated at length and honestly here before we liberalise our way into chaos and violence in India also.

If we consider the issue of innovation in technology a little seriously, we will discover that there are no clear unilinear paths which can be prescribed. Even within the general theory of capitalism and free enterprise there does not seem to be any unanimity of opinion on this. A recent article in the *Harvard Business Review* (May — June 1988) brings this out very clearly. The author, Charles H. Ferguson, argues forcefully that "in the wake of voodoo economics, US corporate executives must now defend themselves against an equally dangerous successor — voodoo competitive doctrine".

Ferguson's main argument is that Japan, Korea and Germany have got the edge over American industry because "US industry falls victim not to nimble, small companies but to huge, industrial complexes embedded in stable, strategically co-ordinated alliances often supported by protectionist governments — exactly the kind of political and economic structures that, according to the free-market entrepreneurship argument, give rise to stagnant cartels".

Some very interesting data have been highlighted in this short paper, data which are common knowledge among astute Japan watchers, but not publicised and discussed among industrialists in low-income countries. For example: absolute levels of capital expenditure on R&D in semiconductor companies were very similar in the US and Japan as far back as 1976. Further, R&D expenditure as a percentage of sales was much higher in Japanese corporations.

Actually, the Japanese have always given a great deal of importance to research in areas they selected as necessary and important for their economy. They were far more selective in the early part of the century; they chose a small number of subjects as thrust areas and then mastered them. The fact that they could perform so well in the Second World War is evidence enough that their knowhow was excellent in those areas they considered essential for their nation.

Ferguson highlights the fact that Japanese producers and their major suppliers send professionals to one another's plants and have co-operative R&D organisations. This activity is supported, encouraged and protected by the government. "Until recently, for example, US companies were essentially precluded from operating in Japan. In 1974, when US industry still held technical superiority and dominated world markets, US companies operated 45 factories in Europe but only 6 in Japan — despite the fact that Japan's market was already larger than Europe's."

The point being made is that to compete in the international market in technology goods that require large science inputs, small firms really cannot do the job. Even large firms have to co-operate, particularly those operating out of nations like India. This is so because, for R&D to be effective, long-term plans have to be evolved. Companies generally avoid long-term investments in terms of either finance or personnel. "Thus we have a puzzling situation," says Ferguson. "Japanese, Korean and even German competitors seem not to share America's passion for fragmentation and entrepreneurial zeal."

We really do not have to accept Ferguson's theory as correct. However, we do have to realise that there is no one correct route to innovation and development. Ranged against Ferguson are those who claim that it is the middle-sized company that is more innovative than large bureaucratic mega-corporations. We probably have to look at our own success stories more honestly and see what works better in our own culture.

Competition, after all, can only be fair, beneficial, and non-exploitative when the competitors have equal opportunity. This is mostly not the situation in India. Secondly, we must have a situation where the consumers have effective voting power. That is, they must be able to judge the product adequately and must have purchasing power to opt for better quality. When a consumer buys a *paan*, he knows exactly what he wants and so can make a reasoned choice. But in items which involve technological complexity it is not easy to judge the product except through long experience and objective information about cost effectiveness and safety. The latter is possible when there are competent consumer organisations which do the testing and evaluation. These organisations need large investments and technically competent manpower. This is not easy in societies like ours, though a start has been made.

Instead of condemning the public sector organisations as unnecessary and inherently inefficient, it would be much more useful to give more thought to finding out which ones can be useful, which ones are necessary, and how we can make them work. Because, these are the corporations which are large, where long-term investments can be made, and long-term plans for innovation and invention outlined. The private sector in particular will have to play an important role in making this possible.

■

DINESH MOHAN

WHO'S THAT CARRYING A V.I.P.?

Every V.I.P. is created with an accent on style.
Sleek lines. Classy interiors. Exclusive features.
And a choice of muted and metallic shades.
Carry one.
It never goes unnoticed.

V.I.P.

LUGGAGE TO BE SEEN WITH

Bold, sporty and fashionable. The statement of rich and refined Vimal suitings

V I M A L ' S □ W I N T E R □ S T A T

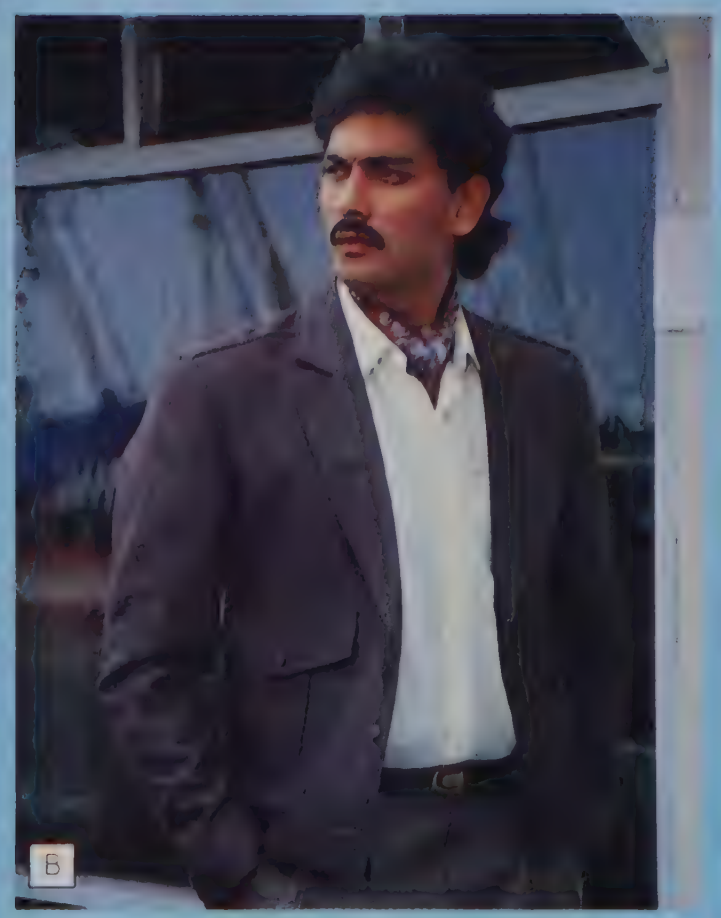
A) For a brisk continent lounge suit in midnight blue. Lapels are single breasted notched. Pockets have flaps. No slits at the back. Trousers are double pleated.

B) A unique jerkin that looks a cross between a coat and a sports jacket. Two large box pleated pockets. A thick waist band that ends three inches below the waist. Dashing contemporary style.

C) A light day suit for that clean distinguished look. Jacket has notched lapels and flapped pockets. Trousers have seven loops and double pleats. Shirt is pristine white, worn with a pointed collar.

he statement of Ravi Shastri.

E M E N T S



The looks of a winner

VIMAL

WOOLLEN & POLYRICH SUITINGS

Mudra A RIL 4394

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable
* Maintenance-free * 100% Leakproof and Rustproof
* Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes.
* Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Bidhan-SPC-131-A

Sintex - World's No.1 Plastic Water Tanks

Offices At: Ahmedabad • Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras

Money talk

The world of high finance saw a gathering last month of the best and brightest of British and Indian financial experts at the Taj Inter Continental in Bombay. The occasion was a three-day Indo-British conference (from 31 October to 2 November) on financial and capital markets picturesquely called "Gateways to India and Europe: Bombay and London".

The conference was jointly organised by the British Invisible Exports Council (BIEC), British Overseas Trade Board and the British High Commission on the British side, and IDBI, ICICI, UTI, Exim Bank and Assocham on the Indian side. The conference also had the blessings of the Indian government — Eduardo Faleiro, union minister of state for finance, and R.N. Malhotra, governor, Reserve Bank of India, addressed the crammed conference, attended by the country's leading financial experts.

The overwhelming response to the conference led Kit McMahon, chairman, Midland Bank, who headed the British delegation, to regret that the working sessions had been organised concurrently. The sessions covered subjects like trade finance, venture capital, investment management, capital markets. Participants had a problem deciding which to attend and which to leave out. But then, as McMahon said, "Better to have people asking for more than asking for less." The response to any conference depends to some extent on its timing. In this case it seemed to be well timed — for both the British and the Indians.

SPECIAL SIGNIFICANCE

David Goodall, the British High Commissioner, spoke of Britain's present position of strength. From having been at the bottom of the pile through the sixties and the seventies, Britain now has the fastest growing economy in the European Community. He said, "Since 1980, the growth in our manufacturing productivity has been the highest of the seven major industrialised countries."

And unlike in 1982 and 1984, when the previous BIEC conferences were held in India, the conference held special significance for the British — it falls between the Big Bang of 1986 when financial markets in the UK were deregulated and the magic year 1992 when tariff barriers within the European Community will be abolished. As a result, the British delegation was hardselling its expertise in finance services for India to take advantage of the trade shift likely to occur in 1992.

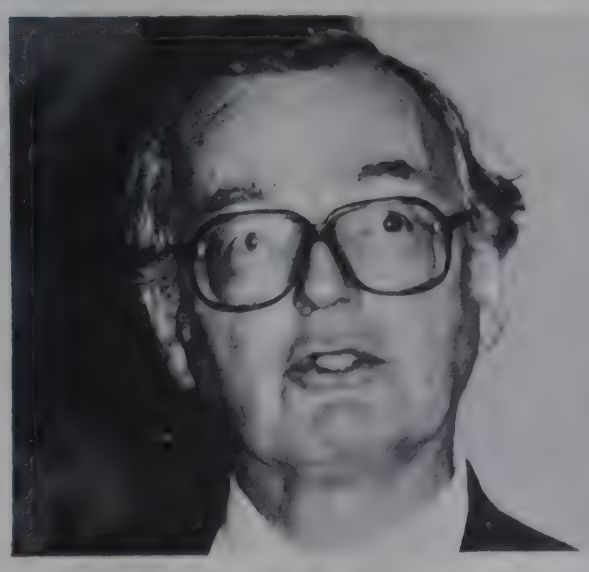
For India, as L.M. Thapar, president of Assocham underlined, there is a "need for a vastly accelerated export effort... to be able to convert an adverse foreign exchange situation into a balanced one, and then into a favourable one." Kalyan Banerji, chairman and managing director of Exim Bank, told the visitors, "India can increasingly absorb technology from Europe for production and exports. In this, the European financial community has an opportunity for partnership with Indian industry and the financial community.

The objectives of the three-day deliberations were laid down by the different speakers at the inaugural gathering on 31 October. The working sessions began the next day. At each of the sessions, one British and one Indian speaker outlined the prospects in their own countries, thus aiding a better understanding of each other's capabilities.

Predictably, the first session was on trade finance, specifically counter-trade, forfaiting and factoring. G. Nockles, trade finance director of Midland Bank was the first speaker. He laid down the broad theoretical parameters within which each of these export financing schemes worked and outlined the state of each in the world currently. T. Prakash, executive director of the State Trading Corporation of India (STC), presented the Indian viewpoint. He pointed out that although India had not taken a definite official stand on counter-trade till recently, the STC has been involved in such trade in the form of barter deals since 1961. "The bilateral relationship between India and the East European countries, as well as the USSR, has been marked by counter-trading transactions." Also India has from time to time tried to attract technology and investment through buy-back and other counter-trade techniques.

The Indian government, Prakash pointed out, has been in recent years encouraging forfaiting and factoring as means of export finance. In fact, a committee appointed by the RBI has recommended that banks should develop factoring services and that private financial institutions should also be encouraged to do so.

The recent interest in venture capital in the country was apparent from the attendance at the session devoted to it. The UK speaker was P. Hargreaves Allen, director of J. Henry Schroder Wagg & Co. He pointed out that although there is considerable public recognition of the rapid growth of the junk bond market in the US, there is less awareness of the dramatic growth of unlisted securities placement in the UK. The present phase of growth of the venture capital industry in the UK commenced in 1981. Since then, the number of specialist venture capital organisations has grown nearly five-fold, from 27 to 126. Indian counterparts could learn from the British experience.



McMahon: better to ask for more

Zuckerman: selling the BOT model

Mathrani: professionalism needed

Udayan Bose, managing director of Credit Capital and Finance Corporation, pointed out that though venture capital can create large investment and aid in industrial growth and employment, India does not have yet a proper venture capital corporation.

ORIGINAL HOUSE OF OPTIONS

As far as the stockmarket is concerned, L. Ingrams, director of Robert Flemming & Co, said that India is the "original house of options" while speaking on investment management. Hence, the BIEC would have little expertise to offer in the field. However, the Big Bang had given the UK an ability for international fund management.

With the private sector having become fashionable in the Thatcher era, the British speakers had a wealth of experience to share on the subject of funding large projects with private money. P. Zuckerman, director of S.G. Warburg, described the by-now famous case of raising resources for the Channel Tunnel. His company had played a key role as a financial adviser to Eurotunnel, the private sector Anglo-French consortium that was granted the concession to develop, finance, construct and operate the Chunnel, as it is known, scheduled to be commissioned in 1993.

In this context, Zuckerman outlined the build operate transfer (BOT) model which is becoming popular in developed countries. BOT has demonstrated the effective role that the private sector can play in the financing, construction and operation of large projects. Very often, therefore, commercial and economic considerations have gained precedence over technical elements in determining the success of a particular proposal. An interesting variant of BOT projects in the developing world are projects being conceived in the joint sector — a model which could probably have relevance in India.

IMMENSE POTENTIAL

To give the British delegation an idea of the achievements of the domestic capital market, Nimesh N. Kampani, managing director of J.M. Financial & Investment Consultancy Services Ltd, traced the history of stockmarket operations in the country — from its limited scope before the seventies through the excitement of the FERA dilution years to the more recent liberalisation of government policies in the eighties. In conclusion, Kampani pointed out that with a savings rate in excess of 20 per cent the capital market has immense potential for growth. Recently, the government of India has also permitted foreign equity participation on a case-to-case basis in existing companies. Kampani urged the government to consider issuing dollar or pound sterling denominated securities to mobilise foreign exchange for equity financing and to create an awareness among foreign investors of the Indian capital market.

Thompson: too many obstacles

Vaghul: seeing in context

The British speaker on the same subject was R. Mathrani, executive director of Standard Chartered Merchant Bank. Considering the current scenario in the Indian capital market, Mathrani made a strong plea for more corporate members besides the state-owned institutions on the stock exchange, more professionalism among those involved in the raising of capital, more players in the mutual funds market, and lastly, a review of the role of the Controller of Capital Issues in fixing premiums on new issues.

Of all the sessions, the one on direct investment in India was unanimously considered to be the most controversial and stimulating. Both the speakers, D. Thompson, executive director of Rank Xerox, and N. Vaghul, chairman and managing director of ICICI, were extremely forthright.

UPCOMING CHOICES

Thompson took the opportunity to caution the Indian participants about the current choices before foreign investors, especially British, with 1992 just around the corner. He believed that with a market comprising 330 million people (in Europe and Britain) opening up, the European Community will be able to attract a lot of investment. So, Thompson warned, if India does not sit up and make direct investment more attractive, it could lose out on a great opportunity. He made special mention of irritants like the convertibility clauses, conditions on phased manufacturing programmes and, of course, bureaucratic delays in the "unreal world of Delhi".

Taking up for the Indian side at the session, Vaghul first made light of the importance being given to 1992. It was an important landmark no doubt, he said, but in terms of being an investment alternative to countries like India it would have to be remembered that it is not only the British who are eyeing the EEC market but also the French, the Germans, the Italians and others.

In answer to Thompson's conclusion that the Indian government's reluctance to liberalise further foreign investment in India was unrealistic, Vaghul said that the government's stand would be better understood if seen in context. India, he said, has had an excellent track record of honouring foreign dividend and royalty payments. If now India was being criticised for being cautious about allowing foreign investment, the criticism would be stronger if she were to open her doors now but renege on commitments later.

As for the bureaucracy, Vaghul commented lightly, at least it did not discriminate between Indians and foreigners. And after all, he said, it has been inherited from the British themselves, though, of course, bettered beyond recognition.

History has forged a unique relationship between the two countries participating in the conference — and all indications were that the participants were working further on it by airing their views frankly for mutual benefit.

■ KEYA SARKAR

17th Century Dutch painting had a strong tendency towards specialization. Like Rembrandt's painstaking research into portraying the human face.

ABN Bank keeps up the Dutch tradition of perfection in international corporate finance.

Like the 17th Century Dutch painters, the Dutch ABN Bank maintains the tradition of painstaking effort to service each client according to their specific needs and requirements.

Today, ABN Bank services trades like Diamond, Jute, Tea and many others because it offers specialised and personalised assistance.

With over 700 branches in the Netherlands and 250 branches in 42 other countries, ABN Bank is staffed with highly qualified internationally oriented personnel who are supported by the expertise of a sophisticated banking organisation with a long-standing tradition.

Call us to find out how ABN Bank can help you:-

Bombay:
Mr. M.V. RAMANAMURTHY
Telephone – 2042331

Calcutta:
Mr. A. CHAUDHURY
Telephone – 262160

ABN Bank

Algemene Bank Nederland N.V.

The Dutch Banker – worldwide with you

Bombay – (Main branch) 14 Veer Nariman Road, Near Horniman Circle, Fort, Bombay-400 023. Tel: 204231. Zaveri Bazar (Sub-branch) T. G. Shah's Building, Pydhonie, Bombay-400 003. Tel: 320072/73. Calcutta – 18A, Rabindra Sarani, Calcutta-700 001. Tel:

The Va
Paradise
is
g

ey of

nagar will soon be just the turf for tourists and lf enthusiasts from the country and all over the rld. A world class Golf Course will be ready in 90. Thickly wooded, set amongst Srinagar's ls and lakes with towering chinars and flowering es, you can not only just watch the birdies but so hear them sing.

esigned by the world famous Golf Course chitect Robert Trent Jones, it not only preserves

ting greener

rinagar's natural beauty but also enhances it. In ct the hole in one. And just the place for iscriminating pleasure and leisure seekers to addy around.

sia's finest Golf Course, in the heart of 'The Valley f Paradise' Srinagar — as part of the SKICC Complex.

meeting ground for business-cum-pleasure at he Sher-i-Kashmir International Conference Centre.

et amidst the timeless splendours of Kashmir, the her-i-Kashmir international Conference Centre is esigned to the best international standards with r world class facilities for well orchestrated nventions. So next time,meet with pleasure at he SKICC.

Soon — a world class Golf Course at the Sher-i-Kashmir International Conference Centre.

Sher-i-Kashmir
INTERNATIONAL CONFERENCE CENTRE

Chashma Shahi, Srinagar-190 001, Kashmir (India) Tel : 79601, 75631 Telex : 375-318 SKICC IN GRAMS : KASHCONFER Fax. 79720

PERFECTION

BONSAI – Accomplishment of a perfect skill stimulating man's boundless imagination.
At VHEL an inspired team has perfected the art of Miniaturisation. VHEL Hybrid Circuits are the result of stringent quality control and expertise.
We are currently advancing into new areas of state-of-the-art technologies.

VHEL

VIKAS HYBRIDS & ELECTRONICS LTD.
B-433, New Friends Colony, New Delhi-110065.
Tel: 6831941, 6836541, Telex: 31-65064
Cable: VIKTRON, Fax No.: 91-11-6447347

CHIRANJN

Yellow Pages blues

Just a year after the idea was blessed with government recognition, the Yellow Pages are promising to be a consistent source of revenue for the telephone departments. And private publishing companies are feverisly bidding for the contract to compile them.

At last count, the telephone authorities in 12 cities ranging from Bombay to Baroda and Pune to Patna had decided to go in for a Yellow Pages section in their directories. The publishers will print the entire directory (white pages included) and supply them free. The telephone departments will be paid a healthy royalty while the publishers will be allowed to keep the ad revenue from the Yellow Pages.

In January this year, 100,000 Ahmedabad telephone subscribers became the first in the country to get a Yellow Pages section with their new telephone directories. Tata Press, their publishers managed to pull in as many as 3,300 paid ads in the 220 page section, a commendable first year performance. Madras, Calcutta and Delhi followed in the subsequent months. The Madras Yellow Pages has as many as 2,300 categories — from ice suppliers to palmists — as against Delhi's 1,100 and Ahmedabad's 317.

DELIVERY DELAYED

In Bombay, the city with the largest number of telephone connections in the country, the Yellow Pages are 592 pages strong (compared with Delhi's 276 and Calcutta's 232) and has 7,400 paid advertisements in 1,488 categories. But UDI, the publishers (they are part of the group that owns Delhi's *Patriot* newspaper) have hopelessly delayed the delivery of the 900,000 directories to subscribers in the city. Only about 85,000 copies have so far been delivered nine months after the expiry of the original March deadline. UDI officials cite problems with paper mills as the source of the delay, while their competitors say it is because of the poor financial status of the publishers.

The Bombay and Delhi directories will bring Mahanagar Telephone Nigar Limited (MTNL), which runs the telephones in the two cities, royalties of Rs.20.16 crores from UDI in the next five years. The Calcutta Telephone Department which is still under the Department of Telecommunications which has also contracted UDI, will receive Rs.5 crores in the same period. The Madras Telephone Department will get Rs.1 crore as royalty from M&N Publications, its publishers. M&N which is owned by the Delhi based Tej group of newspapers also has the contract to publish the Bangalore telephone directory for which they will have to pay the telephone authorities there a royalty of Rs.1.5 crores in the next five years. As for Ahmedabad, the royalty amount the telephone department there will receive is comparatively very low — Rs.23 lakhs. While in the case of Pune, which has around the same number of telephones, Sesa, the Goa-based industrial house with interests in publishing, which has just secured the contract for the Yellow Pages will pay a high royalty amount of Rs.1.3 crores.

As against the promised royalties, Tata Press this year is estimated to have collected around Rs.42 lakhs in advertising revenues from the Ahmedabad directory. M&N's figure from Madras is around Rs.78 lakhs and UDI claims it collected Rs.1 crore from Calcutta, Rs.1.7 crore from Delhi and Rs.4.2 crores from Bombay.

MYSTERIOUS SYSTEM

Unlike other companies however, UDI's accounting system continues to be a mystery for industry watchers. When bids were put in for the Bombay and Delhi Yellow Pages last year, while bidders like Thompson Press offered to pay Rs.1 lakh as royalty spread over five years, M&N Rs.6.5 crores and Tata Press demanded a negative royalty of Rs.25 crores, UDI as stated earlier offered a generous Rs.20.6 crores for the contract to print the directories for the two cities. This works out to a royalty of Rs.4.12 crores a year. Add to this the production cost of the directories for the two cities at around Rs.13 crores this year and the high cost in maintaining a marketing staff of over 100 people for the Yellow Pages. As against this the ad revenue has been less than Rs.6 crores. So how does the company hope to make money out of this deal is a question that is being asked around. Says Xerxes Desai, the former managing director of Tata Press who has studied the industry very closely, "To our mind, their quotation for royalty looked exceptionally high, particularly because of the high cost of production as well as the considerable expenditure that is known to be involved in this business worldwide in developing your client base in the initial years."

S. Mitra, a general manager of UDI, claims that his company would break even in two years and that he expects his ad revenue to go up to Rs.9 crores in Delhi next year and Rs.12 crores in Bombay. These are no doubt an exceptionally high figure to hope for considering that both cities together brought in less than Rs.6 crores for the company this year. But what is more interesting is that UDI has another hitherto hidden source of ad revenue and about which its competitors had no clue when they bid for the MTNL tender.

HIDDEN REVENUE

Strangely, a few months after UDI obtained its contract, MTNL increased its rates for bold entries in the white pages of the Bombay and Delhi directories tenfold. A bold entry now cost Rs.200 and each additional entry Rs.400. As per the contract all ad revenues from the directory go to the publishers and as a result UDI stands to make an additional Rs.5 crores every year from the white pages alone. Rivals claim that UDI used its considerable political clout in Delhi to pressurise MTNL into doing this and that the whole thing was planned even before they made their generous tender offer. Mitra of UDI denies this saying that MTNL would have anyway increased the rates because they were unrealistically low.

Whatever the strategy employed by UDI it is clear now that revenues from the white pages will form a substantial portion of its total earnings from the business. But to make a profit the company will have to still substantially increase its ad revenues from the Yellow Pages.

"The first year has been a good year of learning," says Gupta of M&N, "We made mistakes and this year we hope to correct them." Adds Mitra of UDI, Next year's directory will be far superior to this year's. And hopefully with people taking such a keen interest in this new concept, our revenues will also go up. There is no doubt thus that the Yellow Pages are here to stay.

■ N. RADHAKRISHNAN

A new landmark

WTC, Phase II

On 14 November, the 34-storeyed Centre I and the 26-storeyed Centre II of the World Trade Centre (WTC) on Bombay's Cuffe Parade, was finally ready to be occupied. The centre is claimed to be the country's tallest building. While the IDBI has taken up 24 storeys of Centre II, most of the floors at the Centre I have been leased out to private entrepreneurs and big companies. Apart from some export promotion councils and many semi-government agencies, companies like TELCO, Duncan India, BHEL, MECON, UTI, RBI and MARG, have also booked a number of floors in the centre.

The credit for founding the Bombay association of the WTC in 1960 goes to the All India Manufacturers' Association (AIMO) under the inspiration of Dr.M. Visvesvaraya. Described as an "engineer-industrialist-planner-statesman", Visvesvaraya felt the need for a proper scientific and industrial approach to trade and industry. He conceived the idea of building an industrial research and development centre and consequently the M. Visvesvaraya Industrial Research & Development Centre (MVIRDC) was established. The twin towers of the WTC are only a part of the three-phased complex of the MVIRDC.

Appreciating the concept of the WTC the government of Maharashtra allotted 16 acres of reclaimed land at the Backbay Reclamation and became a partner in the project along with the central government whose nominees were also appointed on the council of management of the centre.

"It was in 1970-71 that we became members of the World Trade Centre Association (WTCA)," recalls P. K. Akerkar, the executive director of the present council of management of the centre. "The aim was to bring together business and government agencies involved in the foreign trade." Founded in New Orleans in 1968 to encourage the expansion of world trade, the WTCA has grown to become a network of 166 member organisations in 56 nations. The WTCA has held a general assembly meeting every year since 1970. At its board meeting held in New York in March 1986, the WTCA awarded the honour of hosting the General Assembly for 1988 (GA '88) to the World Trade Centre, Bombay. "This was despite stiff competition from other centres in the first world," Akerkar points out.

Each general assembly focuses on a trade subject of current importance. The theme chosen for the nineteenth GA '88 is: "International Trade: The Silent Language of Global Integration." Various subjects relevant to the theme are proposed to be discussed at the assembly. The focus, however, is on the sub-continent and the south Asian region. A special trade policy panel on "The GATT-Uruguay Round" has also been planned.

So far, 360 delegates from abroad have registered themselves with the WTC, Bombay for GA '88 earning the centre a sum of US $180,000. "It is the Indian registrations that have been disappointing," laments the executive director of the centre. Until now, only 100 Indian delegates have registered with the WTC. But with the registration fee per delegate being Rs.4,500, this is not really surprising. The WTC council of management, however, considers the fee reasonable taking into account the fact that the meet offers businessmen an opportunity to develop trade contacts.

"The idea is to enable a foreign businessperson visiting the country to complete all his transactions without stepping out of the complex. The constantly updated R&D service is the core facility of the WTC, Bombay," sums up a council member. The centre will have a well-furnished library with the latest journals and global research papers, accessible to the members and the media. The unique feature of the centre will, however, be its state-of-the-art telecommunication facilities that will include computerised data bases and an electronic link with other WTCs. The WTC has also planned an executive club located on the top floor of Centre I and a well-appointed business centre with full-fledged secretarial and translation services besides exhibition and convention centres.

The project is expected to be fully commissioned by 1991. The construction cost of the two centres until 31 December 1987, according to the annual report, amounted to Rs.50.59 crores. By 1991, the cost, it is estimated, will exceed Rs.100 crores. Yet, the centre has so far refrained from borrowing any money from the market. The total cost has been met from booking costs paid by the tenants in the two complexes.

Many offices that felt that Nariman Point, the nearby nerve centre of Bombay's commercial district, was getting congested will soon move into the WTC. However, the full potential of this mega-centre will only be felt after a few years when the aims of the centre are fully realised by the Indian trading industry.

■ SHEKHAR GHOSH

"2" that's paved the way for "4"

The popular two-wheeler tyre — TVS Srichakra — now comes to you for your four-wheeler.

A tyre that will not only give you excellent mileage but will also offer you peace of mind: added safety.

'Lock-in Tread' for added safety

TVS Srichakra is designed with a unique tread pattern.

'Lock-in Tread'.

It provides the firmest grip on any surface.

On wet roads, it helps draw out water so that there's no slip, no skid. Its broader contact area holds tight dry roads. And gives your vehicle the stability you need on steep slopes and sharp corners. No shakes... no wobbles.

All that adds to that extra safety you need in today's driving conditions.

TVS Srichakra :

Safety you can trust

R K SWAMY/STL/8099

A new Indian multinational

On 22 October, the Ispat group passed an important milestone. The Calcutta-headquartered group with a combined turnover of around Rs.150 crores signed an agreement which would give it effective control of a Rs.700-crore steel plant in Trinidad.

The Iron & Steel Co. of Trinidad & Tobago (ISCOTT) is owned and run by the government of Trinidad and Tobago. Says Mohan Lal Mittal, chairman of the Ispat group who signed the deal with Ken Gordon, Trinidad's minister for industries, "The company was suffering from poor capacity utilisation — 20 per cent — for the past five years. As a result it has incurred an estimated loss of $500 million."

"Being a government company, the balance sheet of ISCOTT was not available but we estimate that its current book value is US $200 million," he says.

The Mittals knew of ISCOTT's poor health since it supplied sponge iron to the group's Indonesian company, P.T. Ispat Indo. "About a year and a half ago the government of Trinidad and Tobago seriously started considering the possibility of selling or leasing the operations to outsiders," says L.N. Mittal, who runs the Indonesian operations. Among those in the running for the plant were Kobe Steel of Japan, Hamburg Stahlwerke of West Germany, and others.

"NOT A TAKEOVER"

Under the arrangement, P.T.Ispat Indo, Indonesia, has set up a company, Caribbean Ispat Ltd (CIL). This company will be responsible for running ISCOTT, which has leased its assets to CIL. "It is not a takeover. We've only taken the assets on lease at favourable rates," says M.L. Mittal. (He was not ready to disclose details of the lease finance arrangements as he felt "the time was not ripe yet".) Mittal hopes that the government of India will eventually permit the group's Indian companies, Nippon Denro Ispat, Ispat Profiles, and Ispat Alloys to subscribe to the share capital of Caribbean Ispat

The agreement gives the Mittals a first option to buy the assets at the end of five years although the lease agreement is for an initial period of ten years. (The Ispat group has the discretion to extend the lease agreement by another five years.)

This arrangement, could swell the overseas assets of the group, if it decides to buy the assets later. "This is the largest star in the group," asserts chairman Mittal whose group's corporate emblem is a star.

ISCOTT was set up in 1981 and is considered to be "one of the new breed" of integrated steel plants. It has two modules for producing sponge iron (using the direct reduction method) with an annual capacity of 840,000 tonnes. The plant has two electric arc furnaces with a total annual capacity of 600,000 tonnes, and a two-strand wire rod mill with an annual capacity of 420,000 tonnes, which makes it twice the size of Ispat Indo.

M.L. Mittal and Gordon (second and third from left): opportunity came knocking

Despite huge investments by the government — US $460 million in the plant and US $ 200 million in the infrastructure including a port of its own — ISCOTT was shackled by what the Mittals term "lack of managerial and technical expertise". As a result capacity utilisation averaged 70 per cent and the government was forced to pump in funds to keep the company afloat.

OUTSIDE HELP

But the government soon realised that the company had to survive on its own merit. Therefore it started weighing the pros and cons of bringing in outsiders. For the Mittals it was an opportunity which came knocking at their door, which they didn't let go. "The technology which this plant uses is not new to us. It is similar to the technology we use in Indonesia, although the scales of operation here is larger," says M.L. Mittal. He estimates that setting up a new plant of the same capacity would require a capital outlay of Rs.1,000 crores.

The decision of the government of Trinidad and Tobago to lease out the ISCOTT plant to the Mittals with manufacturing operations at the other end of the globe, over world renowned contenders, could not have been an easy one. "The deal swung in favour of the Ispat group after the government's representatives identified the technical expertise the group has acquired in running a similar plant," says K.S. Menon, adviser to the group. According to Menon, a former general manager of Mukand Iron & Steel Works Ltd, Bombay, "The Indonesian plant and the ISCOTT plant are similar to the extent that both use electric arc furnaces and are equipped with continuous casting mills and a high-speed wire rod mill. So it was brought home forcefully to the Trinidad government that for the Mittals, ISCOTT would be an extension of the Indonesian plant."

Moreover, the Mittals by impressing upon the government that their involvement in Trinidad was going to be of a long-term nature, only strengthened their position. "We told the government that we would progressively increase our activity in those islands," says Mohan Lal Mittal who signed the deal. "We believe that there is scope for backward and forward integration once we stabilise the performance of this plant."

The Ispat group's involvement with ISCOTT, which is expected to become an acquisition, has placed this group firmly on the steel-making map in at least two countries. A new Indian multinational is born, shall we say!

■

BASUDEV DASS

Oh no Ma'am,
that's not a mummy come alive.
I suspect it's the Skypak man
trying to locate some address.
Now, coming back
to the architecture..."

We'll deliver. Wherever on earth. SKYPAK The worldwide couriers.

Skypak House, Off M.Vasanji Road, Marol Naka, Andheri (E), Bombay 400 059.

Avenues SC 425 88

We made it a dream

When we designed the Kurl-on mattress, what was uppermost in our minds was your sleeping comfort. And body support. With the added luxury of elegance. It's the magic blend of these that makes Kurl-on India's largest selling mattress.

For Comfort. Support. And Elegance.

Kurl-on ®

India's largest selling mattress.

KARNATAKA CONSUMER PRODUCTS LTD
MARKETING DIVISION, Industry House, 45 Fair Field Road, Bangalore 560 001 Ph 72710
AREA SALES OFFICES: Bangalore Ph 76746, 224414 & 224434, Cochin Ph 34744, Madras Ph 831710, Hyderabad Ph 234560, Calcutta Ph 282089, Bombay Ph 5[illegible]220, Ahmedabad Ph [illegible], Delhi Ph 3[illegible]8 & 2[illegible]3, Guwahati Ph: 23612 (PP), Rourkela Ph: 2535 (PP), Hosur Ph 6992
Offices also at Patna, Bhubaneswar, Faridabad, Ghaziabad, Margoa and Bhopal

MASS/KURL-ON/88

ROLLS ROYCE

New Zealand ownership?

Sir Ron Brierly, the New Zealand entrepreneur, has announced that he has built up a 5 per cent shareholding in Vickers, the UK-based engineering group that makes Rolls Royce cars. Australian businessman John Spalvins has also acquired a 2 per cent stake in Vickers. The Brierly group already has substantial investments in a number of UK companies, including Ultramar, Molins, and Ocean Trading.

CAPARO INDUSTRIES

Rise in profits

Caparo Industries, the British-based engineering group controlled by Swraj Paul has reported a sharp rise in profits to £ 3.8 million for the first half of 1988 compared to £ 1.2 million for the first half of 1987. The rise in profits is attributed principally to the closure and disposal of the loss-making Fidelity electronics division. While the sale of Fidelity has boosted profits, turnover has dropped slightly to £ 68 million compared to £ 70 million of the previous year.

PLAYTEX

Second leveraged buy-out

The big US undergarments manufacturer, Playtex, is going through its second leveraged management buy-out in two years. In the first leveraged buy-out the management of Playtex acquired the company from Beatrice Foods. Shortly thereafter the Playtex cosmetics division, which included Max Factor, Almay and Halsten, were sold off to Revlon for $ 375 million. The current buy-out of $ 1.3 billion is principally designed to realise the profits from the sale of the Playtex cosmetics business.

STANDARD CHARTERED BANK

£ 300 million rights issue

Standard Chartered Bank which had been badly battered in 1987 because of bad debt write offs has announced a £ 300 million rights issue of shares to strengthen its capital ratio. After the rights issue and the sale of its American subsidiary, Union Bank of California, Standard Chartered's ratio of capital to assets will move up from 3 per cent to 5 per cent. Of Standard Chartered's main shareholders, the Bell Group of Australia which owns 15 per cent of the shares has announced that it will take up its rights entitlement. Two other large shareholders, Sir Y.K. Pao of Hong Kong and Tan Sri Puat of Malaysia, who own 15 per cent and 8 per cent of the shares respectively have, however, indicated that they will not be taking up their rights entitlement.

FIAT

Billion-dollar Polish contract

Fiat of Italy has won a billion-dollar contract to modernise and expand the Polish car industry, principally the FSO car plant in Warsaw. Last year Fiat had won another half-billion-dollar contract to modernise and expand the FSM car plant in Poland. The programme is designed to build the bestselling Fiat Uno in Poland replacing the 20-year-old Fiat 126 which had previously been produced at these plants. Fiat bagged the huge contract in the face of stiff competition from Daihatsu of Japan.

BRITISH PETROLEUM

Forced reduction of Kuwaiti holding

The British government has told the Kuwait Investment office that it must reduce by half the KIO's 22 per cent shareholding in British Petroleum, UK's largest company. The reduction in the KIO holding is to be effected over a period of 12 months, so as not to adversely affect BP's share price. Kuwaiti officials expressed strong resentment against this order, but are expected to comply. At the same time KIO announced that it had built up a 5 per cent shareholding in Midland Bank, the UK's third largest bank. The purchase has been notified to the Bank of England and no objections are expected unless the foreign holding crosses 15 per cent.

REMY MARTIN

Takeover of Piper Heidsieck

Remy Martin: Piper Heidsieck in the bottle

The champagne house of Piper Heidsieck has agreed to a $ 200 million takeover by the Remy Martin cognac company. The deal was struck hurriedly to ward off a mystery British predator for Piper Heidsieck. The combined Remy Martin-Piper Heidsieck group which will include brands like Charles Heidsieck and Krug will be the world's fourth largest champagne producer, after Moet, Mumms, and BSN.

GUEST KEEN NETTLEFOLDS

Link with Westland Helicopters

British Engineering giant Guest Keen Nettlefolds (GKN) is planning a helicopter joint venture with Westland Helicopters. GKN already makes Warrior and Saxon armoured personnel carriers and the Westland Lynx helicopter will be complementary to this range. To strengthen the links between the two companies, GKN has purchased from Fiat its 8 per cent stake in Westland, and a further 14 per cent holding from Hanson Industries (owner of Eveready Batteries and Imperial Tobacco).

■ ABHIJIT SEN

EASY TO FILE
EASIER TO FIND

Crucial papers misplaced or files lost. Irritating hold-ups, tension, anxiety. You just cannot afford it.

Godrej Instafile — the only solution.

Sturdy, high quality Filing Cabinets from Godrej help you enhance office productivity through systematic storage and retrieval of files.

The functionally designed Instafiles offer a set of unmatched benefits:

- Fully enclosed drawers prevent files and papers from falling out
- A unique Godrej double extension telescopic slide features smooth, effortless movement of fully loaded drawers and easy access upto the last file
- The Godrej lock with a 'push and lock' action ensures confidentiality.
- Automated airless electrostatic painting process and special Alkyd-amino paint give the Instafiles longer life and a lasting, attractive finish.

Godrej also offers two choices for Filing Systems.

VISAFILE®—Interconnected file folders house individual files—recommended where files are referred to frequently.

EEZEEFILE®—Individual files suspended directly from the top of the drawer—an economic alternative.

To put an end to disorganised office routines and boost efficiency, buy Godrej Instafiles and Filing Systems today.

Godrej®

INSTAFILE AND FILING SYSTEMS.

File it. You are sure to find it.

ULKA-GB 17 88

A special section
on global affairs prepared for
Business India

WorldPaper

THE MERGERS GAME

Takeovers go global

ILLUSTRATION: TAMAR RABER-SCHAUM

By David Sinclair
in London, England

IT WAS THE 18th-century Scottish philosopher Adam Smith who first identified economics as a great moving force in the history of mankind. Today, it sometimes appears that making money is the sole motivation for human activity. Business and financial affairs dominate news bulletins and newspaper headlines. Aggressive entrepreneurs have become the heroes of the age. Commercial ethics have attracted the kind of debate that used to be attached to religion. The US presidential election became a contest not between ideologies but between managers. Such is the climate that national pride in Britain and the United States is now closely related to the exchange-rate values of the pound and the dollar. It once was thought that states too sophisticated to fight each other would make war through sport. They do not. The real international battleground these days is the boardroom. The weapon is the takeover. *Continued*

David Sinclair covers the European economy from London and southern France.

Heads or tails you always win...

Unique package from LIC

BIMA SANDESH + JEEVAN DHARA

Do you know that by just putting aside Rs. 181 per month from age 30 you can get a life insurance cover for Rs. 1 lakh and a life-long monthly pension of Rs. 1,000 after age 55?

This is LIC's novel package—simple and inexpensive. Ideal for young and middle aged persons.

BIMA SANDESH—low-premium, high-cover plan

You can have a large life insurance cover by paying a small premium. On survival till the end of the term, all premiums are returned. On death during the term of the policy, the total sum assured is paid to the nominee. Premiums for this plan are payable yearly or half yearly.

JEEVAN DHARA—voluntary pension plan

You save regularly over a selected period to provide for a monthly post-retirement income. This pension is life-long. On death of the pensioner, after commencement of the pension, GIVE (Gross Insurance Value Element) is paid to the nominee. Jeevan Dhara bonus is added twice—once when the pension starts, and again when the pensioner dies and the GIVE is to be paid to the nominee.

Rates for selected terms & ages are given below:

BIMA SANDESH (Sum assured Rs 1 lakh)

Age	Term	Annual Premium Rs.	Premiums returned on Survival till the end of the term Rs.
25	25	871.70	21,793
30	25	1,078.60	26,965
35	25	1,408.60	35,215
40	25	1,906.00	47,650

JEEVAN DHARA

Deferment Term	Age when pension starts	Annual Premium Rs.	Monthly Pension Rs.	GIVE Rs.
25	50	1,090.60	1,000	1,19,701
25	55	1,090.10	1,000	1,19,641
25	60	1,089.50	1,000	1,19,581
25	65	1,087.40	1,000	1,19,344

Rates for other ages and deferment periods can be worked out to suit your needs.

TAX BENEFITS

Besides normal 80C benefits for Bima Sandesh, 100% income tax relief under 80CCA for 'JEEVAN DHARA' premiums upto Rs. 30,000/- for the year 1988-89.

Contact your life insurance agent or the nearest LIC Branch today.

योगक्षेमं वहाम्यहम्

Life Insurance Corporation of India

US firms move up M&A table

Financial advisers in UK takeovers in January to June 1988

Financial advisers (1987 ranking)	Number of deals	Value in British pounds (millions)
1 Goldman Sachs Int'l. (12)	6	8,192
2 Schroders (3)	9	7,937
3 S G Warburg (2)	11	3,778
4 Morgan Grenfell (1)	11	3,332
5 N M Rothschild (10)	7	3,158
6 Country NatWest (11)	7	3,048
7 Kleinwort Benson (4)	8	2,740
8 Shearson Lehman Hutton (-)	2	2,720
9 Lazard Brothers (9)	6	2,249
10 Samuel Montagu (6)	11	706
11 Robert Fleming (13)	8	614
12 Hambros Bank (17)	4	546
13 Baring Brothers (7)	4	432
14 Charter House (5)	7	376
15 Barclays de Zoete Wedd (8)	7	332

SOURCE: ACQUISITIONS MONTHLY

PHOTOS: AP/WIDEWORLD

Yachting victory cheers Australian takeover king Alan Bond (below), but will the next cold economic wind bring him problems a la Robert Holmes a Court?

Takeovers go global

(Continued from previous page.)

A takeover binge that a decade ago in the United States spawned the junk bond and that shows signs of growing even more frenzied has spread worldwide from Wall Street. Goldman, Sachs and Co., the largest privately-held US investment bank and leading mergers-and-acquisitions advisor to US firms, has also become the leading adviser to British firms seeking US acquisitions and in all public takeovers in the United Kingdom. Once-courtly European manners of high finance are being replaced by snarling corporate struggles, and the clubby European Community (EC) seeks tougher regulation of acquisitions within its borders. Hostile takeovers have emerged for the first time in West Germany, Holland and Spain (the last involving Salomon Brothers, a US advisor). Even in polite Japan, where takeovers were akin to hijacking, corporations are moving in more frequently for the international kill. The takeover game has moved to India, and Middle East financiers armed with oil riches stalk Western takeover bazaars.

British society was shaken to its foundations earlier this year when the country's long-established chocolate company, Rowntree, became the target of a hostile bid by the Swiss firm Nestle. Amid cries of public outrage, civic delegations sped from Rowntree's hometown, York, to Switzerland in an attempt to talk Nestle out of its dastardly act, while members of Parliament urged the government to stop this foreign invasion.

Municipal officials convened a Council of the North in York for the first time in 347 years (minutes of the last meeting had to be taken as read—they were burned in the 1644 siege of York). The last previous meeting, comprised of barons, protested the call of Charles I for taxes. Members, who no longer have any real authority, this time protested the impact of foreign takeovers on British jobs.

But in spite of that spirited defense, Nestle acquired Rowntree for some US$4.25 billion over a $3.9 billion bid from another Swiss chocolate maker, Jacob Suchard AG, which was also considered a suitor for another British sweets firm, Cadbury Schweppes, in what delighted UK headline writers tagged "bar wars." The British government refused to intervene. How could it? At almost the same time, hundreds of people in Pittsburgh USA were ripping up their American Express cards in protest against a British bid for the locally-based construction materials firm, Koppers.

The British bidder, Beazer, was partly financed by the American Express subsidiary, Shearson Lehman Hutton, one of several Wall Street investment banks that have emerged as leading advisors to acquisitive British firms. Goldman Sachs International, a subsidiary of the New York bank, was involved in deals worth more than $15 billion as the leading financial adviser to UK acquirers in 1987.

"The lessons learned in the United States over the last decade—about how to take over companies—are now being applied by foreigners," says J. Tomlinson Hill, head of mergers and acquisitions for Shearson Lehman Hutton.

Also imported was the taint of alleged insider-trader scandals, such as one involving Nahum Vaskevitch, London-based mergers-and-acquisitions chief of Merrill Lynch & Co., the first US firm to join the London Stock

PREMIUM ISSUE

Sparr Equipments

Strike it rich with us.

In just half a decade since commencing operations, Sparr Equipments has a remarkable set of achievements to its credit.

To start with, from selling one Hydraulic Water Well Drilling Rig in 1983, the Company now sells over a 100 rigs in a year. Developed with complete indigenous technology.

Despite the stiff competition from multinationals, whose shares are commanding high premium, Sparr has developed a high technology product. Which, commands a major market share in Hydraulic Water Well Drilling Rigs.

We attribute this phenomenal growth to our technical strength, professional management and innovative product design with strong R & D, made adaptable to suit local conditions. Our record of achievements so far has added immense impetus to introducing more related products.

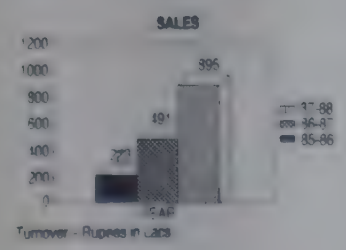
With the Government according top priority towards agriculture, water resources development and open cast mining, the prospects of growth for the Company, are very apparent.

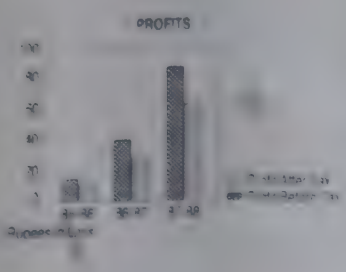
The Company is planning to introduce crawler-mounted mining rigs and also innovative accessories, to meet the growing market.

This is how we struck rich: Strike it rich with us.

HIGHLIGHTS:

- ★ **Sparr – the name behind majority of Hydraulic Water-well Drilling Rigs sold in the Country.**
- ★ **Technocrat promoters.**
- ★ **Excellent track record of growth.**
- ★ **Assured and growing market.**
- ★ **Established dividend paying Company.**
- ★ **Assured dividend of 20% (pro-rata) for the year 1988-89**
- ★ **Listing at Bombay and Bangalore Stock Exchanges.**





Public issue of 6,00,000 Equity Shares of Rs. 10/- each for cash at a premium of Rs. 10/- per share.

Issue opens on 28-11-88

MANAGERS TO THE ISSUE :

CANBANK FINANCIAL SERVICES LTD
World Trade Centre, K.G. Road,
FKCCI Building, Bangalore-560 009

Advisors to the Issue

ENAM FINANCIAL CONSULTANTS PVT. LTD.
113, Stock Exchange Towers,
Dalal Street, Bombay-400 001

Sparr Equipments Limited
43 HMT Main Road, YMS Complex,
Mathikere, Bangalore-560 054.
Tel: 369811/364194/366648
Tlx: 0845-2419 SPAR IN Grams: SPARR

Branches ■ Bhopal ■ Bombay ■ Delhi ■ Indore ■ Jaipur ■ Pune

Subhagya/BNG SEL/88377

Exchange. His March 1987 firing meant Merrill Lynch's decline as an M&A adviser to British firms.

Nationalistic fervor surfaced again in July in Britain as the Australian company Goodman Fielder Wattie attempted to take over the food conglomerate Rank Hovis McDougall. More than 100 members of Parliament tabled a motion asking that the bid be referred to the Monopolies Commission, which is charged with maintaining free competition in the marketplace.

"Are we going to let all our major companies...be taken over by foreign groups" thundered a leading industrialist. A few weeks earlier, the makers of the venerable HP and Lea Perrins Sauces had been bought by a French company.

Yet once again, Britain could hardly complain. The British retailer Marks & Spencer had just taken over the US menswear chain, Brooks Brothers, Beazer acquired Koppers, and media magnate Robert Maxwell launched a $2 billion bid for the US publisher Macmillan, his third attempt in a year to buy a US company. Britain is by far the largest buyer of US businesses, having spent $31 billion there in 1987 and with investments five times greater than those of the feared Japanese invaders.

Acquisition and mergers in the UK in the 1988 first quarter totalled $12 billion, the second highest figure on record, representing 275 deals, the fourth consecutive quarter with a total exceeding 250. John Banham, director general of the Confederation of British Industry, said mergers, acquisitions and joint ventures involving at least one of the European Community's top 1000 firms rose 27 percent in the year to June 1987, compared to 17 percent the previous year.

A $4.9 billion bid in September from the overseas investment arm of the South African Anglo American Corp. for Consolidated Gold Fields, a London-based company with gold mines in South Africa, was the largest ever for a British firm. The bid opened a battle between the two largest gold-mining companies in the non-communist world.

Then in October, Britain's Grand Metropolitan, reportedly selling its Inter-Continental Hotels Corp. to the Japanese department store operator, Seibu Saison, for more than $2 billion, turned around and bid $5 billion for the US miller, Pillsbury.

The five-month battle over Italian financier Carlo de Benedetti's hostile bid for Societe Generale de Belgique, Belgium's dominant corporation, ignited a boom that so swiftly boosted the country's stock market index, the otherwise sedate Brussels exchange became the first in the world to recover from the Bloody Monday crash of October 1987.

"Our market has suddenly been injected with a mentality that Wall Street has had for many years—that a company can be bought," said Jean Peterbroeck, the exchange president.

There is little concern among businessmen (at least those not about to be taken over) and economists at these manifestations of economic imperialism. When BBA Group last April captured Guthrie Corp., ousting managing director J.M. Green-Armytage, who helped engineer a takeover of Guthrie in 1982, he remarked, "This is a case of he who lives by the sword, dies by the sword."

Capitalism is once again the flavor of the month, as witness economic developments in China and the Soviet Union's fabled *perestroika*.

Despite a small market, what makes Britain attractive to the likes of Swiss, Australian and US investors (the biggest), is its membership in the European Community and the prospect of the tariff-free, frontierless single European market that the community seeks to create in 1992. When that happens, outsiders will be at a disadvantage without a foothold inside the EEC.

> A takeover binge that a decade ago in the US spawned the junk bond and that shows signs of growing even more frenzied has spread worldwide from Wall Street.

The instinctive public resistance to such wheeler-dealing is not entirely misplaced. "Merger mania" may not serve us very well. We have already seen—through various insider-trading scandals—how the takeover business can encourage financial crime. We know that "rationalization" after merger is often just a euphemism for unemployment and that asset-stripping is a favored technique among those who want to get rich quick.

Empires have a nasty habit of crumbling. A recent example is the once-acquisitive Australian entrepreneur Robert Holmes a Court, whose Bell Group crashed with world stockmarkets last October and is now being sold to his yacht-racing fellow countryman Alan Bond. The colorful Bond is said to have financed his international purchases—ranging from the Chilean telephone company to a US brewery—with an amount equal to a ninth of Australia's total external debt. What will happen to him when the next cold economic wind blows?

Takeovers are popular because a lot of people make a lot of money out of them. They help to create an illusion of dynamism and prosperity, so they benefit politicians, too. They are a quick and easy—perhaps too easy—method of achieving what we are encouraged to think of as "growth."

Adam Smith wrote: "To found a great empire for the sole purpose of raising up a people of customers, may at first sight appear a project fit only for a nation of shopkeepers. It is, however, a project altogether unfit for a nation of shopkeepers. But extremely fit for a nation that is governed by shopkeepers."

The question is, do we want to entrust our future to people whose chief concern is what comes through the cash register?♦

WorldPaper

Featuring fresh perspectives from around the world on matters of global concern.

President & Editor in Chief Crocker Snow, Jr.

Publisher Barry McMennamin

Managing Editor Arnold Zeitlin

Business Manager Lena Granberg

Sales Director Carla Wright

Director of Design Elizabeth Fullon

Classified Ad Mgr Melissa Mills

Spanish Edition Laura Eastment

Chinese Edition Xinhua (New China News Agency)

WorldPaper
424 World Trade Center
Boston, MA 02210 USA
Tel: (617) 439-5400
Telex: 6817273

Volume X, Number 11

© Copyright World Times

WorldPaper appears monthly in English, Spanish or Chinese in the following publications:

NORTH AMERICA

Journal of Commerce *New York*

ASIA

China & the World *Beijing*
Singapore Business *Singapore*
Mainichi Daily News *Tokyo*
Philippine Daily Inquirer *Manila*
Executive *Hong Kong*
Hongkong Standard *Hong Kong*
Korea BusinessWorld *Seoul*
Business Review *Bangkok*
Daily Observer *Colombo*
Business India *Bombay*

LATIN AMERICA

Actualidad Económica *San José*
Gerencia *Guatemala City*
Estrategia *Bogotá*
El Diario de Caracas *Caracas*
Daily Journal *Caracas*
Debate *Lima*
Hoy *Quito*
Cronista Comercial *Buenos Aires*

MIDDLE EAST

Cairo Today *Egypt*

YOUR CORPORATE GIFTS COULD EARN A BAD NAME FOR YOUR ORGANIZATION!

The corporate gifts that you give to your clients and business associates are your gesture towards the relationship that you have with them.

A gesture, that you care. And think of them with fondness.

If, what you gift is substandard and does not perform, then think, what your clients and associates will feel?

More important — how would you feel?

To avoid embarrassment follow the tried and trusted idiom:

PREVENTION IS BETTER THAN CURE.

So, when you select a corporate gift based on digital watch modules, make sure it has a SCL digital watch module in it. And not a spurious smuggled one. Insist on the gift manufacturer showing the SCL digital watch module to you.

For, if you decide in haste you may repent at leisure.

Don't decide in haste. Don't repent at liesure.

Semiconductor Complex Ltd.

(A Government of India Enterprise)
Phase VIII, S.A.S. Nagar-160 059
(Near Chandigarh) Punjab (India)
Phones 87585 87255 87409 87310
Telex: 0395-270 LSI IN

Gifts based on the SCL digital electronic watch modules are available with all the leading manufacturers:

• Gupta & Goel, 4-Ready Money Terrace, 167, Dr. A.B. Road, Worli Naka, Bombay. Ph: 4932775 • Words & Figures, Wadia Building, 22 [illegible] Road, East, Bombay. Ph: 233203, 287269 • Kanjgar Vijay Industrial Estate, Mahakali Caves Road, Bombay Ph: 6341696 • S.R. Motwani & Co., 304, Commercial House, Nagindas Master Road, Bombay • Hindustan Plastic Corpn., 923, Faiz Road, Karol Bagh, New Delhi. Ph: 5724865 • Coiner Advertising & Marketing (P) Ltd. G-4, Ashok Bhawan, 93, Nehru Place, New Delhi Ph: 61[illegible] • [illegible] Industries, 80, [illegible] Samaja Road, Basavanagudi, Bangalore. Ph. 608584 • Hindustan Electronics & Watch Industries, SCO 89, Sector 17-D, Chandigarh. Ph. 28518

USADIRECT℠

Your Express Call to the States.™

Calling the States when you're overseas has never been easier. With USADIRECT service, all you have to do is dial a number to be connected to an AT&T operator in the U.S. In some countries, you'll even find special USADIRECT phones in airports, seaports, hotel lobbies and military bases. USADIRECT service is a great way to use your AT&T Card or call collect.

IN AUSTRALIA, DIAL 0014-881-011
BELGIUM, 11-0010
BR. VIRGIN IS., 1-800-872-2881
DENMARK, 0430-0010
FINLAND, 9800-100-10
FRANCE, 19*-0011
GERMANY, FRG, 0130-0010**
HONG KONG, 008-1111
JAPAN*, 0039-111**
THE NETHERLANDS, 06*-022-9111
SWEDEN, 020-795-611
U.K., 0800-89-0011

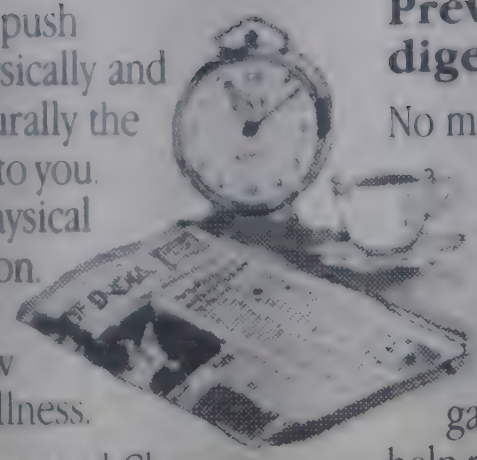
An AT&T operator will be with you shortly. While in the U.S., call 1 800 874-4000 Ext. 344 for more information about USADIRECT service. Not available for calls to Alaska. When using an AT&T Card, use your regular card number. *Await second dial tone. **Available on a trial basis only; excludes Frankfurt area. ***Not available from all locations.

© 1988 AT&T

AT&T

The right choice.

Everyday you push yourself – physically and mentally. Naturally the pressure gets to you. Mental and physical fatigue. Tension. Digestion problems. Low resistance to illness.



That's why you need Chyawan Shakti –nature's own formula to fight symptoms of stress–created with over 46 precious herbs. Brought to you by Dabur.

Chyawan Shakti–combats stress, revitalises mind and body

The effects of stress on your nerves can be disastrous. Chyawan Shakti has ingredients like Draksha, Ashwagandha, Akarkara and Gokshur. These act as demulcents and tonics, while Kesar and other herbs build up physical vigour and invigorate the mind.

Prevents acidity and digestion problems

No more antacids and anti-flatulence pills. Herbs like Akarkara, Lavanga, Madhu and Mukta Shukti Pishti prevent acidity, help digestion, stimulate appetite, relieve gastric and intestinal pains and help regular bowel movement.

Rich in Vitamin C to fight illness

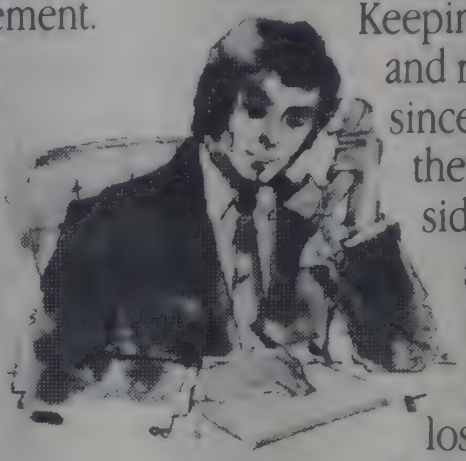
Who needs orange juice!

Chyawan Shakti has an abundance of Amla, the richest source of Vitamin C.

This, along with other herbs in Chyawan Shakti, acts as a powerful immuno-stimulant to build up resistance to common ailments.

Fountain of youth

Chyawan Shakti supplies you with Iron, Calcium, Minerals, Magnesium, Phosphorous and acts as an all-round health tonic.



Keeping you feeling young and raring to go. And since it is wholly natural, there are no harmful side effects. So go ahead and give it a try.

You have nothing to lose except the adverse effects of stress and strain!

SPECIALLY CREATED FOR PEOPLE WHO WORK HARDER

NEW

Dabur CHYAWAN SHAKTI

AYURVEDIC TONIC
TO KEEP YOU GOING STRONG

everest/d88/DIL/281

Dabur INDIA LTD.
Harsha Bhawan, Block E,
Connaught Place,
New Delhi-110 001.

'No income tax anywhere'

That helps takeover artist build billion-dollar empire in India

By Arun Chacko
in New Delhi, India

MANIHAR (MANU) CHHABRIA was a small-time Bombay dealer in electronic spare parts when at 27 years old in 1973 he headed for Dubai with US$3,000, attracted by the oil-fueled Persian Gulf bonanza. With Arab partners, he established Jumbo Electronics and by March 1975 secured an exclusive Sony dealership for Dubai and five other emirates. The dapper, bespectacled Chhabria never has looked back, building a commercial empire with a worldwide annual turnover of US$1.2 billion and becoming one of India's premier takeover specialists.

No one in India really had heard of Manu Chhabria until 1984 when he turned his attention to his native land, chilling many an industrialist. In tandem with another takeover expert, R.P. Goenka of Calcutta, Chhabria quietly bought up the foreign-held shares of Dunlop India from the British-based mother corporation and took over the tire and rubber goods maker with annual sales of about $400 million.

In less than four years, Chhabria and his brother, Kishore, 33, who runs Jumbo's London operation, built a ranking Indian industrial group with annual sales of $700 million adding to sales of $500 million by his foreign holdings.

In late 1986, Chhabria's net worth was estimated at $100 million and his annual salary from Jumbo Electronics, Dubai, at $500,000. He took no money from other business and reinvested all profits. Chhabria's net worth is believed to have nearly doubled since.

To acquire the 60 percent Australian share holding in Mather & Platt, Falcon Tyres and 66 percent in Hindustan Dorr-Oliver, which have combined annual sales of $70 million, Chhabria shelled out over $30 million in hard cash. Another $46 million went into other acquisitions—Shaw Wallace, Dunlop, Gordon Woodroffe and a 7.5 percent stake in Bayer India.

Where did he get the money? Chhabria has said, "My investments in India are from surplus funds which I have set aside. It is important to understand that I am a resident of Dubai where, apart from a 4 percent tax on imports which is passed on, no other taxes are payable. Moreover, by careful tax planning I don't pay income tax in any country in the world.

"Thus I have been able to save and reinvest my entire dividend income for over 14 years. And by West Asian standards, the net worth I have built up in these years is not very unusual.

"In 1974, I was lucky enough to make a large windfall by trading in sugar and in the early 80's in gold. But the explanation for my large investment kitty is that I have consistently saved my entire worldwide income and have lived on the Jumbo salary. I have excellent portfolio managers who have invested my savings very profitably."

Chhabria paid $11 per share, double the market rate, or $27 million to Malaysia's Sime Darby in 1985 for its 38.7 percent equity stake in Shaw Wallace. The Shaw Wallace management bitterly resisted the acquisition. Chief executive S.P. Acharya claimed Chhabria was a front for Bangalore liquor tycoon Vijay Mallya. A fierce battle raged, and it was March 1987 before Chhabria and his brother, Kishore, were elected chairman and director.

Chhabria has denied he fronted for other businessmen. Explaining his rash of takeovers, he says, "I wanted to prove that I am nobody's front man, that I have enough money on my own."

Shaw Wallace has launched an all-out assault on the liquor front, seeking to overtake the 33 percent market share of Mallya's United Breweries of Bangalore. Shaw Wallace has a new consumer products division to sell toilet soap, detergents, toothpaste and hair oil and hopes fourth generation pesticides will improve the company's 4 percent market share in India. Further plans range from automotive tires to geophysical prospecting and real estate development.

"Shaw Wallace is like a sleeping giant," says Kishore Chhabria. "We want to wake it up and turn it into a highly diversified, high technology oriented, multi-product conglomerate."

Chhabria's strategy has been to buy the often controlling foreign shareholding of Indian companies. He has made unsuccessful bids for Chloride India, the battery giant, and for International Instruments, which makes odometers. He entered the local stock market to attack Larsen and Toubro, a large engineering concern, but failed to corner enough shares for control.

Although Chloride India and the others have taught Chhambria he can't win all the time, he says, "Now that I have tasted industrial power, this is the future for us."♦

Arun Chacko is *WorldPaper* associate editor for South Asia.

How to Write

By Herbert and Jill Meyer

The handbook for anyone who communicates in English

How to write is now the most popular writing handbook in the United States. It is used in businesses, schools, and government agencies. In a simple, step-by-step process ***How to Write*** shows how to communicate ideas and information clearly and concisely.

To order, return the coupon with your payment by check or money order.
Ask about our bulk order discount rates

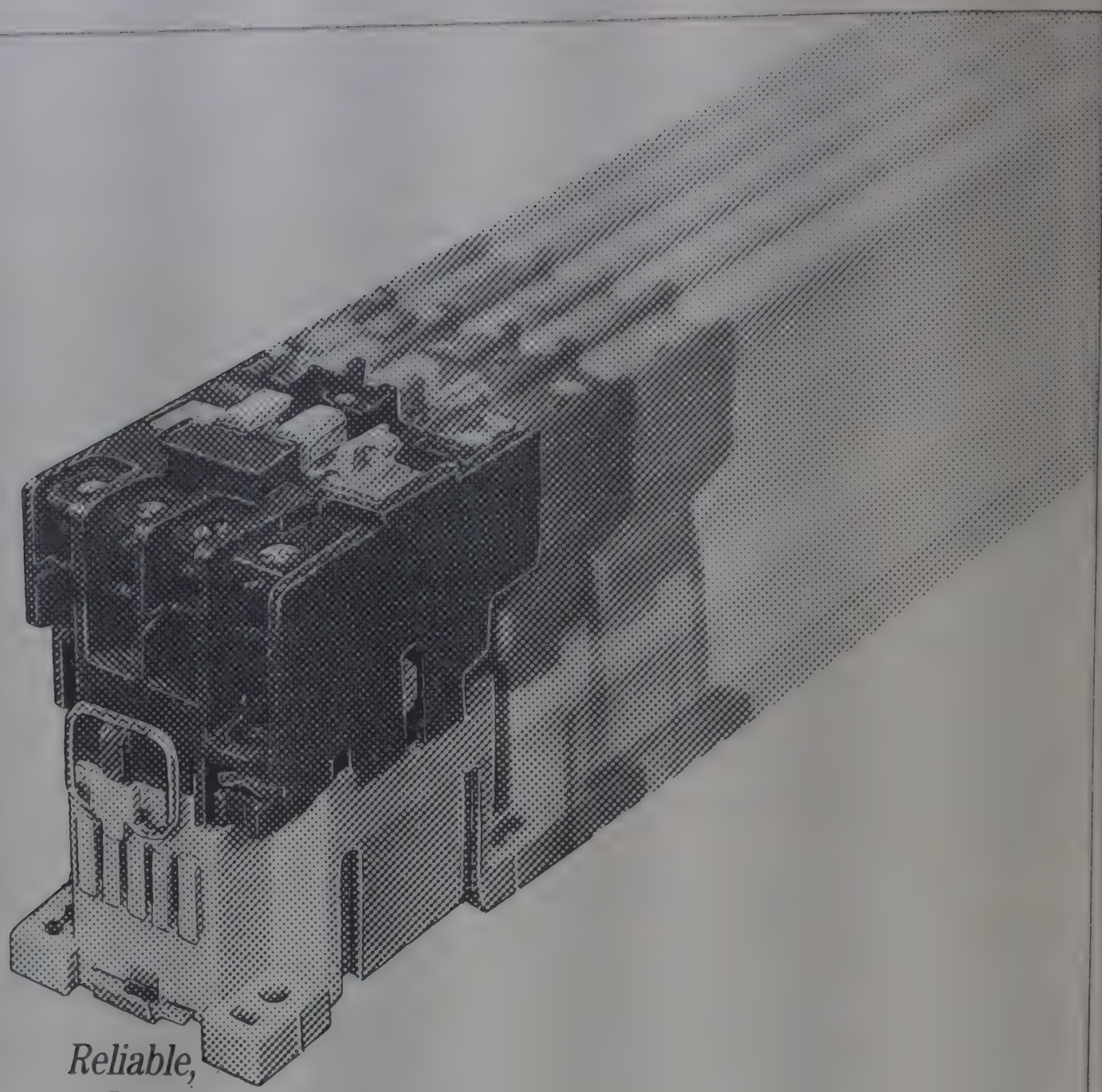
__ Please send me ____ copy/copies of **How to Write** @ US$10 per copy including postage/handling.

Name_____
(please print)

Address_____

_____

Mail to: **Storm King Press, P.O. Box 3566, Washington DC 20007, USA**



Reliable,
Rugged and Compact

Discover the three-in-one advantage of contactors from Batliboi

Lakshmi contactors from Batliboi. Their advantages to original equipment manufacturers and actual users, are threefold:

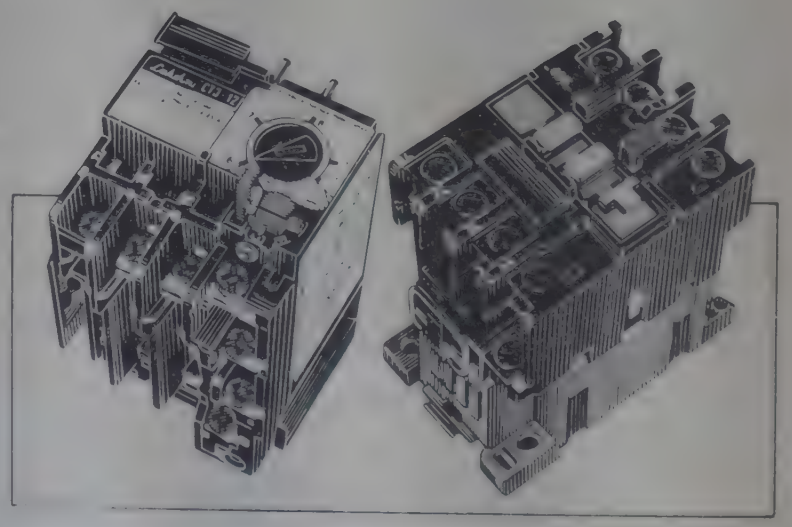
Superior Electrical and Mechanical Properties: High AC3/AC4 ratings. Eliminate contact failure and down-time. Add-on blocks, mechanical latches, mechanical interlocks and surge suppressors, common to all contactors in the range. Common coil for auxiliary and power contactors upto 16A rating.

Higher resistance to damage in transit: The contactors are made from high-grade plastic, not bakelite.

Compact design: Occupy minimum space in the panel. Have higher thermal ratings, to enable mounting contactors in close proximity to each other.

The thermal overload relays have built-in safeguards against single phasing. Auto/manual reset facilities along with two independent trip contacts are available as standard features.

All backed by Batliboi's prompt after-sales service.



OBM/2813

BATLIBOI *For a century, the engineers' engineers*

Manufactured by
Lakshmi Electrical Control Systems Ltd.

For further details, contact
Batliboi & Company Limited, Apeejay House, Dr V B Gandhi Marg, Fort, Bombay 400 001
Telex: 011-2284/4852. Offices: Ahmedabad • Baroda Bangalore • Calcutta • Coimbatore • Delhi • Ernakulam Indore • Jaipur • Jamshedpur • Lucknow • Ludhiana Madras • New Delhi • Patna • Pune • Secunderabad
Associate: Macneill Engineering Division, Ludhiana, Surat

Now Available in Special Low-Priced Editions from the World Bank

World Development Report 1988

Each year the World Bank forms a team from among its top economists and development specialists and gives them a single assignment: review the current state of the world's economic and social development in one concise volume. Their year-long effort has paid off with a report that has become the World Bank's most widely quoted publication.

This year's report shows you where the world economy is headed and why, and how various economic policies would affect people in the developing world.

You also get an exclusive report on the role of public finance in development, based on the World Bank's extensive review of research and practical experience in this field.

Key features include the World Development Indicators—33 statistical tables that provide comprehensive. current, and reliable data on social and economic development for 129 countries. Take advantage of this handy reference that you will use time and again.

☐ **Yes,** send me information on **World Development Report 1988.** (Enclose 35 rupees per copy.)

Name

Address

Address

Send coupon to:
Allied Publishers Pvt. Ltd.
751 Mount Road, Madras, 600-002
Branch offices in New Delhi, Bombay, Calcutta, Bangalore, Hyderabad, Ahmedabad, and Lucknow
or:
Oxford University Press
1st Floor, YMCA Library Building
Jai Sengh Road, New Delhi

THE MERGERS GAME

Once labelled hijacking, M&A goes legit in Japan

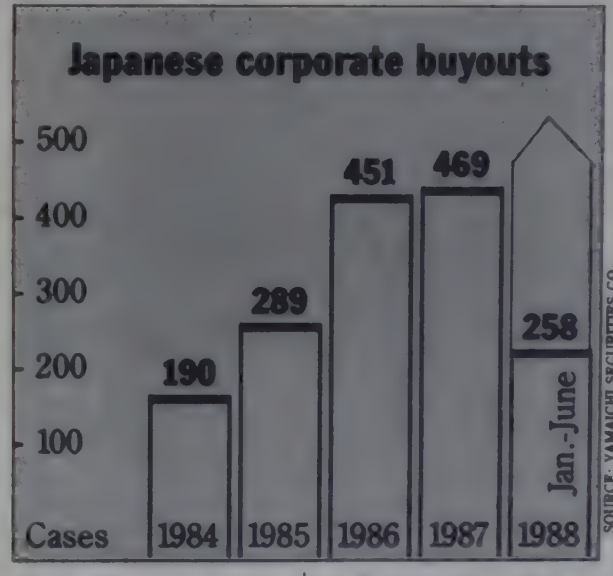
Need to expand, yen rate means no more nottori

By Yusuke Watanabe
in Tokyo, Japan

JAPANESE INDUSTRY long has considered corporate buyouts an unwelcome, even illegitimate business strategy. Executives who believe in old-line entrepreneurship—creating a big enterprise from the bottom up—often call takeovers *nottori*, or hijacking.

Nottori is still used today—but with fewer negative connotations. Needing international business expansion and enriched by the higher exchange rate of the yen, an increasing number of Japanese corporations has begun snapping up foreign enterprises.

Japanese buyouts of foreign firms rose to 228 in 1987 from 44 in 1984, according to Yamaichi Securities Co., Japan's most active mergers and acquisitions mediator. The number reached 141 after the first six months of 1988 and is expected to hit a record high.



Recent buyouts included such mega deals as Dainippon Ink & Chemicals' (DIC) US$535 million purchase of Reichhold Chemicals Inc.; Aoki Corp.'s $1.3 billion acquisition of Westin Hotels & Resorts; Sony's $2 billion buyout of CBS Records; and Bridgestone's $2.6 billion takeover of Firestone Tire and Rubber Co.—the largest acquisition ever by a Japanese entity.

Dainippon presents a typical Japanese M&A strategy.

Following the acquisitions of Kohl & Madden Printing Inc. in 1974 and Polychrome Corp. in 1979, Dainippon obtained the graphic-art division of Sun Chemical Co. for $550 million in August 1986, and Reichhold Chemical, the top thermoplastic maker, a year later. These buyouts instantly established integrated US production bases both for ink and resins, and DIC became the world's largest printing ink supplier, holding 15 percent of total market share.

One strong incentive for Japanese buyouts has been the yen's sky-high rise against the US dollar. Sanwa Bank, for instance, decided to buy Lloyds Bank California in the summer of 1985 when the dollar was equivalent to 240 yen. By Aug. 26, 1986, when Sanwa bought the bank for $263 million, the yen's rate had climbed to 154, pushing down Sanwa's yen payment burden to 40.5 billion yen from the initial value of 63.2 billion yen.

The unprecedented M&A spree has also given rise to new moves in investment banking businesses. While powerful M&A organizers from Wall Street, such as First Boston, Goldman Sachs and Morgan Stanley, have reinforced their Tokyo bases, Long-term Credit Bank of Japan has expanded its investment banking network by obtaining a stake in Peer's & Co., a New York-based M&A adviser. Nomura Securities Co., the largest Japanese brokerage house, has tied up with Wasserstein-Perella & Co., one of the most aggressive M&A firms on Wall Street.

Foreign buyouts, a new, unfamiliar strategy for many Japanese companies, sometimes cast dark shadows over ambitious dreams. To buy Firestone, for example, Bridgestone forked over a sum 3.5 times greater than it had originally planned to outbid Italy's Pirelli. Its winning bid was greeted with an unexpected announcement by General Motors, a big client of Firestone, that it would stop purchasing automobile tires from Firestone in two years. Many industry observers say the Firestone buyout has brought new hardships to the Japanese tire producer.♦

Yusuke Watanabe covers Tokyo's economic beat.

25 LINES ON THE GLORIOUS SAGA OF INDIA'S PREMIER TRADING ORGANISATION IN ITS SILVER JUBILEE YEAR

1963: The year of MMTC's birth. Now a quarter century of eventful existence.

Born out of the objective to match the nation's basic resources with needs closely linked to its progress.

A canalising agency — to acquire vital imports while exploring world markets.

Export of mineral ores and import of non-ferrous metals dominated the early years.

Agriculture coloured the next phase.

Import of fertilisers in right quantity, time and price.

The objective was to evenly balance the demand and supply of critical inputs.

Skilful management escalated the iron-ore exports to record heights.

Then the old order changed. A new corporate plan was evolved to make MMTC the flagship of India's foreign trade.

To move out from the shadows of a mere canalising agency to a multi-merchandise international trading company.

Suddenly, new strategies — innovative and creative, came into play.

Restructuring the corporation into various divisions as profit centres, was the first step.

A corporate planning group was established to define long term future plans, identify newer markets.

A satellite based communications system was developed along with infrastructural facilities and modernisation of ports.

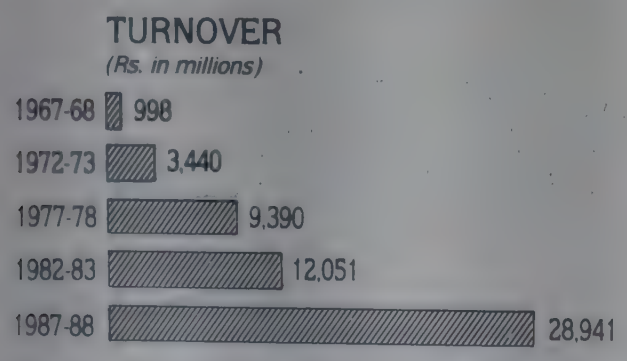
Training gained crucial importance in keeping with the increasing demand for specialist skills.

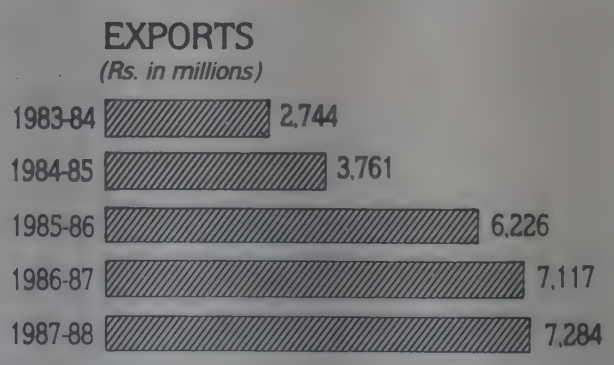
The challenging objective of financing its imports through exports demanded newer approaches.

The corporation used its leverage to open up new export opportunities for organisations, specially in the public sector.

It became a catalyst creating new exports beyond minerals and metals. Like jewellery and diamonds.

Light and heavy engineering goods, agricultural products, processed foods, projects, consultancy services and more.





Result : The corporation's turnover grew from Rs. 870 million in 1962-63 to Rs. 28,941 million in 1987-88.

Exports in the last 5 years grew from Rs. 2,744 million to Rs. 7,284 million, making MMTC the largest export organisation in the country.

Today, as we move from strength to strength it's time for thanksgiving to all who have helped us in touching silver.

An occasion to look to the future with hope and confidence and articulate a corporate commitment.

To achieve the phenomenal growth the country is planning in foreign trade by the turn of the century.

1988: Yes, MMTC is now all set to enter the golden era in global trading.

The Minerals and Metals Trading Corporation of India Limited

R & SWAMY/MMTC/5307

THE MERGERS GAME

EC seeks takeover curb

Europe's competition czar explains new policy

PETER D. SUTHERLAND, the European Commission's commissioner for competition policy, explains from Brussels, Belgium, the EEC drive to strengthen regulation of mergers and acquisitions among members:

What is happening to prompt the EC to seek greater control now over mergers?

The present proposal is based on one which was first put to the Council in 1973, the member states having agreed on the principle at the Paris Summit in 1972. Changing circumstances in recent years have given the issue added significance. The rapid internationalization of trade and the restructuring of European industry in response to the developing single market is being reflected in increasing numbers of cross-border mergers and acquisitions and has clear implications for competition within the Community. The Community strategy of achieving a single internal market by 1992 requires the adoption of merger control legislation. It is difficult to see how the internal market could properly function in a legal environment which continues to subject Community-scale operations to different, and perhaps conflicting, national laws.

What are the most important elements of the EC merger plan?

- Mergers subject to control by the Commission should only be those with a Community dimension.
- The system should provide legal certainty for companies and it should be a "one-stop-shop" operation.
- There should be provision for authorization of mergers where they benefit the wider economy or improve the competitive structure.
- There should be adequate consultation with the member states in the decision-making process.

Are mergers and acquisitions increasing within Europe?

Intra-community cross-border mergers or acquisitions involving at least one of the Community's 1000 largest firms, have increased from 29 in 1983-84 to 75 in 1986-87. Furthermore, in almost 60 percent of the total mergers monitored by the Commission in 1986-87, the combined turnover of the companies concerned exceeded 1,000 million ECU's. This is a significantly higher percentage than in previous years and points to an increase in the rate at which concentrations are occuring.

What impact do mergers and acquisitions have on the economy?

It is obvious that merging undertakings always expect to benefit from the operation, but some studies show that this is not always the outcome. "Big" is not always "beautiful." Experience also shows that mergers, which are motivated by restructuring, may lead to job losses in the short term. If mergers achieve their micro-economic objectives, an increase in jobs may be expected in the long run. One thing is clear—maximum efficiency can only be exploited when we have the stimulus of competition. ♦

A Sheaffer can say it all
The way you write and the pen you choose both say a lot about you. A Sheaffer says it with style.
SHEAFFER®

— International Education —

ST. GEORGE'S UNIVERSITY SCHOOL OF MEDICINE

GRENADA, WEST INDIES

The General Medical Council of the United Kingdom has officially recognized St. George's University School of Medicine.

This recognition allows graduates of St. George's to do postgraduate training in Great Britain. St. George's has had a clinical training program in British hospitals since 1980.

St. George's University offers two programs leading to the degree of Doctor of Medicine (M.D.) for qualified international students:

1. A 4½ year program for students who have completed a bachelor's degree in addition to higher secondary education in math and sciences.
2. A 6½ year combined premedical/medical program for students who have completed secondary education (equivalent to at least five "0" Levels). The premedical phase is offered at Barry University in Florida, U.S.A.

St. George's University has graduated more than 1,390 students from over 30 countries and offers a broad-based international curriculum and clerkship opportunities. The medium of instruction is English. Tuition and fees are paid in U.S. dollars.

For information please contact: **Director of Admissions, Dept. W**
St. George's University School of Medicine
University Centre, Grenada, West Indies

UNIVERSITY DEGREE

for work, academic and life experience

-YOU MAY QUALIFY-

BACHELOR'S • MASTER'S DOCTORATE

send detailed resume:

Pacific Western University
600 N. Sepulveda Blvd.
Los Angeles, CA 90049
Dept. 157 - USA

Earn UNIVERSITY DEGREES

Utilizing work, life & academic experience; for evaluation and information forward resume to:

PACIFIC SOUTHERN UNIVERSITY
9581 W. Pico Blvd. Dept 11
L.A., CA 90035 USA

FULLY APPROVED UNIVERSITY DEGREES

Economical home study for Bachelor's, Master's, Ph.D., *fully approved* by California State Department of Education. Prestigious faculty counsels for independent study and life experience credits (5000 enrolled students, 400 faculty). *Free information* — Richard Crews, M.D. (Harvard), President, Columbia Pacific University, Department 3G50, 1415 Third Street, San Rafael, CA 94901. Toll free: (800) 227-0119; California: (800) 552-5522; or (415) 459-1650.

OFF-CAMPUS DEGREE PROGRAMS

Individualized programs arranged by acknowledged faculty lead to American Bachelor's, Master's and Doctor's degrees in a wide range of subjects.

For a catalog send US$8 to the International Administrative Center:

Somerset University Independent
Ilminster
Somerset TA19 0BQ
England
Tel: (0460) 57255

SPEND A YEAR IN HOLLAND AND EARN AN MBA

a unique MBA program with a mix of strategy and operations

Focus:

- Industrial Policy and Strategy
- Strategic Management and Enterprise
- Strategic Design
- Behavioural Implications of Strategy
- Management Information Systems

Write or telex for more information to:

The Head of the MBA Department
Netherlands International
Institute for Management
P.O. Box 143, 2600 AC-Delft
The Netherlands
Telex: 38323 RVB NL

RVB International DELFT

THE ADVANCED CONSULTANCY SKILL PROGRAMME

Consultancy Skill and Management Training for the Developing World.

RVB Delft: March 6 - May 5, 1989.
Closing date for enrollment: December 1, 1988

Programme outline:

- Analysis of own problem areas
- Tools for consultancy work
- Behaviour skills for consultancy
- Organizational setting of consultancy work
- Guided group-excercise in consultancy activities
- Preparation of a plan for future action.

The programme is directed at:

- Early- or mid-career consultants in national or international consultancy organizations
- Advisor/trainers of national productivity organizations and consultants with develpment banks
- Professionals responsible for productivity improvements in public or private sector organizations (e.g. those in internal consultancy departments).

Prospective participants are advised to check the availability of international fellowships with the respective agencies in their country.

For further information please write or telex to:
Dr. R. Wirtz
Head, EDP Programmes
RVB, P.O. Box 143
2600 AC Delft, The Netherlands
Telex: 38323 RVB NL/ FAX (31) 15 566831

RVB International DELFT

The English Language Institute

Queens College, The City University of New York

Full-time (18 hours per week) English language instruction for foreign students, businessmen, diplomatic personnel.

Established 1945.

Campus in suburban Queens yet only 45 minutes from the cultural center of New York City. Now accepting for the current semester.

QUEENS COLLEGE

For application:
English Language Institute -WP
Queens College
Flushing, N.Y. 11367 USA
Telephone: (718) 520-7495

Spartan Health Sciences University School of Medicine

- Classes Starting: Sept. 1988, Jan. 1989, May 1989
- Instruction in English
- W.H.O. Listed

For information: U.S. Office
7618 Boeing, Suite C, El Paso, Texas 79925 USA
Tel: (915) 778-5309

Validate Your Professional Experience

Obtain Your

B.A. / M.B.A.

In Business Administration

For more information call or write

Western States University

University Hills Complex
Doniphan, Missouri 63935 USA
Phone (314) 996-7388

Readers

Please make appropriate inquiries before entering into a binding commitment financially or otherwise in relation to an advertisement. World Times, Inc., shall not be liable to any person for loss or damage incurred through any advertisement published in WorldPaper.

— Business —

SURPLUS PLANTS—SALE

Oxygen - Nitrogen - Argon

Modern Liquid — Excellent Condition

25 T (750M) 5 T (150M) 1/2 T (15M)
75 T (2250M) 1 T (30M)

LOW PRICES WITH FINANCING

Nicolai Joffe Corp. Dept. P, P.O. Box 5362, Beverly Hills, Calif. 90210 USA. Tlx: 674638

VISAS

Former Attorney-Advisor U.S. Gov't, Washington D.C. now helping Corp. & indiv. obtain visas; L-1-2,E-1-2, H-1-2-3, I, F-1 and M, and adj. of status, etc. Also int'l busn. advice.

Law Offices of Alexander Nassif
213/387-7107 or Fax 818-5697470

1988 World Trade Contacts Directory

Put your import/export company into contact with new customers/supplier worldwide by purchasing/advertising in *1988 World Trade Contacts Directory.* Tax haven contacts also available. Free Information.

Asset Haven Association, Ltd., Island Resources National House, Santon, Isle of Man.

World's largest library US$8—including disks, thousands of powerful programs for Apple IIe, IIc,GS. IBM/PC,XT,AT. 3.5 disks format available. Specified your computer type. FREE cataloge sent to you by airmail. Write: YEUNGLIN -WP P.O. Box 33610 SHEUNGWAN, HONG KONG.

— Hotels —

The Coburg Hotel

Reasonable rates. Prestigious location, TV, telephone, trouser press, hairdryers, coffee/tea makers, English Breakfast. Bar, restaurant and conference rooms.

129 Bayswater Rd, Hyde Park
London W2 4RJ
Tel 01-229-3654
Telex 268235. Fax 01-229 0557

— Books —

BOOKS IN PRINT: TAPES: CD's

One letter or FAX to us can fill all your needs.

BTS WORLDWIDE
BOX W, 15 Walden St.,
Concord, MA 01742-2504 USA
or FAX (617) 369-0501

AUTHORS WANTED BY NEW YORK PUBLISHER

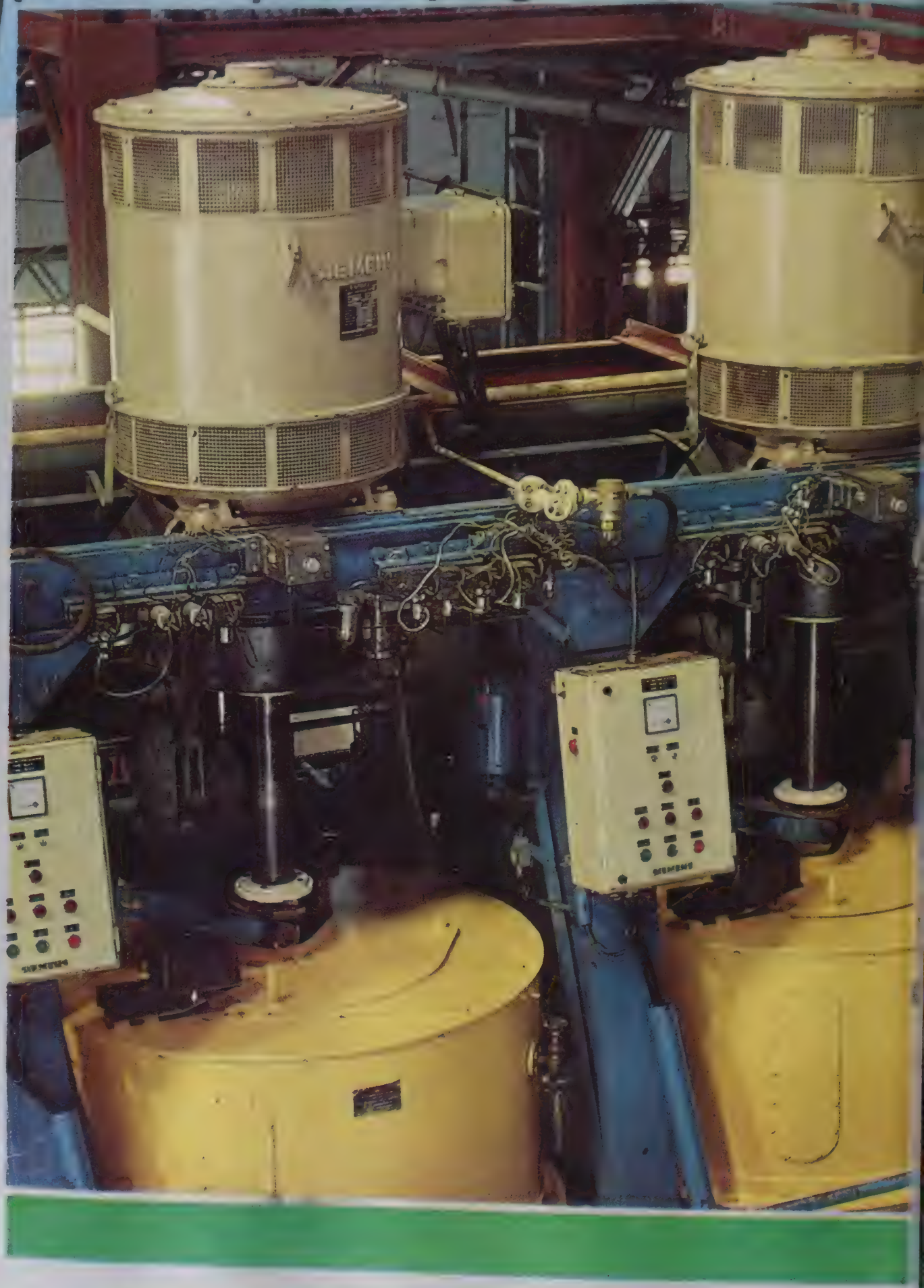
Leading subsidy book publisher seeks manuscripts of all types: fiction, non-fiction, poetry, juvenile, scholarly and religious works, etc. New authors welcomed. *Ask for free booklet R-83.* **Vantage Press**, 516 West 34th Street, New York, NY 10001

dinesh

Exclusives ▲ Suitings ▲ Co-ordinates ▲ Safaris

The choice of leading fashion houses, internationally.

If we're capable of big things in sugar,



Anticipation.

The ability to sense changing trends and introduce pioneering products. Like centrifugals for batch and continuous processes, to recently, the 1000 kg per charge centrifugal, the latest bagasse dryers and four roller milling plants. Making Buckau Wolf virtually the benchmark by which competition is assessed. And helping us execute many successful turnkey and expansion projects in India and abroad. Anticipation coupled with consistent quality and the backing of Krupp, West Germany. A few small reasons for our reputed capabilities.

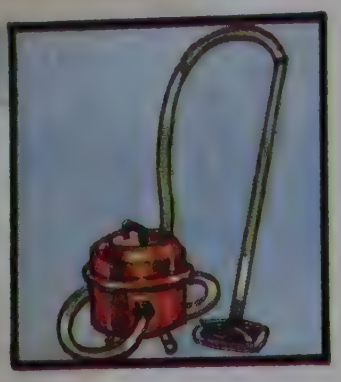
s because of one small reason

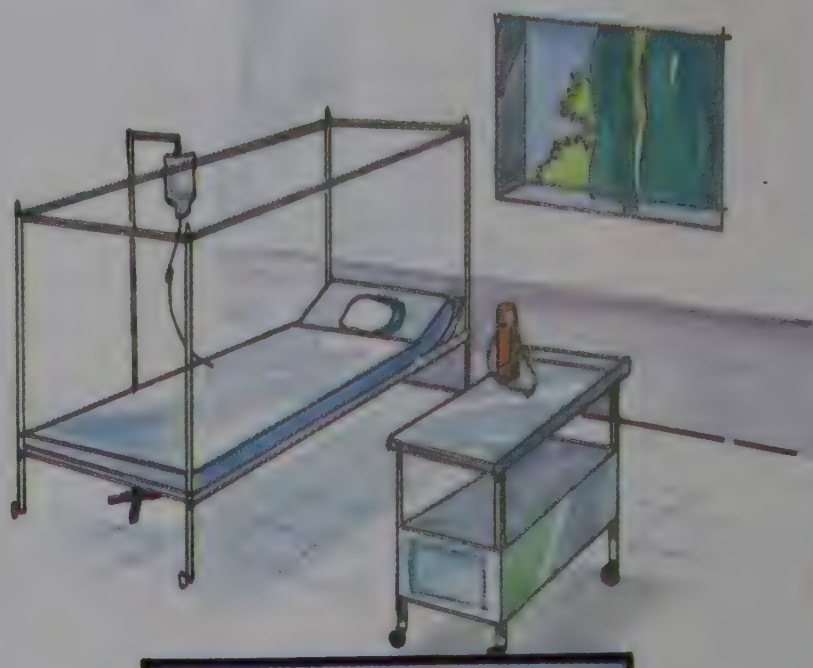
BUCKAU WOLF
More than engineers. People with a sense of values

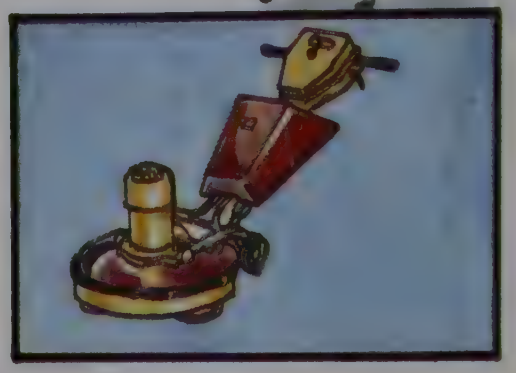
KRUPP
Buckau Wolf with Krupp technology

Buckau Wolf India Ltd., Pimpri, Pune 411 018. Tel: 84461. Telex: 146-267.

It's time we thought of a cleaner world...







Products for a cleaner world

Cleaning.... a requisite for every establishment & for a healthier and safer environment.

Mechanised cleaning... the hazard-free, economical and thorough approach to total hygiene.

Del Star... the company that has been on the forefront of mechanised cleaning in Indian Industry for over two decades.

Del Star equipments.... The ultimate mechanised cleaning aids... over 10000 satisfied users already know it!

Del Star Pvt. Ltd.

Ogalevadi 415 105.
Dist. Satara, Maharashtra.
Dial : Karad 2478/3248
Cable : "DELSTAR" OGALEVADI

AD-VENT/DPL/351

Boehringer-Knoll

Excellent performance; dividend skipped to conserve funds for modernisation; chloramphenicol plant fully restored to operation; new drug introduced

The company has skipped dividend as in the previous year to conserve funds for capital expenditure urgently required for modernisation of the plant. The last time the company paid a dividend was in 1986 (10 per cent). The company's sales increased by 20 per cent to Rs.23.82 crores (previous year: Rs.19.89 crores).

The company has fared exceedingly well. Its operating profit rose from Rs.0.73 crores to Rs.1.53 crores. After interest charges of Rs.0.98 crores (Rs.0.73 crores) the gross profit is Rs.0.55 crores (nil in the previous year). After depreciation of Rs.0.20 crores (Rs.0.21 crores) there is a net profit of Rs.0.31 crores (loss of Rs.0.21 crores).

The company had, in fact, turned the corner in the second half of the year under review, by making a net profit of Rs.0.85 crores, compared to a loss of Rs.0.55 crores in the first half. Sales were higher by 25 per cent and operating profit was Rs.1.51 crores compared to just Rs.1 lakh in the first half. Operating margins jumped 11.39 per cent.

The chloramphenicol plant was fully restored to operation by the end of June 1987 after the mishap which occurred in November 1986. The plant produced 58 tonnes of chloramphenicol against the installed capacity of 60 tonnes.

The company has undertaken the modernisation of the pharma division involving an outlay of around Rs.1.50 crores. With the liberalisation policy adopted by the government, the company will be able to expand its production to the level of the maximum capacity of the plant, by adding balancing equipment. The growth of the diagnostic division continues to be good.

During the year, the company introduced a new drug ISMO 20, which is used in the treatment of angina pectoris.

		(Rs. crores)
Period ended April	**1988**	**1987**
GROSS SALES	23.82	19.89
OTHER INCOME	0.79	0.84
OPERATING PROFIT	1.53	0.73
INTEREST	0.98	0.73
DEPRECIATION	0.20	0.21
GROSS PROFIT	0.55	Nil
CASH PROFIT	0.51	Nil
NET PROFIT/(LOSS)	0.31	(0.21)
EQUITY	1.00	1.00
CASH RESERVES	1.46	1.15
GROSS BLOCK	5.37	4.81
TOTAL CAPITAL EMPLOYED	7.39	4.64
EPS (%)	31.00	—
DIVIDEND (%)	Nil	Nil
MARKET PRICE (Rs)		
CURRENT	210.00	
1988: HIGH	215	
LOW	37.00	

VAM Organics

Increased dividend, sales, and profit; new plant to make monoethylene glycol expected to be commissioned by January 1989

The company paid 30 per cent dividend for the year ended April 1988 (previous year: 25 per cent). Sales increased from Rs.27.92 crores to Rs.32.21 crores, a 15 per cent increase. Operating profit was more or less the same at Rs.10.74 crores (Rs.10.70 crores). After reduced interest charges of Rs.1.55 crores (Rs.1.64 crores), the profit at gross level was Rs.9.19 crores (Rs.9.06 crores). Depreciation claimed only Rs.2.33 crores (Rs.4.82 crores) and taxation Rs.2.10 crores (Rs.66 lakhs). The net profit was Rs.4.76 crores (Rs.3.58 crores). The cash profit is lower at Rs.7.09 crores (Rs.8.40 crores).

The company has revalued its assets, namely, land, building, plant and machinery; they are now valued at Rs.20.46 crores.

India Glycols Ltd, a company promoted by VAM to manufacture monoethylene glycol at a project cost of Rs.87.50 crores, is making rapid progress. The plant is expected to be commissioned by January 1989. The company has also entered into an agreement with a West German company to jointly manufacture specialised silica. The plant will be located in Moradabad, UP.

The company is enhancing its installed capacity for the manufacture of vinyl acetate monomer to 20,000 tonnes from 10,000 tonnes. The average selling price of VAM was Rs.21,535 per tonne, (Rs.19,919 per tonne). The main raw material — molasses — cost Rs.360 per tonne (Rs.253 per tonne). The company has an amazingly low ratio of raw material cost to sales — 13 per cent.

		(Rs. crores)
Period ended April	**1988**	**1987**
GROSS SALES	32.21	27.92
OPERATING PROFIT	10.74	10.70
INTEREST	1.55	1.64
DEPRECIATON	2.33	4.82
GROSS PROFIT	9.19	9.06
TAXATION	2.10	0.66
NET PROFIT	4.76	3.58
CASH PROFIT	7.09	8.40
EQUITY	5.17	5.17
PREFERENCE	0.38	0.38
RESERVES & SURPLUS	14.85	11.71
GROSS BLOCK	28.63	24.81
INVESTMENTS	1.15	0.99
EPS (%)	92.00	69.00
DIVIDEND (%)	30.00	25.00
MARKET PRICE (Rs)		
CURRENT	124.00	
1988: HIGH	142.00	
LOW	78.00	

The improved results were seen in the company's first half-yearly result for the period ended October 1987. On a turnover of Rs.15.68 crores the net profit was Rs.2.34 crores whereas in October 1986 the figures were Rs.14.64 crores and Rs.1.50 crores respectively.

J.K. Industries

Good performance; new tyre plant to be set up; project for the manufacture of Penicillin-G.

		(Rs. crores)
Period ended June	**1988**	**1987**
GROSS SALES	216.68	216.19
OTHER INCOME	10.27	2.83
OPERATING PROFIT	35.33	29.43
INTEREST	3.73	4.71
GROSS PROFIT	31.60	24.72
DEPRECIATION	13.02	29.27
TAXATION	3.30	—
NET PROFIT/(LOSS)	15.28	(4.55)
CASH PROFIT	28.30	24.72
EQUITY	13.76	13.76
RESERVES & SURPLUS	15.51	3.09
GROSS BLOCK	137.25	130.63
EPS (%)	111.00	—
DIVIDEND (%)	20.00	15.00
MARKET PRICE (Rs)		
CURRENT	53.00	
1988: HIGH	54.00	
LOW	25.00	

The company did well in the year ended June 1988 and made a profit of Rs.15.28 crores (previous year: loss of Rs.4.55 crores). As a result, it has increased dividend from 15 per cent to 20 per cent. Operating profit was Rs.35.33 crores (Rs.29.43 crores). It would have been more, but for the 51-day strike which resulted in a considerable loss of production. Furthermore, it faced a water shortage caused by successive severe droughts in Rajasthan.

The company's interest payment was lower than in the previous year at Rs.3.73 crores (Rs.4.71 crores) because its loans have come down to Rs.116.29 crores (Rs.119.51 crores). The company reduced its expenses on depreciation account and had to provide Rs.3.30 crores for taxation.

At net levels there was a profit of Rs.15.28 crores. The reserves and surplus is Rs.15.51 crores (Rs.3.09 crores). This indicates the profit retained by the company in a favourable year. The earning per share is over 100 per cent at Rs.11.10. The higher profits are a result of a drastic cost-cutting and efficiency drive by the management.

JK is the only tyre company manufacturing steel belted radial tyres. It will soon launch a new steel belted radial tyre, namely Star Trek, for Maruti cars. The company produced 733,000 automobile tyres against an installed capacity of 1,284,000 tyres and sold them at an average price of Rs.2,745 per tyre. The company's costs have gone up. Rubber cost Rs.20,900 per tonne (Rs.20,000 per tonne). Likewise the cost of fabric shot up to Rs.113,785 per tonne (Rs.99,605) and that of carbon black to Rs.16,705 (Rs.15,440).

The company is setting up a new tyre plant with a capacity to produce a million tyres per annum. In order to diversify its activities, the company is pursuing a project for the manufacture of penicillin-G which is an essential basic drug required for a number of formulations.

The company exported Rs.7 crores worth of goods during the year.

		(Rs. crores)
Year ended 31 March	**1988**	**1987***
SALES & OTHER INCOME	119.52	133.50
OPERATING PROFIT	14.02	16.22
INTEREST	3.99	4.46
DEPRECIATION	3.76	4.85
PRE-TAX PROFIT	6.27	6.91
TAX	3.00	2.76
NET PROFIT	3.27	4.15
EQUITY CAPITAL	3.03	3.03
RESERVES & SURPLUS	19.77	17.50
LOAN FUNDS	27.63	27.82
NET BLOCK	22.19	23.04
NET CURRENT ASSETS	27.79	24.88
EPS (%)	107.90	136.90
DIVIDEND (%)	30.00	30.00
MARKET PRICE (Rs)		
CURRENT	120.00	
1988: HIGH	141.00	
LOW	82.00	

** Figures for 1987 are for 15 months*

Jagatjit Industries

Profits maintained; exports decline; change in group's distribution policy

Jagatjit Industries is engaged in the manufacture of liquor, malted milk food, malt, malt extract, glass bottles and carbon dioxide gas. Nearly 68 per cent of its sales earnings come from liquor and 20 per cent from malt food. Bottles contribute another 9 per cent. For the year ended 31 March 1988 total income at Rs.119.52 crores was higher by 12 per cent compared with the annualised total income of Rs.106.80 crores for the previous 15 months ended 31 March 1987. Dividend was maintained at 30 per cent (previous year: annualised dividend 24 per cent).

The profit for the year would have been higher by Rs.1.77 crores had the company adopted straight line depreciation rates on energy-saving devices. The depreciation on these assets is charged at 100 per cent. During the year lease rental has increased substantially from Rs.44 lakhs to Rs.1.23 crores. Additions to fixed assets at Rs.3.41 crores are lower (previous period: Rs.8.97 crores); the company may therefore have taken certain assets on a lease basis but these are not reflected in the balance sheet.

During the year, the company sold 20,091 kilolitres of liquor for Rs.87.63 crores (Rs.92.06 crores). The average sales realisation per kilolitre was marginally higher at Rs.43,616 (Rs.42,040). In malted foods, thanks to a sustained advertising campaign, the average sales realisation per tonne improved to Rs.38,665 (Rs.36,844). Jagatjit sells whisky under the Aristocrat brand name and malted milk food under the name 'Maltova' and 'Viva'. In the malted food segment, its main competitors are HMM (Horlicks) and Hindustan Cocoa (Bournvita).

The value of exports declined to Rs.9.83 crores (previous period: annualised Rs.11.24 crores). Exports which consist mainly of shrimps are not very profitable but through them the company earns duty drawbacks of Rs.56 lakhs. The company is cash rich with cash and bank balance of Rs.8.74 crores as on 31 March 1988. Its short-term as well as long-term financial position is quite comfortable as indicated by various liquidity ratios.

During the year, it ploughed back Rs.6.11 crores which was used to finance additions to gross block (Rs.2.98 crores) and working capital (Rs.2.91 crores). The book value of the share has increased from Rs.68 to Rs.75. With free reserves about five times the equity capital, the company, subject to various approvals, intends to issue one for one bonus shares. Its subsidiary, Milk Food, has stepped up dividend from 15 per cent to 50 per cent. The distribution policy of both Jagatjit and Milk Food was uneven in the past. But there seems to be a change now for the better.

East India Hotels

Profit declines following higher interest and depreciation; benefits of Sec.80 HHC now extended to hotels also

East India Hotels (EIH) which runs the Oberoi group of hotels has posted disappointing results despite a 22 per cent growth in its gross revenue. Pre-tax profit

		(Rs. crores)
Year ended 31 March	**1988**	**1987**
SALES & OTHER INCOME	80.25	65.94
OPERATING PROFIT	26.74	22.54
INTEREST	12.03	8.13
DEPRECIATION	5.54	3.74
PRE-TAX PROFIT	9.17	10.67
TAX	2.24	0.89
NET PROFIT	6.93	9.78
EQUITY CAPITAL	23.60	17.40
RESERVES & SURPLUS	69.78	57.68
LOAN FUNDS	119.63	121.37
NET BLOCK	200.53	181.07
NET CURRENT ASSETS	13.38	16.46
EPS (%)	29.40	56.20
DIVIDEND (%)	20.00	20.00
MARKET PRICE (Rs)		
CURRENT	55.00	
1988: HIGH	56.00	
LOW	38.00	

F ONLY ELECTRICAL SHORT CIRCUITS WERE FIREPROOF

A minor fault in a control panel of a machine can lead to major short circuits and fire hazards, leading to loss of life and costly equipments.

VERSATRIP provides complete range of VB combination fuse switches for control and protection from the deadliest of short circuits and to protect your equipments from fire hazards.

Here is the proof: VERSATRIP'S VB Fuse Switches incorporate

- DMC Mouldings which are non-hygroscopic in nature and which have high temperature withstand capacity. Thus they can maintain their insulating properties even when mounted inside the panel.
- Integral inter-phase barriers between terminals and between contacts. Thus no loose sheets are required to act as insulating barriers.
- Highest creepages and clearances between terminals eliminating flash overs.
- Unique contact system with arcing tips and arc chutes preventing arc spreading outside.

In addition to the above special features of design, these fuse switches have passed exhaustive ***Type Tests*** *as per latest* ***I.S.S. 4064.***

a. *Fuse short circuit tests of as high value as 50/84/104 KA in three frame sizes respectively.*

b. *AC-23 motor duty tests.*

c. *Electrical/Mechanical endurance tests.*

Yet VERSATRIP Fuse Switches do not cost the earth!

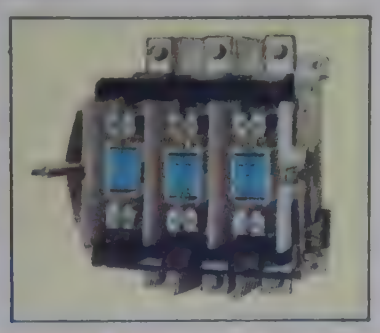
For more details please ask for our catalogue : VB-63004.

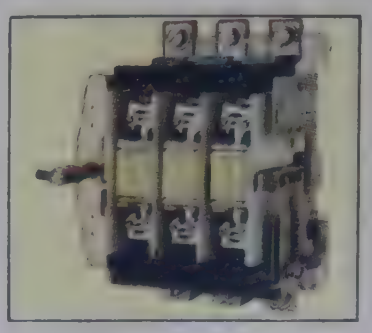
NOW!
VF FUSES
CARRY ISI MARK!
ULTIMATE PROOF OF QUALITY CONTROL & EXHAUSTIVE TESTING.

VERSATRIP

VCB

We are in Current Control





VERSATRIP CIRCUIT BREAKERS MFG. CO. (P) LTD.

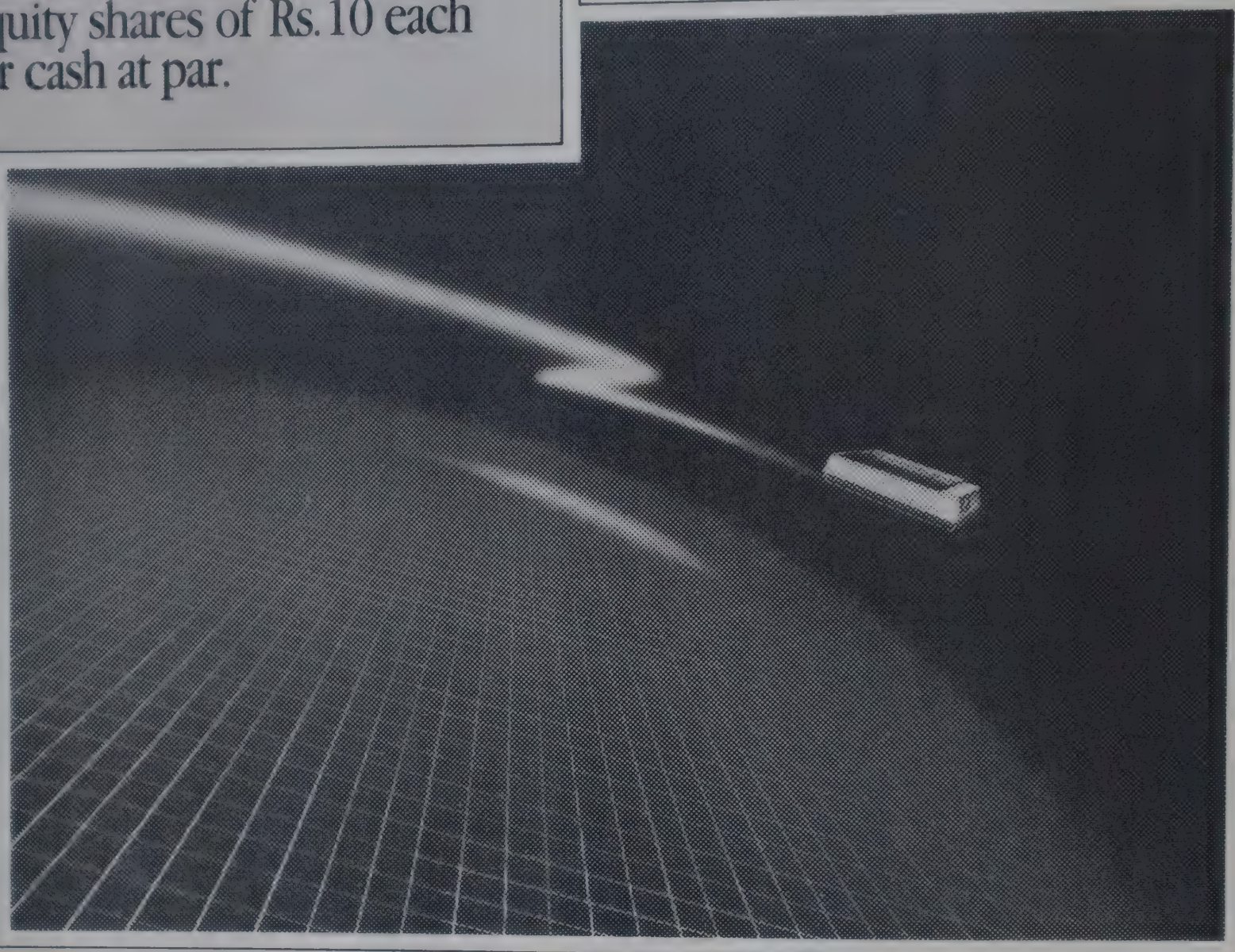
4, Vasan Udyog Bhavan, Sun Mill Compd., Off Tulsi Pipe Rd., Lower Parel, Bombay-400 013.
Tel: 4926359, 4939803. Telex: 011-76227 TRIP IN. Gram: ELECSTORES

BRANCH OFFICES:

- **DELHI:** 62-A, Cycle Market, Phase-I, Jhandewalan, New Delhi-110 055. Tel: 779657,-735631.
- **BARODA:** 12, Ajanta Society, Race Course Circle, Baroda-390 007. Tel: 320550, 321979.
- **PUNE:** B/14, Gandharva Nagari, Near Kirloskar Cummins, Kothrud, Pune-411 029. Tel: 438816
- **MADRAS:** Flat No. 4, Door No. 23, 1st Main Road, Raja Annamalaipuram, Madras-600 028. Tel: 455241
- **BANGALORE:** 2nd Floor, Opp. Y.M.C.A., 104/2, Infantry Road, Bangalore-560 001. Tel: 566976

FUSE SWITCHES: 32,63, 100, 160, 250, 320, 400 & 630 Amps.
MCBs: 0.5 Amps to 63 Amps.

Public Issue of 65,49,300 equity shares of Rs. 10 each for cash at par.



Highlights of the Issue:

1. A TVS group company
2. Computer peripherals industry – fastest growing
3. No gestation period – commercial production commenced
4. Best international collaborations
5. Vast export potential
6. Listing at all major stock exchanges
7. Tax benefits – 80 CC, 80L, 80M and Wealth Tax exemptions

Managers to the Issue

SBI Capital Markets Limited

The Industrial Credit and Investment Corporation of India Limited

Advisors to the Issue

Registrars to the Issue

Harita Investments Private Limited

TVSE

TVS ELECTRONICS

YOUR SHARE OF THE FUTURE

ISSUE OPENS:
FOR NON RESIDENT INDIANS NOV. 7, 1988. FOR INDIAN PUBLIC NOV. 14, 1988.

TVSE-308-88

eclined by about 15 per cent following igher interest and depreciation charges. rofits declined further by 29 per cent to s.6.93 crores due to higher tax provision equired under section 80 HHC of the ncome Tax Act. The benefits under this ection are now available to hotels too. Jnder this section, 50 per cent of revenue arned in foreign exchange will be tax-ree and the rest is eligible for tax exemp-ion provided it is re-invested in tourism-elated activities.

EIH's foreign exchange earnings for he year were higher at Rs.48.74 crores (previous year: Rs.40.65 crores). The company's major rival, Indian Hotels, which runs the Taj Group of hotels, earned substantially higher foreign exchange at Rs.67.81 crores during 1987-88.

During the year EIH's tax ratio was much higher at 24 per cent (8 per cent), the same as Indian Hotels. The tax ratio is likely to come down after the benefits under section 80 HHC are extended to the hotel industry. The earning per share declined from Rs.5.6 to Rs.2.9 during the year.

The main reason for the decline in profits was the 48 per cent increase in interest costs to Rs.12.03 crores. The company had raised Rs.32 crores last year by issuing 13.5 per cent convertible debentures resulting in higher interest costs. The company proposes to raise a further Rs.15 crores through the issue of non-convertible debentures for renovation and for meeting long-term working capital requirements. As a result interest costs will go up even further.

During the year, the company added Rs.24.81 crores to the gross block. Its application to invest in the equity shares of Pleasant Hotels, Madras has been approved by the government. With the acquisition of this 174-room hotel the group's activity will get a further boost. It has also selected sites for constructing hotels in Agra and Goa. A relatively new activity is the development of hotel computer software for export.

			(Rs. crores)
	Jan-Jun 1988	**Jan-Jun 1987**	**Jan-Dec 1987**
SALES (NET)	16.56	10.19	24.88
OTHER INCOME	0.28	0.40	0.53
TOTAL INCOME	16.84	10.59	25.41
RAW MATERIAL COST	3.26	2.64	5.78
SALARY & WAGES	2.17	1.67	3.76
OTHER EXPENSES	8.14	4.43	11.52
OPERATING PROFIT	3.27	1.85	4.35
INTEREST	1.86	0.86	1.87
GROSS PROFIT	1.41	0.99	2.48
DEPRECIATION	1.36	0.98	2.53
TAX	0.01	—	—
NET PROFIT (LOSS)	0.04	0.01	(0.05)
OP/SALES (%)	19.75	18.16	17.48
RM/SALES (%)	19.69	25.91	23.23

Indo Asahi Glass

The company has performed excellently in the first half of the current year.

Sales at Rs.16.56 crores are 63 per cent higher while operating profits have jumped Rs.3.27 crores (Rs.1.85 crores in the corresponding period last year).

The company is servicing a higher interest burden of Rs.1.86 crores (Rs.0.86 crores). The provision for depreciation is high at Rs.1.36 crores (Rs.0.98 crores). The net profit therefore remains at the minuscule level of Rs.4 lakhs (Rs.1 lakh). However, the cash profit was much higher at Rs.1.40 crores (Rs.0.99 crores).

There has been an appreciable improvement in profitability and productivity. This is evident from the fact that operating margins have risen to 19.75 per cent from 18.16 per cent in the corresponding period last year.

Meanwhile, costs per unit are lower. The cost of raw materials accounted for only 19.69 per cent of the value of sales (25.91 per cent), while expenditure on salaries and wages accounted for 13.10 per cent (16.39 per cent) of sales. But the other selling and distribution expenses were higher.

			(Rs. crores)
	Jan-Jun 1988	**Jan-Jun 1987**	**Jan-Dec 1987**
SALES	12.91	10.79	28.72
OTHER INCOME	—	0.01	0.03
TOTAL INCOME	12.91	10.80	28.75
RAW MATERIAL COST	7.74	6.01	16.97
SALARY & WAGES	1.10	0.93	1.85
OTHER EXPENSES	3.13	3.19	7.26
OPERATING PROFIT	0.94	0.67	2.67
INTEREST	0.65	0.51	1.21
GROSS PROFIT	0.29	0.16	1.46
DEPRECIATION	0.05	0.04	0.11
TAX	0.10	0.02	0.65
NET PROFIT	0.14	0.10	0.70
OP/SALES (%)	7.20	6.20	9.30
RM/SALES (%)	59.90	55.60	59.00

Fulford India

The company's sales and profits in the half year ended June 1988 have grown. Sales at Rs.12.91 crores (Rs.10.79 crores) are 20 per cent higher than in the corresponding period last year. The operating profits have jumped up to Rs.0.94 crores (Rs.0.67 crores). The interest charges are higher at Rs.0.65 crores (Rs.0.51 crores). The provision for depreciation is Rs.5 lakhs (Rs.4 lakhs) and taxes are Rs.14 lakhs (Rs.10 lakhs). The raw material costs are higher at Rs.7.74 crores (Rs.6.01 crores). The wage bill too is higher at Rs.1.10 crores (Rs.0.93 crores).

But despite these extra charges and higher provisions, the company has managed to earn a higher profit.

It is important to note that the company usually does much better in the second half of each year. Last year, sales in the first and second half were Rs.10.79 crores and Rs.17.93 crores respectively and net profit in the same period was Rs.10 lakhs and Rs.60 lakhs respectively. Even the working margin in the second half was better at 11.1 per cent compared with 6.2 per cent in the first half.

The price realisation has vastly improved, following the upward revision under the new DPCO. But this has not been fully reflected in the six months under review as the DPCO came into existence sometime in the middle of this period. The next half year should see highly improved sales and profitability.

Escorts

The company has done remarkably in the first half of the current year. Its sales at Rs.253.57 crores (Rs.190.80 crores) were 33 per cent higher.

The company has lumped raw material costs with the other selling and administrative expenses. As a result, its raw material costs are difficult to determine. The wage bill has risen to Rs.27.53 crores (Rs.22.25 crores), an increase of 24 per cent, while the other expenses are higher

A LOT OF MANUFACTURERS IN INDIA HAVE GOTTEN WISE AND PROGRESSIVE.

ARE YOU ONE OF THEM ?

All over the world manufacturers are switching over to the lamitube. For good reasons. For one thing, the lamitube looks so much better. You can print whatever attractive designs you want in as many colours as you like. Which means your product, standing on the shelves among so many others, stands out to catch the consumer's eye. And the lamitube is so much more hygienic. No messy grey oxides on your products. No wastage because of wrinkled tubes. No paste oozing out of the back of the tube instead of the nozzle. And no bursting.

So, if you haven't switched over to the lamitube yet, do it now. It makes a lot more sense.

Dentifrice: Colgate Fluoriguard 200 gm., Prudent, Neem, Close-up, Pepsodent Plus, Forhans, Solidox. Pharmaceuticals: Benitis, Moov, Lectrogel, Silver Sulphadiazene, Himax, Microbar. Foods: SIL Mustard, Peanut Butter, Mayonnaise. Cosmetics: Anne French, Lisa Pomade, Fair & Lovely. Industrial: Aquadis, Oleodis, Valvgrind.

Packaging in Lamitubes.
It makes a lot more sense.

LAMITUBES®

ESSEL PACKAGING LTD.

BOMBAY: 135, Dr. Annie Besant Road, Worli, Bombay 400 018. Telephone: 4933280 • 4933281 • 4939686 • 4939689. Telex: 76909 ESEL-IN.
DELHI: B-10, Lawrence Road, Industrial Area, New Delhi 110 035. Telephone: 7214135 • 7215803 • 7115608. Telex: 79079 RAMA-IN

			(Rs. crores)
	Jan-Jun 1988	Jan-Jun 1987	Jan-Dec 1987
ALES (NET)	253.57	190.80	415.62
THER INCOME	5.28	3.46	14.85
OTAL INCOME	258.85	194.26	430.47
AW MATERIAL & THER COSTS	192.70	140.39	311.78
ALARY & WAGES	27.53	22.25	43.82
PERATING ROFIT	23.92	17.56	41.54
NTEREST	10.43	9.47	19.55
ROSS PROFIT	13.49	8.09	21.99
EPRECIATION	5.75	3.92	9.32
AX	1.22	0.63	0.22
ET PROFIT	6.52	3.54	12.45
P/SALES (%)	9.43	9.20	10.00
M/SALES (%)	NA	NA	NA

37 per cent at Rs.192.70 crores Rs.140.39 crores).

The company's operating margins have ightly improved to 9.43 per cent (9.20 er cent). This has resulted in a higher perating profit of Rs.23.92 crores Rs.17.56 crores). The interest burden is ightly higher at Rs.10.43 crores (Rs.9.47 rores). The company has provided s.5.75 crores (Rs.3.92 crores) for depreiation and Rs.1.22 crores (Rs.0.63 rores) for taxation.

In spite of this, it has managed to earn much higher net profit of Rs.6.52 crores Rs.3.54 crores).

The number of Escorts tractors produced rose to 7,287 (5978) and that of ord Tractors to 3,800 (2,818). The company has maintained its position in motorcycles. Production of 175 and 100 cc notorcycles rose to 72,850 (51,571). The ompany expects to end the year with much better profits and sales keeping the urrent performance in view.

RESULTS ANNOUNCED

ACC

During the year ended 31 July 1988 the company clocked a 10.02 per cent increase in operating profit at Rs.75.42 crores (previous year: Rs.68.55 crores). Total income jumped marginally by 5 per cent to Rs.798.13 crores (Rs.760.22 crores). The company continues to pay a dividend of Rs.10 (per Rs.100 share) despite an increased equity base of Rs.55.95 crores (Rs.40.85 crores).

After providing Rs.33.68 crores (Rs.33.33 crores) for depreciation and Rs.34.88 crores (Rs.34.72 crores) for interest, the pre-tax profit is substantially higher at Rs.6.86 crores (Rs.0.50 crores). There is no provision for tax as compared to Rs.0.16 crores last year.

The company sold three loss-making plants accounting for a non-recurring loss of Rs.8.99 crores. The sale increases the capacity utilisation to 93.6 per cent (92.7 per cent). Sales of cement dropped by 1.76 per cent from 78.93 lakh tonnes. The company produced 78.44 lakh tonnes (79.01 lakh tonnes).

Subroto Ganguly, ex-IPCL chairman has joined ACC as vice-chairman and managing director replacing B.K. Banerjee. Two Tata stalwarts Darbari Seth and N.S. Soonawala also joined the board as non-executive members.

All these augur well for the company. The stock market has been quite enthusiastic about ACC. In spite of indifferent results the share price has gone up.

Reliance

Reliance Industries Ltd has announced its financial performance for the 18-month period ended June 1988.

The results announced make impressive reading. Sales for the 18-month period are valued at Rs.1,778.19 crores, gross profit is Rs.172.96 crores and net profit after depreciation is Rs.80.77 crores. Gross block went up to Rs.1,863 crores from Rs.1,138 crores in 1986. The board of directors announced an aggregate dividend of 55 per cent (inclusive of 30 per cent interim dividend declared earlier).

The annualised turnover is Rs.1,180 crores (Rs.924.02 crores). The annualised gross profit is Rs.114.78, up by 53 per cent over 1986. Interestingly, nearly one-third of the gross profit was earned in the last quarter ended June 1988, thanks to the numerous concessions granted by the government since the budget. The annualised net profit is Rs.53.85 crores, a commendable hike from Rs.14.17 crores in 1986, but less than the corresponding net figure in 1985 and 1984. (Rs.71.35 crores and Rs.61.19 crores respectively).

The total depreciation charged for the 18-month period is Rs.91.41 crores, out of which strangely Rs.44.79 crores (about 48 per cent) relates to the last three months. The balance of Rs.46.62 crores covers the rest of the nine months. Of course, the extension of the results from 15 to 18 months made it possible for the company to benefit from the re-introduction of investment allowance reserves. Yet the tax liability at Rs 2 crores under section 115J appears prima facie to be too low. The company has not explained the accounting treatement given to depreciation and tax which makes it difficult to interpret its results.

The stock market did not respond positively when the results were announced, and Reliance share prices went on a decline. The institutions apparently had to step in and keep the prices up.

Mather & Platt

The company improved its performance during the year ended 30 June 1988, with turnover at Rs.46.92 crores (Rs.42.04 crores in the year before). The gross profit was Rs.7.21 crores (Rs.6.79 crores); a 25 per cent dividend has been declared.

After depreciation of Rs.87 lakhs (Rs.89 lakhs), taxation of Rs.2.65 crores (Rs.1.98 crores) and adjustments, the disposable profit was Rs.3.77 crores (Rs.3.87 crores). While dividend payout is Rs.1.6 crores (Rs.1.28 crores), the remaining Rs.2.17 crores (Rs.2.18 crores) has been transferred to the general reserve.

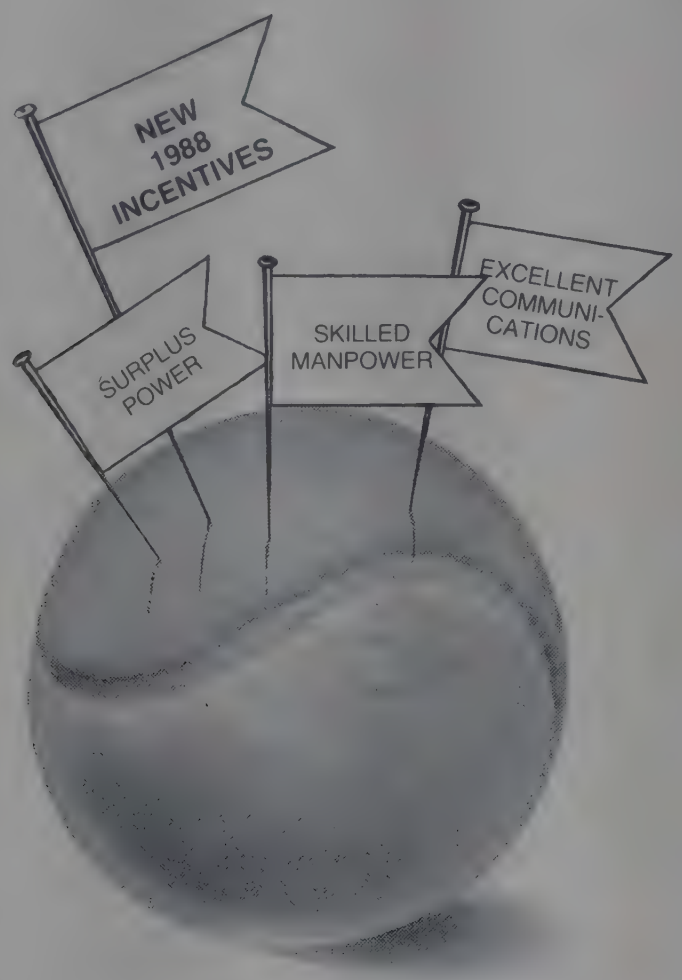
IN BRIEF

Deccan Cements Ltd expects to pay a dividend of 20 per cent for the year ended 30 June 1988. The company's production this year was 120,000 metric tonnes (mt, previous year: 110,000 mt). Gross profit was Rs.2.6 crores (Rs.2.35 crores) and net profit was Rs.85.19 lakhs (Rs.56.15 lakhs). The company is implementing a modernisation and expansion scheme to double its plant capacity which is expected to be completed by September 1989.

Shreyans Paper Mills has achieved higher production this year; as a result the board of directors has recommended a dividend of 15 per cent for the year ended 30 April 1988. Turnover increased to Rs.13.49 crores (previous year: Rs.10.36 crores) and profit before depreciation was Rs.1.77 crores (Rs.1.37 crores). The management has planned a modernisation programme to increase production.

NEW INCENTIVES | SURPLUS POWER | SKILLED MANPOWER | EXCELLENT COMMUNICATIONS

◆THAT'S ADVANTAGE MAHARASHTRA◆



WHEN YOU THINK OF INDUSTRIES

Set up your industry in Maharashtra. And avail of the new 1988 package of incentives. Super incentives you would have hardly imagined any State would give.

Extraordinary features:

Substantial increase in Sales Tax incentives and Special Capital Incentive. Incentive periods raised upto 10 years. Sales tax exemption/ deferral made available where expansion/diversification is undertaken with minimum Rs. one crore investment. Extra incentives provided for energy saving devices, pollution control measures and for local employment. For power intensive units, there's exemption from electricity duty. Resource-based industries get incentives on par with other industries. You get these incentives practically all over Maharashtra except Bombay/Pune and some nearby areas.

For details contact:
The General Manager - Business Development

SICOM

THE STATE INDUSTRIAL AND INVESTMENT CORPORATION OF MAHARASHTRA LIMITED
Nirmal, 1st floor, Nariman Point, Bombay-400 021
Phone 2023018, 2021855 Telex 011-3066
FAX: (022) 2023008

SICOM

The ingredients for success

Besides, Maharashtra offers your industry everything it needs to thrive. Unrestricted power. Abundant water. A readymade communications network. Infrastructure complete with modern amenities in the Growth Centres. A ready market and most of all, an industrial culture that provides skilled productive labour.

SICOM – to top it all

Whatever the size of your unit – medium or large – you can depend on SICOM for plant location, technical guidance, finance and escort services. Everything you need to get your industry off to a flying start.

TOCKMARKET REVIEW

All's well that ends well

For the period 24 October to 5 November 1988.)

hough it started badly, the year Samvat 044 has ended by satisfying most partic-ants in stock exchanges around the ountry. Investors are pleased that *The conomic Times* All India Index of Share rice rose by 42 per cent over the year, hile the BSE Index rose 57 per cent. oth indices recorded new highs of 355.4 nd 705.06 respectively over the last nonth and have closed the year near hose highs, with the undertone distinctly ullish. For the broking community, the ayoff has come in the form of higher rading volumes, now recording Rs.90 rores per day on average compared with ess than Rs.20 crores a year ago. The ublic financial institutions must be dou-ly pleased — as much with the returns rom their price-support operations in 1987 and early 1988, as with the returning onfidence of private investors.

Time for a well-earned rest? Stock-narkets, indeed, appeared to have taken time off for a breather last fortnight as prices steadied and *The Economic Times* Index rose only marginally to 353.9 from 353.7 (at the end of the previous fort-night). Meanwhile, the Bombay Stock Ex-change Index fell marginally from 705.0 to 699.8, but was as low as 654.2 on 1 November following the announcement of the annual results of Reliance and ACC. The market's pause was, however, more apparent than real since trading volumes continued to be high. Daily turn-over reached a new record of Rs.120 crores at the close of the fortnight, with the average for the fortnight exceeding Rs.90 crores. The high volumes combined with the steadiness of prices suggest that the market may be approaching its equi-librium level; indeed, many brokers felt that profit taking and portfolio realign-ments seem to have been the major forces behind much of the trades last fortnight.

Another influential factor was the high badla rate of over 50 per cent at the end of the previous fortnight. Although badla rates were expected to fall from those high levels and did (to a still high 36 per cent), prices were under some downward pressure for a while since many specula-tors, once stung, were unwilling to extend their forward positions any longer. The uncertain political situation arising out of the farmers' rally in New Delhi also helped to keep prices subdued until 1 November.

A fascinating aspect of the stock-market is the time it takes to react to information. A case in point is ACC's annual results announced on 31 October. The market's immediate response to the announced profit after tax of Rs.32 lakhs was to mark the stock price down. In very active trading of over 400,000 shares, the price fell to Rs.276.50 (after it had risen to Rs.280 during the day). In kerb trad-ing, however, the impact of the rise in operating net profit (ie, without consid-ering the loss on the sale of two wet-process units) from Rs.34 lakhs to Rs.6.86 crores was felt as the price rose to Rs.320, then to Rs.324 during trading hours the next day when over 1 million shares were traded, and to Rs.380 two days later. The BSE, though, following the now archaic price bands specified in the Dave Committee report, officially re-ported Rs.303.50 against the actual close of Rs.324, and Rs.332 against the actual close of Rs.380. The BSE's discomfiture, was not eased by reports that public fi-nancial institutions were busy trading at the unofficial prices. Clearly, then, the market took its time deciding what ACC's results meant, for ACC's price rose 38 per cent, but only four trading days after its results became publicly known.

While the BSE merely looked silly in the ACC episode, the cases of Noble Ex-plochem and PSI Data suggest that the BSE needs to review the accuracy of its price-recording mechanism. Noble Ex-plochem, for instance was quoted in the official BSE quotation sheet at the single price of Rs.4.50 on 11 October, while trades actually took place at Rs.8. PSI Data's case is even more glaring. The scrip was officially quoted at Rs.19 on 2 November and at the two rates of Rs.19 and Rs.20 on 4 November, while trades took place on these days at Rs.30 and Rs.38 respectively.

Reliance Industries announced its re-sults for the 18 months to June during the fortnight. The market, expecting a divi-dend of at least 60 per cent, was not pleased with the total dividend of 55 per cent, which implied an annualised divi-dend of 37 per cent. The scrip closed at Rs.177, down Rs.9 over the fortnight, after touching Rs.160 upon announcement of results. Meanwhile, the much-awaited an-nouncement of Tata Steel's half-yearly re-sults led to some initial disappointment in the market since the earning per share for six months was Rs.40 against an ex-pected Rs.50. The scrip fell to Rs.962.50 as a result after opening the fortnight at Rs.987.50. But as in the ACC case, once it became clear that an unexpected in-crease in depreciation charges accounted for the reduction in EPS by Rs.8, the market price went up again to close the fortnight at Rs.1,047.50. However, the un-certain effect of pending wage settle-ments may make the share somewhat more volatile than usual.

The general flow of corporate news continued to be very good, with Bur-roughs Wellcome and Ceat Tyres an-nouncing much better annual results, and with Boots, Gujarat Alkalies, Indian Organic, Punjab Tractors and TVS Suzuki also announcing improved half-yearly re-sults. Oswal Agro Furane's annual report announced that all its projects had been implemented and that it envisaged a good year ahead. The scrip, which had been languishing at Rs.30 in April, closed the fortnight at Rs.72.50, up from Rs.63 at the close of the previous fortnight. Vin-dhya Telelink was also actively traded, closing unchanged at Rs.140, as was Modi Xerox, also unchanged at Rs.71. Hin-dustan Brown Boveri rose sharply to Rs.900 from Rs.700, as did its future sta-blemate, Asea, rising to Rs.72.50 from Rs.60. Hindustan Brown Boveri was quoted at Rs.270 in May and was Rs.625 in early October. Its sharp rise in the absence of any particular good news is probably a response to the news of its coming merger with Asea. Since the terms of the merger will probably be in-fluenced by book values, Hindustan Brown Boveri with its market value to book value ratio of 1.72 (calculated at the current market price of Rs.900) appears an attractive purchase given that Asea's market value to book value ratio is 22 per cent higher at 2.1.

Marketmen are looking back on the past year with a mixture of relief (the year started badly, ended well), enthusi-asm (corporate performance was excel-lent in spite of the crop failures of 1987) and optimism (the effects of this year's excellent monsoon are yet to be felt). Add political stability, and the recipe for a bull market will be complete.

■ RAFIQ DOSSANI

31 October 1988
The Boat Club lawns

And I thought the trading floor of the Bombay Stock Exchange was crowded and smelly.

Well, the stroll along Raj Path as one walks dejectedly away from yet another one of those inter-ministerial-committee meetings, where everything one says is rejected or "appropriate notings put in the file", is generally a pensive one. One normally tends to think of catching one of those Indian Airline flights which seem to have some difficulty staying up in the air these days or going on one of those popular relay fasts where you drink a glass of juice every hour on the hour and feast on *chaat* in between it, all in support of a cause. But this stroll was different.

The sea of people got me thinking. Two lakh people all within an area of one square mile. If each guy was to subscribe to Rs. 10,000 worth of shares, that would give you a figure of Rs. 200 crores. And marketing costs would be minimised. One would have hoardings concentrated only in that area. Ten vans with video recorders spewing out the usual stuff about how well the company is performing could be strategically placed on the lawns. One prospectus could be passed around the two lakh people (since most of them cannot read, it would be a waste to print more). The issue cost would fall dramatically — to levels even the G. S. Patel Committee would be proud of.

Although my body movement was restricted, my pace of thinking quickened. Amidst yells praising the new messiah, I thought of the electoral reforms of the old messiah and of the issue of funding political parties. Maybe every political party should launch a merchant banking division. Every time a company wants to go public, political parties should round up their grass level supporters on some silly issue of banning movies or books, or raising the support level prices for mushrooms and converge on Boat Club Road in Delhi, Chowpatty in Bombay, and other equivalent hot spots in Bangalore, Calcutta and Madras. And then, when all the innocent lambs are in for the asking, the application forms and thumb-print stamp pads can be circulated by a set of volunteers on the North Side of the crowd and collected by another set of volunteers on the South Side of the crowd. For all its efforts, the political party will receive 2 per cent as its broking commission.

I doubt whether any of us would object to that because the political parties would be tapping a new market — the rural market — something which we would never touch. After all, we like to fool people but not the poor uneducated guys living in villages who can barely make ends meet. That, we decided way back, is a monopoly market for the messiahs and the not-so-messiahs that is not to be encroached upon.

Furthermore, as recent events have shown, when one PMB (Political Merchant Bank) collects a crowd to push an issue, another PMB can organise a rival rural crowd to push the same issue. This would create an atmosphere of healthy competition and lead to better post-issue investor services, reductions in commissions charged to investors, etc. — an as yet unfulfilled ambition for those poor few serious lawmakers who are trying to regulate the activities of us non-political city merchant bankers.

But really, if only I could weave my way back through this crowd to another inter-ministerial meeting....

6 November 1988
The Hanging Gardens

"Humpty Dumpty," my paternal uncle had told me, "should never have sat on a wall. Before you try to jump into anything," he intoned in his stern but gentle tone, "it is far better to think things over in a garden."

Well, Vikram Samvat 2044 has come to an end. And what a year it has been. From the depths of depression, we have come to the highs of happiness. I confess there has been some strong dose of drug injection in the market — doses that would make the Ben Johnsons of this world seem like angels.

But 2044 has not been as good a year for everyone as it could have. There were the usual disappointments, too. A significant section of my peers did expect the BSE index to cross the 1,000 mark and some indeed were convinced that the position of the stars in relation to Mars, Jupiter, and New Delhi would give us an index of 2044 — matching the year cycles. In any case, if ACC continues its upward climb, TISCO continues to flare, and the omnipresent Reliance continues to be everybody's favourite household pet, can 2,000 be really far behind?

Every party though has its pooper and, as usual, we have our stubborn lot of analysts who continue to act as if the Indian version of Black Monday, Terrible Tuesday, and Woeful Wednesday is just about to hit the screens in 70-mm. This section of society claims that it will be an epic that will make the Ramayana and the Mahabharata look like a Walt Disney family entertainment production. The pessimists continue to point at our rising deficits — internal and external — and the higher costs of servicing these debts.

But all this worry is really hogwash. If the government was really concerned about its deteriorating financial position all it really needs to do is get one of these bright corporate finance guys and liberal auditors to help rewrite its annual accounts. Furthermore, since private sector companies are increasingly hiring public sector employees, it's about time that the government "looks into it", "examines the issues", and reverses this internal brain-drain by inducting some of the bright sparks in the private sector into its fold.

Personally, though, I think we are at the crossroads. Although I do not see a return to the Dark Ages of 1987, I am rather worried about what is going on in the markets today. On the day when ACC and Reliance were to announce their results, my colleagues on the trading floor tell me that there were huge crowds of brokers and jobbers gesticulating wildly in ACC, Reliance, and TISCO. The other scrips, I am told, were treated like neglected farmers. Surely the broking community must change its attitude to speculation. I mean, the last thing we need is some agitation by a leader of the neglected scrips who will bring in a band of speculators into Dalal Street. Has anyone thought of the frightening logistics? Where would they stand or sit? Would the BMC allow more unlicensed bhel-puri wallahs and channawallahs to serve the bigger crowds for the duration of the agitation? And where would all the kerb trading take place? It is quite all right to have these sort of agitations in Delhi but in Bombay....

It is essential that we encourage speculation in all scrips and not just a favourite few. That way if we hang, we hang together. And that is very unlike because, as recent history has shown us, the more you speculate, the bigger you get and the more you collect. The more you collect, the bigger you get, and the bigger you get all the King's men will keep you together again. If only Humpty Dumpty knew that before he had his fall.

In support of your many splendoured personality

You deserve a bank with versatile capabilities – VYSYA BANK

Behind your brilliant personality is an admixture of grit, tact and hardwork — special qualities of a many splendoured person which demand patience, understanding, innovation and flexibility.

That is — the versatility of the service of Vysya Bank — designed to support success to sustain.

And this has been the secret of our success — in being responsive, in being proactive to challenges, in going beyond banking through equipment leasing and credit cards, in occupying the premier position in the private sector.

In your pursuits, team up with the winner — Vysya Bank.

Come, let us grow together.

THE VYSYA BANK LTD

Regd. Office: Avenue Road, Bangalore-560 002.
Admv. Office: 72, St. Marks Road,
Bangalore-560 001.
Chairman: Ramesh Gelli

KIRON/VB/Corp. 883

STOCKMARKETS

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 4.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P SCOOTERS,10	07/87	9.94	-13.25	-3.61	4.50	6.24	2.00	-4.8					0	
ACC,100	07/88	55.95	101.32	281.09	380.00	380.00	120.50	0.6	-0.6	633.3	10.0	2.6	86	1:5
AHM CALICO,125	06/87	13.56	16.43	276.46	37.00	41.00	25.00	134.7		0.3	0.2	0.7	77	1:7
AHM ELECTRIC,100	03/88	18.30	65.26	456.61	145.00	150.00	120.00	35.5		4.1	16.0	11.0	87	1:5
ALFA LAVAL,10	12/87	5.21	15.07	38.93	85.00	85.00	46.00	5.8	1.4	14.7	18.0	2.1	86	1:2
ALLWYN NISSAN,10	06/87	16.54	0.15	10.09	8.00	12.50	3.76	-2.2	-1.3				0	
AMAL RASAYAN,10	03/88	1.48	2.81	28.99	129.00	130.00	42.00	12.2	10.8	10.6	10.0	0.8	0	
AMB SARABHAI,10	03/88	22.20	-1.72	8.37	12.75	16.00	10.00	0.8		15.9			82	1:5
AMFORGE,10	03/88	5.33	8.92	26.99	66.00	72.00	23.00	3.8	4.3	17.4	22.0	3.3	0	
ANDHRA CEMENT,10	03/87	9.51	11.54	22.13	17.00	18.00	7.75	0.7	-4.0	24.3	10.0	5.9	67	1:2
ANDHRA VALLEY,100	03/88	10.51	38.33	464.70	237.50	245.00	142.50	110.9	121.8	2.1	16.0	6.7	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	18.00	24.00	15.50	2.2		8.2	10.0	5.6	67	2:5
ANNAPURNA FOILS,10	03/88	9.05	0.00	10.00	9.50	12.25	6.00						0	
APOLLO HOSP,10	06/87	5.44	0.14	10.26	14.00	17.00	8.50	1.5	3.2	9.3	10.0	7.1	0	
APOLLO TYRES,10	10/87	7.75	1.34	11.73	56.00	56.00	22.75	17.2	7.3	3.3			0	
APPLE LEASING,10	09/87	3.56	0.81	12.28	17.00	20.00	11.50	2.0	3.9	8.5	23.0	13.5	0	
ASEA,10	12/87	3.00	7.33	34.43	72.50	72.50	38.00	3.8		19.1	18.0	2.5	0	
ASHOK LEYLAND,10	12/87	21.39	72.03	43.67	64.00	68.00	29.00	3.6	1.7	17.8	18.0	2.8	78	1:2
ASIAN CABLES,10	12/86	3.03	5.00	26.50	50.00	53.75	30.00	4.3	7.7	11.6	17.0	3.4	81	1:3
ASIAN HOTELS,10	09/87	13.64	1.30	10.95	46.00	46.00	28.00	1.8	2.8	25.6	10.0	2.2	0	
ASIAN PAINTS,10	12/87	12.45	32.81	36.35	215.00	232.50	128.75	10.1	3.7	21.3	30.0	1.4	87	1:2
ASSAM CO,10	06/88	7.00	20.71	39.59	107.50	112.50	90.00	7.8	-5.5	14.1	40.0	3.7	85	1:1
ASSAM FRONTIER,10	06/88	3.00	8.90	39.67	125.00	125.00	91.00	12.0		10.4	50.0	4.0	0	
ASTRA IDL,10	06/88	2.50	2.17	18.68	41.00	45.00	27.00	2.2		18.6	10.0	2.4	0	
ATLAS COPCO,10	12/87	7.26	7.96	20.96	57.00	66.00	33.50	1.6	0.2	35.6	16.0	2.8	87	1:2
ATLAS CYCLE,10	06/87	1.15	4.73	51.13	115.00	115.00	36.00	5.0	4.6	23.0	20.0	1.7	87	1:2
AVERY INDIA,10	12/87	4.20	9.34	32.24	120.00	134.00	93.00	8.6		14.0	35.0	2.9	84	2:5
BAJAJ AUTO,10	06/88	18.81	195.82	114.10	382.50	410.00	182.50	15.6		24.5	40.0	1.0	87	1:1
BAJAJ PLASTIC,10	12/87	1.50	4.94	42.93	29.00	36.00	17.00	1.2	-3.8	24.2			86	1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.79	102.50	102.50	65.50	3.1	2.5	33.1	12.5	1.2	86	1:1
BAKELITE HYLAM,10	06/88	4.50	18.48	51.07	27.00	31.00	15.00	3.2		8.4	18.0	6.7	80	2:3
BALLARPUR,10	06/88	13.98	268.90	202.34	58.00	61.00	34.00	3.4	2.0	17.1	22.0	3.8	75	1:5
BARODA RAYON,100	06/88	12.14	20.14	265.90	305.00	345.00	140.00	35.5	-0.7	8.6	15.0	4.9	82	1:2
BASF,10	12/87	2.84	11.14	49.23	112.50	112.50	63.33	7.0	4.6	16.1	20.0	1.8	88	1:2
BATA INDIA,10	12/87	10.50	17.18	26.36	83.00	83.00	52.25	3.7		22.4	15.0	1.8	87	1:1
BATLIBOI,10	09/87	2.79	3.90	23.98	15.50	18.00	10.50	-0.5			10.0	6.5	0	
BAYER INDIA,100	12/87	16.22	11.19	168.99	578.00	640.00	285.00	27.2	25.5	21.2	16.0	2.8	0	
BEST & CROM,10	03/88	4.73	18.85	49.85	76.00	79.00	30.00	1.6		47.5	9.6	1.3	82	3:5
BHADRA PAPER,10	09/87	10.57	17.51	26.57	44.00	44.00	22.50	4.2		10.5	20.0	4.5	0	
BHARAT FORGE,10	09/87	5.27	24.50	56.49	185.00	192.50	103.00	10.2	7.8	18.1	25.0	1.4	81	1:1
BHARAT GEARS,10	07/87	4.03	6.98	27.32	18.00	18.50	10.00	2.1	-2.5	8.6	12.5	6.9	0	
BIHAR ALLOY,10	12/87	8.20	-11.24	-3.71	39.00	42.00	12.75	1.4		27.9			0	
BIMETAL,10	06/87	1.91	7.73	50.47	95.00	102.50	50.00	7.8	7.8	12.2	21.0	2.2	81	1:2
BINDAL AGRO,10	12/87	3.79	2.85	17.52	105.00	120.00	52.00	11.3		9.3	50.0	4.8	0	
BIRLA JUTE,10	03/88	20.37	83.19	50.84	46.00	49.00	32.00	0.1		460.0	14.0	3.0	86	1:1
BIRLA YAMAHA,10	08/87	8.00	0.17	10.21	10.00	16.00	8.25	0.2	-1.8	50.0			0	
BLOW PLAST,10	07/87	2.00	3.61	28.05	52.50	62.50	29.00	15.4	-1.9	3.4	30.0	5.7	87	1:1
BLUE STAR,10	06/88	3.55	9.53	36.85	66.25	66.25	37.00	8.1		8.2	18.0	2.7	85	3:5
BOM BURMAH,100	09/87	5.52	14.56	363.77	460.00	510.00	330.00	36.6	21.7	12.6	20.0	4.3	78	1:4
BOM DYEING,10	03/88	11.24	55.99	59.81	133.00	159.50	94.00	17.2		7.7	30.0	2.3	79	1:1
BOM SUBURBAN,100	03/88	5.85	71.00	1313.68	330.00	335.00	150.00	104.8		3.1	20.0	6.1	81	1:3
BOOTS,10	03/88	8.10	6.76	18.35	127.50	145.00	64.00	5.0	2.7	25.5	18.0	1.4	87	1:1
BOROSIL GLASS,10	12/87	2.25	6.83	40.36	65.00	96.00	50.00	5.3		12.3	20.0	3.1	82	1:2
BRITANNIA,10	11/87	12.38	20.98	26.95	110.00	125.00	75.00	6.4	2.6	17.2	24.0	2.2	87	2:5
BROOKE BOND,10	06/87	24.73	22.90	19.26	113.00	125.00	74.50	5.8	5.4	19.5	30.0	2.7	86	3:5
BURROUGHS,10	06/88	3.00	11.76	49.20	232.50	237.50	115.00	12.7		18.3	15.0	0.6	0	
C.E.S.C.,10	03/87	16.94	62.17	46.70	15.10	18.50	12.50	5.6		2.7	16.0	10.6	0	
C.P.TOOLS,100	12/87	4.57	9.43	306.35	485.00	790.00	405.00	57.0	7.9	8.5	18.0	3.7	77	1:3
CABLE CORP,10	12/87	9.00	10.99	22.21	78.00	78.00	26.00	5.2	3.2	15.0	18.0	2.3	0	
CARRIER AIRCON,10	03/88	6.25	0.00	10.00	30.50	34.00	10.50						0	
CEAT TYRES,10	06/88	9.32	82.95	90.75	115.00	140.00	52.50	21.5	7.7	5.3	27.5	2.4	86	1:2
CEMINDIA,10	09/87	1.28	7.27	66.80	122.50	135.00	82.50	10.2	7.5	12.0	27.0	2.2	84	3:5
CENTURY ENKA,100	12/87	16.61	65.10	688.46	2240.00	2440.00	1080.00	84.0	100.7	26.7	38.0	1.7	88	2:5
CENTURY SPIN,100	12/87	26.62	203.09	862.92	1450.00	1480.00	617.50	59.9	23.8	24.2	24.0	1.7	86	2:3
CHAMPAGNE,10	12/87	2.50	1.46	4.16	15.00	30.00	12.00	3.2					0	
CHLORIDE,10	09/87	20.65	13.55	16.56	75.00	79.00	60.00	4.5	5.2	16.7	31.0	4.1	86	3:5
CIFCO FINANCE,10	01/87	4.80	0.41	10.85	8.00	11.00	3.50	1.8		4.4	14.0	17.5	0	
CITURGIA,10	03/88	3.38	5.02	24.85	110.00	120.00	62.00	8.6		12.8	35.0	3.2	0	
COLGATE,10	12/87	15.12	15.18	19.88	327.50	333.75	180.00	9.6	6.6	34.1	50.0	1.5	87	1:1
COLOUR CHEM,100	03/88	7.94	12.09	252.27	480.00	480.00	320.00	37.1		12.2	20.0	4.3	80	2:5
COMET STEEL,10	03/87	6.13	0.00	10.00	15.50	20.00	9.00						0	
CORDM FERT,10	03/87	24.12	36.61	25.36	34.00	36.00	21.00	-0.5	1.6		8.0	2.4	86	1:2
COSMO FILMS,10	03/88	2.32	1.24	41.21	53.00	77.50	41.25	5.5		9.6	18.0	3.4	0	
CROMPTON GREA,100	06/88	9.90	62.80	155.40	585.00	585.00	285.00	64.3	55.4	9.1	18.0	3.1	70	1:3
DYNAMIC,10	11/87	5.25	16.26	29.54	62.50	72.50	34.50	2.5	1.5	25.0	10.0	1.6	0	
D.V.M.MILLS,10	06/87	20.02	52.34	38.06	71.00	49.00	28.75	1.8	2.7				71	4:5

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 4.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
DCM TOYOTA,10	06/87	15.00	-7.25	5.17	10.50	13.50	6.50						0	
DEEPAK FERT,10	03/88	14.82	7.05	14.76	45.50	51.50	23.00	3.0		15.2	18.8	4.1	0	
DEEPAK NITR,10	10/87	2.43	4.01	26.50	47.00	53.00	27.50	4.0	1.9	11.8	15.0	3.2	85	1:2
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00						0	
DHARAMSI,10	12/87	6.24	10.44	26.73	38.00	38.00	14.00	1.0	1.5	38.0	10.0	2.6	79	2:5
DR.REDDYS,10	12/87	1.37	0.81	15.91	72.50	87.50	46.25	4.5		16.1	20.0	2.8	0	
DUNCAN AGRO,100	12/86	2.03	14.11	795.07	150.00	176.00	150.00	92.1		1.6	15.0	10.0	77	1:2
DUNLOP,10	03/88	18.99	64.48	43.95	85.00	86.00	65.00	10.6		8.0	30.5	3.6	76	1:3
E. MERCK,10	12/87	5.94	5.04	18.48	72.50	77.50	44.00	2.2		33.0	16.0	2.2	88	3:5
E.I.HOTELS,10	03/88	23.84	37.31	25.65	56.00	62.50	36.00	2.9		19.3	20.0	3.6	84	2:5
EICHER MOTORS,10	04/87	3.96	1.02	12.58	15.50	15.50	5.50	6.4	-4.8	2.4	12.0	7.7	0	
EID PARRY,10	06/88	6.28	6.72	20.70	49.00	49.00	29.50	4.5		10.9	20.0	4.1	0	
ELECON ENG,10	12/87	5.65	24.76	53.82	74.00	77.00	42.00	4.6	2.2	16.1	15.0	2.0	87	3:5
ENFIELD,10	06/88	5.04	9.45	28.75	9.75	11.50	8.25	-10.4					85	1:1
ENGLISH ELECT,10	03/88	9.00	16.38	28.20	60.00	66.00	47.75	4.9		12.2	15.0	2.5	87	1:1
ESCORTS,10	12/87	27.65	91.43	43.07	66.00	73.00	36.00	0.3	2.4	220.0	22.0	3.3	86	3:5
ESKAYEF,10	11/87	7.50	14.26	43.52	147.50	162.50	97.00	7.7	4.0	19.2	25.0	1.7	88	1:2
ESSAR SHIPPING,10	12/87	34.87	37.98	20.89	28.50	28.50	15.50	2.2		13.0	20.0	7.0	0	
EXCEL,10	09/87	4.62	7.12	25.41	122.00	126.00	34.00	1.3	3.6	93.8	10.0	0.8	84	4:5
FAG PRECISION,100	12/87	3.36	7.09	311.01	140.00	140.00	105.00	9.8	12.8	14.3	10.0	7.1	0	
FERRO ALLOYS,100	06/88	5.52	18.78	440.22	530.00	580.00	122.50	37.5	63.4	14.1	15.0	2.8	80	1:2
FGP,10	03/88	4.89	5.82	21.90	30.00	37.50	23.75	4.1	3.7	7.3	18.0	5.3	87	1:2
FICOM ORGANIC,10	09/87	1.29	3.07	33.80	222.50	250.00	125.00	17.0	9.7	13.1	30.0	1.3	87	1:1
FINOLEX,10	11/87	3.24	13.72	94.22	390.00	405.00	154.00	25.1	34.8	15.5	40.0	1.0	86	4:5
FIRST LEASING,10	11/87	3.77	8.78	33.29	16.50	20.00	14.00	6.4		2.6	25.0	15.2	83	1:3
FLAKT INDIA,10	12/87	3.40	2.85	18.38	66.25	87.50	44.00	4.3		15.4	20.0	3.0	86	1:3
FOOD SPECIAL,10	12/87	19.20	20.16	20.50	170.00	180.00	93.75	5.6		30.4	25.0	1.5	86	1:1
FORBES FORBES,10	06/88	4.25	4.96	21.67	44.00	45.50	22.00	2.4	-0.2	18.3	15.0	3.4	82	2:5
FULFORD,10	12/87	0.80	2.28	77.00	385.00	400.00	50.00	8.8		43.8	22.0	0.6	88	1:1
G.E.SHIPPING,10	06/88	67.37	39.18	15.82	43.00	43.75	20.50	2.4		17.9	15.0	3.5	81	2:3
G.K.W.,10	12/86	24.06	20.83	18.66	10.00	11.00	5.50	-1.7	-1.5				83	1:3
G.T.C.INDUST,10	06/87	5.00	9.32	28.64	16.00	16.00	12.50	3.9	3.8	4.1	25.0	15.6	72	1:4
GABRIEL,10	11/87	2.64	3.33	22.61	23.50	37.00	17.00	1.7	1.7	13.8	18.0	7.7	78	3:5
GAMMON INDIA,10	07/87	2.16	13.44	72.22	165.00	167.50	29.00	1.6	5.1	103.1	15.0	0.9	82	2:5
GARDEN SILK,10	03/88	10.01	63.07	73.01	72.50	160.00	66.25	14.0		5.2	30.0	4.1	0	
GARWARE NYLON,10	06/88	9.72	13.31	23.69	47.00	56.00	20.00	2.6	2.6	18.1	15.0	3.2	83	1:2
GARWARE POLY,10	06/88	8.30	23.66	38.51	105.00	118.75	72.00	7.0		15.0	20.0	1.9	0	
GARWARE SHIP,10	03/88	3.75	0.03	10.08	30.50	31.50	10.50	-3.6					0	
GEN ELECTRIC,10	03/88	7.20	18.92	36.28	61.50	61.50	26.00	3.9	1.9	15.8	12.0	2.0	0	
GENELEC,10	03/88	2.16	5.79	36.81	67.50	88.00	43.75	6.5		10.4	14.7	2.2	84	1:1
GEORGE WILL,10	06/87	6.30	19.69	41.25	101.25	115.00	90.00	7.6	10.0	13.3	35.0	3.5	86	4:5
GERMAN REME,10	12/87	3.26	4.93	25.12	73.00	75.00	30.00	2.9		25.2	10.0	1.4	82	3:5
GLINDIA,10	06/88	20.00	30.27	25.14	84.00	87.00	51.50	5.1		16.5	20.0	2.4	80	1:3
GODFREY PHILIPS,10	12/86	2.60	3.24	22.46	37.50	37.50	10.00	3.4	2.4	11.0	25.0	6.7	75	1:1
GOETZE,10	06/88	6.93	12.40	27.89	50.00	50.00	25.00	5.5		9.1	22.0	4.4	76	4:5
GOKAK PATEL,10	06/88	6.52	16.51	35.32	81.00	85.00	60.00	10.7	4.2	7.6	20.0	2.5	87	1:1
GOOD NEROLAC,10	06/87	3.24	5.08	25.68	75.00	75.00	45.00	4.2		17.9	20.0	2.7	78	5:7
GOODYEAR,10	12/87	7.48	24.67	42.98	80.00	83.00	48.00	11.6		6.9	30.0	3.8	77	2:5
GRAMOPHONE,10	09/86	1.81	-16.59	-81.66	7.75	7.75	4.00						0	
GRASIM,10	03/88	21.59	178.17	92.52	81.00	84.00	46.60	7.1		11.4	27.5	3.4	88	3:4
GREAVE COTTON,100	06/88	6.57	22.51	442.62	580.00	590.00	295.00	85.2	80.8	6.8	22.0	3.8	88	1:2
GUJ ALKALIES,10	03/88	10.72	22.59	31.07	63.00	63.00	29.00	2.4	-1.3	26.2	26.0	4.1	87	1:5
GUJ AMB CEM,10	06/88	19.99	4.01	12.01	25.00	28.00	11.00	2.1		11.9	11.0	4.4	0	
GUJ NARMADA,10	06/88	88.97	103.48	21.63	58.25	62.00	27.00	2.7		21.6	18.0	3.1	0	
GUJ STATE FERT,10	12/87	26.95	170.03	73.09	148.75	174.00	75.00	10.1	5.2	14.7	30.0	2.0	87	3:1
HARRISON,10	03/88	9.10	15.62	27.16	70.00	75.00	36.00	5.6	3.0	12.5	25.0	3.6	87	2:5
HERDILLIA CHEM,10	06/88	7.35	36.31	59.40	65.00	72.00	41.00	7.6		8.6	21.0	3.2	78	1:2
HERO HONDA,10	06/88	15.60	1.94	11.24	31.00	32.50	15.00	1.2		25.8			0	
HIND ALLOY,10	12/87	5.89	2.20	13.74	72.00	81.00	28.75	2.4	2.9	30.0	20.0	2.8	0	
HIND ALUM,10	12/87	15.89	166.64	114.87	125.00	128.00	72.50	8.8	5.3	14.2		1.8	88	1:3
HIND BROWN,100	04/88	5.47	23.08	521.94	900.00	900.00	265.00	64.2		14.0	23.0	2.6	78	1:3
HIND CIBA,100	12/87	17.71	31.79	279.50	640.00	691.00	332.50	38.1	15.5	16.8	20.0	3.1	80	1:2
HIND COCOA,10	06/88	8.40	9.69	21.54	111.25	120.00	67.50	4.5		24.7	20.0	1.8	87	1:1
HIND DEVELOP,10	12/87	8.92	82.99	103.04	101.00	107.00	65.00	5.8	6.5	17.4	20.0	2.0	86	1:1
HIND DORR-OLIVER,10	11/87	2.38	10.79	55.34	170.00	215.00	95.00	16.4		10.4	37.5	2.2	86	1:1
HIND FERODO,10	12/87	5.50	1.19	12.16	19.00	23.00	16.00	1.3		14.6	5.0	2.6	83	4:5
HIND LEVER,10	12/87	93.32	90.17	19.86	83.00	92.00	59.50	5.0	2.2	16.6	25.0	3.0	87	1:1
HIND MOTOR,10	03/88	26.35	52.67	29.99	31.50	34.00	15.50	-1.0			7.5	2.4	86	1:1
HMM,10	04/87	14.18	8.12	15.73	172.50	185.00	121.00	7.6	6.5	22.7	55.0	3.2	87	1:1
HOECHST,100	12/87	9.58	25.35	364.61	620.00	680.00	437.00	14.3	3.1	43.4	10.0	1.6	82	1:2
HOGANAS,10	10/87	1.15	0.00	10.00	52.50	62.00	34.00		-1.6				0	
HOTEL LEELA,10	06/88	8.97	-3.39	8.65	18.50	19.50	11.50	-2.4					0	
HOUSING DEV FIN,100	06/88	20.00	33.00	265.00	175.00	180.00	65.00	65.5		2.7	17.0	9.7	0	
HYD ALLWYN,10	03/87	8.10	10.70	23.21	15.25	16.00	7.50	3.7	4.2	4.1	15.0	9.8	0	
ICIM,10	12/87	4.18	5.86	24.02	21.00	40.50	21.00	2.3		9.1			0	
IEL,10	09/87	40.87	72.49	27.74	55.00	60.00	30.00	1.2	0.9	46.7	12.5	2.2	78	1:2

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 4.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
INDIA CEMENT,10	03/88	4.90	46.92	105.76	25.00	27.00	14.50	3.0		8.3	12.0	4.8	70	2:5
INDIA GYPSUM,10	04/87	4.50	0.00	10.00	16.00	17.00	9.50						0	
INDIA POLYFIBRES,10	12/87	29.75	-2.73	9.08	6.50	8.50	4.24						0	
INDIA STEAMSHIP,10	03/88	4.95	-65.15	-121.62	13.50	13.50	4.15	-16.9					75	1:1
INDIAN ALUM,10	12/87	41.16	49.09	21.93	41.00	41.00	24.00	0.9	1.2	45.6	14.0	3.4	77	2:5
INDIAN DYESTUFF,100	03/88	7.50	35.98	579.73	325.00	335.00	177.50	818.0	10.6	0.4	15.0	4.6	80	1:4
INDIAN HOTEL,10	03/88	9.92	42.12	52.46	132.50	140.00	95.00	6.8		19.5	30.0	2.3	82	2:5
INDIAN ORGANIC,10	03/88	18.40	17.03	19.44	43.00	47.50	15.00	-6.2	0.2				85	1:2
INDIAN OXYGEN,10	09/87	14.60	29.94	30.51	40.00	43.50	29.00	2.2		18.2	16.0	4.0	85	1:3
INDIAN RAYON,10	06/88	16.14	160.90	109.69	80.50	86.00	46.00	3.1		26.0	28.0	3.5	80	1:4
INDIAN SEAMLESS,10	12/87	2.21	4.01	28.14	110.00	135.00	47.00	9.5	5.9	11.6	18.0	1.8	0	
INDOGULF FERT,10	03/88	165.00	0.00	10.00	20.75	21.00	10.50						0	
INDROL,10	06/88	5.09	14.66	38.80	270.00	291.25	135.00	8.7		31.0	26.0	1.0	88	1:1
INDU NISSAN,10	12/87	6.00	1.21	12.02	23.00	26.00	18.00	5.8		4.1	10.0	4.3	0	
INGERSOLL,10	12/87	7.89	21.32	37.02	325.00	370.00	212.50	11.0	4.8	29.5	30.0	0.9	86	1:1
ION EXCHANGE,10	04/88	3.46	7.20	30.81	75.00	87.00	38.75	4.3		17.4	20.0	2.7	88	4:5
IPITATA,10	06/87	12.00	0.83	10.69	14.00	15.00	8.75	2.4		5.8			0	
ITC,10	06/88	33.17	144.82	53.66	53.00	64.00	30.00	7.5		7.1	35.0	6.6	81	1:5
J.B.CHEMICAL,10	06/88	3.00	2.79	19.30	34.00	38.00	21.00	4.4	2.5	7.7	20.0	5.9	0	
J.K.INDUST,10	06/88	13.76	16.78	22.19	53.00	54.00	25.00	12.0		4.4	20.0	3.8	87	1:1
J.K.SYNTHETIC,10	03/88	27.25	207.02	85.97	85.00	90.00	45.50	3.1		27.4	20.0	2.4	83	1:3
JAYANT VITAMIN,10	06/88	3.87	5.11	23.20	44.00	54.00	24.50	4.8		9.2	21.0	4.8	87	2:5
KALYANI BRAKES,10	06/88	3.90	-4.84	-2.41	26.00	31.00	14.50	1.3		20.0			0	
KALYANI STEEL,10	06/87	1.13	8.76	87.52	475.00	525.00	250.00	31.2	15.4	15.2	50.0	1.1	0	
KELVINATOR,10	06/87	3.55	19.61	65.24	140.00	150.00	36.00	6.9	10.5	20.3	15.0	1.1	84	1:1
KESORAM,10	03/88	8.85	52.23	69.02	65.00	68.00	32.50	3.4		19.1	23.5	3.6	79	1:2
KHODAY DIST,10	06/87	6.00	8.88	24.80	45.00	56.00	33.00	3.1	1.0	14.5	20.0	4.4	0	
KINETIC ENGG,10	06/87	1.20	14.87	133.92	346.25	410.00	161.25	20.1	22.1	17.2	30.0	0.9	86	1:1
KINETIC HONDA,10	01/88	9.99	2.63	12.63	31.00	37.50	16.75	-5.9	0.6				0	
KIRL CUMMINS,10	09/87	27.10	37.16	23.71	78.25	88.75	48.00	3.7	1.3	21.1	20.0	2.6	86	1:1
KIRL PNEUMATIC,10	09/87	3.85	3.36	18.73	60.00	62.50	15.00	1.8	1.3	33.3	12.5	2.1	0	
KIRLOSKAR OIL,10	06/88	6.71	11.55	27.21	49.00	55.00	12.00	4.4		11.1	6.0	1.2	76	3:7
KLOCKNER WIND,10	12/87	4.50	3.27	17.27	106.25	122.50	81.25	4.4	2.9	24.1	21.0	2.0	88	1:2
KSB PUMPS,10	12/87	4.35	11.98	37.54	325.00	398.25	220.00	12.3	8.3	26.4	20.0	0.6	86	1:1
LAKME,10	06/88	1.83	5.81	41.75	110.00	135.00	61.25	8.1		18.0	27.5	2.5	86	2:5
LARSEN TOUBRO,10	09/87	56.37	235.96	56.23	130.00	148.50	75.50	4.9	2.2	26.5	20.0	1.5	86	3:5
LIPTON,10	06/88	15.75	8.19	15.20	77.00	81.00	52.00	4.6		16.7	22.0	2.9	0	
LLOYD STEEL,10	03/87	3.36	4.13	22.22	35.00	38.00	17.00	4.7	4.5	7.4	21.0	6.0	0	
LML,10	10/87	21.05	8.64	14.10	15.00	19.50	9.00	-2.9					80	4:5
MACNEIL MAGOR,10	06/88	2.74	41.38	161.02	47.00	47.75	43.75	2.3		20.4	7.0	1.5	0	
MADRAS CEMENT,100	12/87	3.02	18.65	717.55	750.00	860.00	315.00	-153.3	-79.5				0	
MADURA COATES,10	06/88	21.96	92.32	52.04	95.00	95.00	60.00	6.2		15.3	30.0	3.2	88	1:2
MAFATLAL FINE,100	03/88	14.48	24.38	268.37	210.00	225.00	140.00	6.0		35.0	16.0	7.6	80	1:3
MAFATLAL IND,100	03/88	16.20	52.98	427.04	332.50	350.00	200.00	14.4	12.2	23.1	20.0	6.0	78	1:5
MAHIN & MAHIN,10	10/87	19.26	102.08	62.99	119.50	120.00	48.50	5.5	2.3	21.7	22.0	1.8	84	2:3
MAHINDRA UGINE,10	06/88	7.30	17.76	34.33	98.25	100.00	48.00	6.6		14.8	25.0	2.6	88	1:2
MANGALAM CEM.,10	12/87	7.11	11.31	25.91	26.00	29.00	13.00	2.8	1.7	10.0	15.0	5.4	0	
MANGALORE CHEM,10	03/88	12.45	13.98	21.23	41.75	41.75	15.25	0.1		417.5	10.0	2.4	0	
MASTERSHARE	06/88	150.00	63.00	14.20	18.00	19.50	9.25	4.2		4.3	13.0	7.2	0	
MATHER PLATT,10	06/88	10.24	6.57	16.42	75.00	85.00	27.35	3.6		20.8	25.0	3.3	87	3:5
MAX INDIA,10	09/87	2.79	0.94	13.37	51.00	58.00	30.00	4.3	1.8	11.9	18.0	3.5	0	
MAY & BAKER,10	12/87	4.50	7.18	25.96	55.00	55.00	34.00	3.1	1.2	17.7	10.0	1.8	0	
MAZDA INDUST,10	06/87	4.32	2.32	15.37	14.50	16.50	13.00	4.5	2.2	3.2	25.0	17.2	0	
MCDOWELL,10	06/88	7.74	33.05	52.70	100.00	105.00	72.50	11.2		8.9	20.0	2.0	86	1:1
MCLEOD RUSSEL,10	06/87	8.25	17.13	37.41	95.00	130.00	86.25	8.1	5.2	11.7	45.0	4.7	87	1:1
METAL BOX,10	03/87	14.66	-12.54	1.46	8.40	9.00	4.24	-4.0	-5.0				87	1:2
MILES INDIA,10	12/87	0.64	0.91	24.22	160.00	160.00	52.00	9.6	4.6	16.3	30.0	1.9	87	3:5
MILKFOOD,10	12/87	1.14	4.49	49.39	255.00	290.00	75.00	8.9	24.8	28.7	25.0	1.0	87	1:1
MODI INDUSTRIES,10	09/88	2.17	12.86	68.34	35.00	65.00	35.00	-11.9			12.0	3.4	00	1:5
MODI RUBBER,10	04/88	10.36	41.59	50.07	75.00	82.50	43.00	14.3		5.2	25.0	3.3	84	2:5
MODI XEROX,10	04/88	17.46	0.17	10.10	71.00	75.00	21.50	2.9		24.5			0	
MOTOR INDUST,100	12/87	38.05	46.32	221.73	650.00	700.00	447.50	29.4	14.5	22.1	12.0	1.8	86	1:1
MRF,10	09/87	3.86	23.30	70.36	305.00	315.00	127.00	26.1		11.7	40.0	1.3	75	1:2
MUKAND IRON,10	06/88	9.82	72.22	83.54	115.00	120.00	73.50	12.1		9.5	23.0	2.0	88	1:2
MYSORE CEMENT,10	06/87	11.48	19.23	26.75	25.00	28.00	18.00	1.1	0.5	22.7	17.5	7.0	85	2:5
NAGAR FINANCE,10	09/87	2.44	2.70	21.07	14.00	14.00	10.75	5.5	0.4	2.5	23.0	16.4	0	
NATION PEROXIDE,100	03/88	2.30	9.02	142.03	1150.00	1575.00	820.00	77.8		14.8	30.0	2.6	0	
NATIONAL RADIO,100	12/87	6.82	2.77	141.84	175.00	175.00	97.50	10.6		16.5			0	
NIRLON,10	09/87	15.76	27.08	27.18	12.50	14.75	5.00	-27.1	-0.1				82	1:2
NOCIL,100	12/87	36.00	55.62	254.50	910.00	930.00	390.00	48.2	32.6	18.9	20.0	2.2	86	1:2
ORISSA CEMENT,10	12/87	5.40	31.50	68.33	35.00	35.50	29.25	7.3		4.8	20.0	5.7	87	1:1
ORKAY,10	03/88	41.29	59.15	24.33	39.50	51.00	17.00	1.7		23.2	21.0	5.3	0	
OSWAL AGRO,10	09/87	25.52	61.67	36.64	114.00	129.50	57.00	2.8		40.7	80.0	4.4	87	3:5
OSWAL FURANE,10	12/87	18.00	0.00	10.00	72.50	75.00	22.25						0	
OTIS ELEVATORS,10	11/87	5.04	9.62	29.00	220.00	225.00	161.25	7.8	2.8	28.9	25.0	1.1	85	1:1
PARKE DAVIS,10	11/87	7.53	3.86	14.88	47.50	55.00	31.00	2.3		20.7	25.0	5.3	78	3:5
PEICO,10	12/87	33.32	53.59	26.08	33.00	40.00	21.50	1.2	-1.2	27.5	10.0	3.0	82	1:5
PFIZER,10	11/87	11.72	15.85	23.35	79.00	90.00	50.00	0.3	0.4	263.3	10.0	1.3	77	4:5
POLYCHEM,10	03/88	4.10	9.92	36.94	106.00	108.00	55.00	13.2	13.1	8.0			86	1:2
POLYOLEFINS,100	12/87	19.30	24.65	227.72	880.00	920.00	515.00	53.0	45.1	16.6	26.0	3.2	88	1:2
PONDS,10	06/87	6.66	11.38	27.04	205.00	250.00	127.50	5.4	3.8	38.0	40.0	2.0	87	1:1
PREMIER AUTO,10	06/88	16.20	103.38	73.81	55.50	56.00	23.00	8.9		8.0	25.0	4.5	86	1:1
PROCTER & GAM,10	06/88	3.71	9.29	35.04	415.00	415.00	257.50	12.5		33.2	50.0	1.2	86	4:5
PSI DATA,10	09/87	1.36	0.65	14.71	38.00	38.00	10.25	1.8		21.1	17.0	4.5	0	
RALLIS,10	04/88	9.52	30.00	41.51	115.00	120.00	60.00	5.9	3.2	19.5	27.5	2.4	77	3:1
RANBAXY,10	12/87	5.22	12.72	34.37	75.00	92.50	68.00	5.2	2.6	14.4	20.0	2.7	86	2:5
RAYMONDS,10	03/88	22.47	50.11	32.30	64.00	64.00	41.50	3.6	1.0	16.6	25.0	3.9	87	1:1
RECKITT COLMAN,10	12/87	4.20	13.60	42.38	147.50	155.00	140.00	12.7	7.6	11.6	30.0	2.0	86	1:1
REGENCY CERAMIC,10	04/87	3.97	-1.29	6.75	15.00	24.00	10.00	-3.9	-2.7				0	
RELIANCE,10	06/88	158.26	898.32	66.76	177.00	231.00	69.00	5.1		34.7	55.0	3.1	83	3:5
REMINGTON,10	03/88	2.67	4.34	26.25	33.00	34.00	24.75	4.1	2.6	8.0	20.0	6.1	88	1:2
REVATHI C.P,10	06/88	1.50	3.12	29.50	126.25	135.00	51.50	7.2		17.5	20.0	1.6	87	1:1
ROCHE PRODUCTS,10	12/87	4.81	5.38	21.19	80.00	87.50	34.00	2.3	1.4	34.8	14.0	1.8	80	1:3
ROSS MURARKA,10	06/87	3.74	3.29	18.80	16.00	17.00	10.50	4.7	3.4	3.4	26.0	16.2	0	
S.I.VISCOSE,100	03/88	11.03	13.08	218.59	570.00	580.00	215.00	74.0		7.7	25.0	4.4	87	1:2
SAMTEL,10	12/87	2.74	7.92	38.91	105.00	105.00	33.25	6.3	9.2	16.7	25.0	2.4	86	1:3
SANDOZ,10	12/87	5.30	19.68	47.13	78.75	87.50	59.00	3.0		26.2	16.0	2.0	84	2:7
SANDVIK ASIA,100	12/87	5.78	7.54	230.45	695.00	695.00	575.00	23.6	10.7	29.4	20.0	2.9	84	1:1
SCINDIA,20	06/87	18.95	3.79	24.01	6.25	8.00	1.76	-30.9					77	2:5
SEARLE,10	12/87	3.48	14.57	51.87	180.00	195.00	83.00	8.0	1.2	22.5	20.0	1.1	86	1:1
SESA GOA,10	03/87	5.15	9.42	28.29	42.00	45.50	16.00	7.0	-4.5	6.0	18.0	4.3	86	2:5
SHAW WALLACE,10	06/88	12.00	17.66	49.43	81.50	81.50	52.00	10.8	7.3	7.5	35.0	4.3	87	1:1
SHRI RAM FIBRES,10	09/87	10.33	22.69	31.97	57.00	60.00	34.50	2.7		21.1	20.0	3.5	82	1:2
SIEMENS,10	09/87	20.77	33.06	25.93	110.00	120.00	56.50	3.8	2.2	28.9	16.0	1.5	86	1:4
SILTAP CHEMICAL,10	03/88	1.80	-0.76	10.00	62.50	80.00	47.50	-4.2					0	
SIPTA COATED,10	10/87	9.42	1.84	11.95	22.00	25.50	15.00	3.1	2.6	7.1	15.0	6.8	0	
SKF BEARINGS,100	12/87	12.35	30.44	346.48	2300.00	2350.00	1058.00	87.8	68.1	26.2	22.0	1.0	86	2:5
SOUTHERN PETRO,10	12/87	34.00	267.86	88.78	53.00	60.00	22.75	1.5	-7.2	35.3	15.0	2.8	86	1:1
SPARTEK,10	06/88	2.85	6.19	31.72	92.50	110.00	58.00	13.2	5.0	7.0	25.0	2.7	0	
SPECIAL STEEL,100	12/87	7.58	10.79	242.16	775.00	825.00	575.00	104.7	67.3	7.4	15.0	1.9	73	1:1
STANDARD MILLS,100	03/88	11.06	75.27	780.56	330.00	390.00	190.00	37.0		8.9	16.0	4.8	82	2:5
STANDARD MOTOR,10	12/86	2.32	3.98	27.16	10.25	11.85	7.50	-18.1					85	1:1
STRAW PRODUCTS,10	12/87	10.14	73.61	82.59	45.00	48.00	29.50	4.0	1.3	11.2	20.0	4.4	72	1:2
SU-RAJ DIAMOND,10	04/88	4.77	4.37	19.16	60.00	65.00	15.00	9.1		6.6	15.0	2.5	0	
SUND CLAYTON,10	05/88	9.48	23.99	52.16	46.00	52.50	29.25	9.9		4.6	25.0	5.4	87	2:3
SUND FASTENERS,10	03/88	3.19	11.70	46.66	80.00	82.50	53.75	7.4		10.8	25.0	3.1	88	3:5
SUND FINANCE,10	03/88	6.00	11.46	29.10	42.00	42.00	25.50	7.8		5.4	20.0	4.8	86	1:1
SUPREME INDUST,10	06/87	1.80	3.70	30.56	215.00	215.00	137.50	10.1	5.7	21.3	36.0	1.7	87	1:1
SWAD POLYTEX,10	09/86	3.90	36.01	102.33	36.00	42.50	21.50	8.5	8.7	4.2	30.0	8.3	0	
SYNTH & CHEM,10	03/87	5.81	3.75	16.45	53.00	54.00	28.50	1.4	2.6	37.9	10.0	1.9	0	
TATA CHEMICALS,10	03/88	37.18	150.35	50.44	104.00	111.00	56.00	7.3		14.2	30.0	2.9	85	2:5
TATA LOCO,100	03/88	90.97	212.98	334.13	735.00	785.00	340.00	45.0	6.8	16.3	23.0	3.1	82	2:5
TATA OIL,25	03/88	8.11	19.78	75.30	70.00	87.00	55.00	4.2	4.3	16.7	10.0	3.6	81	1:5
TATA POWER,100	03/88	21.22	68.24	421.80	340.00	372.00	175.00	89.1	111.3	3.8	16.0	4.7	75	1:5
TATA PRESS,10	03/88	1.57	5.86	47.32	53.00	55.00	33.00	4.5	2.1	11.8	18.0	3.4	0	
TATA STEEL,100	03/88	136.01	476.33	450.22	1047.50	1050.00	568.75	67.8	39.7	15.4	25.0	2.4	86	2:5
TATA TEA,10	12/87	12.21	54.82	54.90	149.00	151.00	105.00	8.9	2.1	16.7	45.0	3.0	79	1:3
TATA UNISYS,10	12/87	4.36	3.62	16.26	97.50	107.50	60.00	3.5	2.2	27.9	22.0	2.3	87	2:5
TEXMACO,10	12/86	1.57	11.06	69.14	37.00	37.00	17.00	-208.6					0	
TINPLATE,10	03/88	10.14	8.26	18.15	21.00	24.00	15.50	2.8		7.5	10.0	4.8	0	
TUBE INVESTMENT,10	12/87	5.73	28.62	59.95	36.00	39.00	22.00	7.0		5.4	20.0	5.3	85	1:3
TUTICO ALKALIES,10	12/87	12.94	-2.63	7.97	14.00	20.00	11.00		-1.3				0	
TVS SUZUKI,10	02/88	23.10	-8.59	6.28	17.00	19.00	8.50		1.4				0	
TWENT.CENT,10	03/88	8.88	8.76	29.34	20.50	20.71	12.14	4.2	1.9	4.9	25.7	12.5	88	2:5
UNION CARBIDE,10	12/87	32.56	36.04	21.66	21.25	22.50	10.00	1.1		19.3	12.0	5.6	80	1:2
UNIT BREWERIES,10	06/87	4.00	9.53	33.82	43.00	43.00	36.50	5.4		8.0	15.0	3.5	86	1:1
UNIT PHOSPHORUS,10	12/87	2.80	2.66	19.50	41.00	52.00	32.50	0.4	-1.1	102.5	10.0	2.4	0	
UPCOM CABLES,10	12/87	5.92	0.04	10.07	37.50	49.00	21.75	0.1	0.9	375.0			0	
VAM ORGANIC,10	04/88	5.16	11.72	32.71	130.00	143.00	78.00	9.2		14.1	30.0	2.3	0	
VARELI,10	03/88	7.29	13.49	28.50	35.00	62.50	29.50	5.7	6.8	6.1	22.0	6.3	0	
VIDEOCON,10	09/88	2.75	1.59	15.78	62.00	63.00	18.87	6.5		9.5	18.0	2.9	0	
VINDHYA TELE,10	03/88	3.90	3.34	18.56	140.00	142.50	68.00	11.3		12.4	20.0	1.4	0	
VOLTAS,100	06/87	12.78	24.40	290.92	450.00	500.00	230.00	53.5	18.3	8.4	16.0	3.6	81	1:4
VST INDUSTRIES,10	09/87	6.03	12.00	29.90	22.50	30.50	19.00	4.6	2.3	4.9	29.0	12.9	77	3:5
WAL NAGAR,100	09/87	3.00	35.39	127.97	11.00	12.50	7.00	1.1	-5.8	10.0			82	1:2
WARREN TEA,10	03/88	3.90	11.49	39.46	61.25	70.00	50.50	8.9		6.9	30.0	4.9	88	1:5
WIMCO,10	12/87	8.45	9.56	21.31	26.00	30.00	11.00	-5.8	-4.6				70	1:5
ZENITH,10	06/87	9.15	13.04	30.31	75.00	76.00	36.00	2.5	3.5	30.0	30.0	4.0	87	1:4
ZF STEERING,10	06/88	2.25	0.80	13.56	56.00	62.00	30.00	3.3	2.0	17.0			0	
ZUARI,10	12/87	12.43	49.38	49.73	75.00	80.00	34.00	3.5	0.3	21.4	25.0	3.3	0	

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price.

Flying high

Suitings exclusive
for all seasons

In Quest of Nehru's Dream...
BIC Weaves

Lal-imli Dhariwal

The Unforgettable Twins

Company fixed deposits (current for November 1988)

Name of the company	Minimum Amount	Rate of Interest 1 year	2 year	3 year
ACC	3000	12.00	13.00	14.00
ADDISON	3000	—	13.00	14.00
ANSAL HOUSING	2000	14.00	14.00	14.00
ASEA	3000	12.00	13.00	14.00
ASHOK LEYLAND	2000	-	13.50	14.00
APOLLO TYPRES	5000	13.00	13.50	14.00
BAJAJ TEMPO	3000	12.00	13.00	14.00
BAKELITE H	2000	—	13.50	14.00
BALLARPUR IND	2500	-	-	14.00
BAYER	5000	11.00	13.00	14.00
CEAT TYRES	3000	-	12.50	14.00
CANBANK FIN	5000	11.00	—	12.00
CHOLAMANDA	3000	14.00	14.00	14.00
DCM LTD	5000	12.00	13.00	14.00
DUNLOP	3000	14.00	14.00	14.00
DCW LTD	3000	12.50	13.50	14.00
DUGAR INVEST	3000	13.50	14.00	14.00
EAST IND HOTELS	1000	14.00	14.00	14.00
EMPIRE FIN	1000	14.00	14.00	14.00
EID PARRY	3000	—	13.00	14.00
ENFIELD FIN	2000	14.00	14.00.	14.00
ENNORE FOUND	2000	—	13.75	14.00
FOOD SPEC	5000	—	—	14.00
GKW	2000	—	—	14.00
GUJRAT AMBUJA	3000	—	13.50	14.00
GERMAN REME	5000	—	—	14.00
GSFC	3000	10.50	11.50	13.50
HICO PRODUCTS	4000	13.50	14.00	14.00
HIND B BOV	1000	11.50	12.50	14.00
HIND SUGAR	2000	—	13.00	14.00
HOTEL LEELA V	2000	14.00	14.00	14.00
INDIAN OIL	2000	10.50	11.50	13.00
JAGATJIT INDUS	3000	13.00	14.00	14.00
KIR CUMMINS	3000	12.00	13.00	13.00
KEC	2000	—	—	14.00
KREST DEVEL	3000	13.00	13.50	14.00
L&T	3000	11.00	12.50	14.00
MADAN FINA	1000	14.00	14.00	14.00
MAH UGINE	3000	—	—	14.00
MAH & MAH	2000	11.00	13.00	14.00
METTUR CHEM	2000	—	—	14.00
MODI ALKALI	2000	14.00	14.00	14.00
MRF LTD	1000	12.50	13.50	14.00
MAD CEMENT	1000	12.00	13.00	14.00
NAGARJUNA FIN	1000	14.00	14.00	14.00
ORKAY	2000	13.50	14.00	14.00
OVERSEAS SAN	2000	14.00	14.00	14.00
PARVID LEAS	1000	14.00	14.00	14.00
PEICO	3000	—	—	14.00
POND'S	3000	—	14.00	14.00
POLYCHEM	2000	13.00	13.50	14.00
POLYOLEFINS	2000	12.50	13.50	14.00
PREMIER AUTO	3000	12.00	13.00	14.00
PHILIPS CARBON	1000	13.00	13.50	14.00
SANDOZ	5000	14.00	14.00	14.00
SIEMENS	5000	14.00	14.00	14.00
SPIC	3000	—	13.50	14.00
SAIL	2000	10.50	11.50	13.00
SI VISCOSE	2000	13.50	14.00	14.00
STONES AMALG	1000	12.50	13.50	14.00
TATA CHEM	3000	12.00	13.00	14.00
TIDCO	2000	12.00	13.00	14.00
UPTRON	3000	—	13.50	14.00
VOLTAS LTD	1000	9.50	10.50	13.50
VIJAYA LEASING	1000	14.00	14.00	14.00
WESTERN INDIA	2000	14.00	14.00	14.00
WS INDUS	2000	13.50	14.00	14.00
ZENITH LTD	3000	—	13.50	14.00

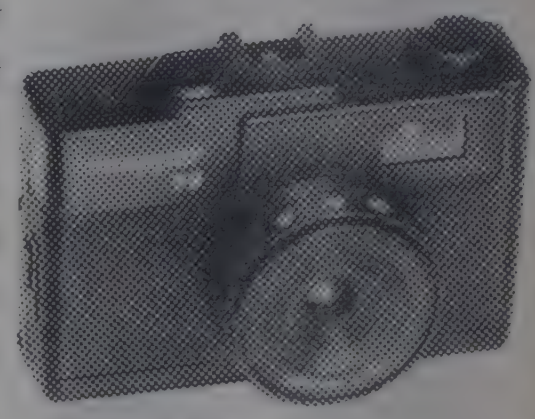
Cumulative deposit schemes (current for November 1988)

Name of the Company	Minimum deposit	Marutity amount	Period (years)	Annual Compound rate of interest (%)
1	2	3	4	5
ASHOK LEYLAND	2000	3025	3	14.79
ACC	3000	4503	3	14.50
APOLLO TUBES	2000	3022	3	14.75
ADDISON	2000	3036	3	14.93
ANSAL HOUSING	2000	3036	3	14.93
ASEA	3000	4533	3	14.93
APOLLO TYRES	3000	4533	3	14.93
BATA	3000	4503	3	14.90
BAJAJ TEMPO	3000	4502	3	14.99
BAKELITE HYLAM	5000	7555	3	14.75
CANBANK FIN	5000	7092.50	3	13.80
CHOLAMANDA	1000	1518	3	14.93
DUGAR INVEST	3000	4563	3	15.00
DUNLOP	3000	4535	3	14.75
DCW LTD	3000	4533	3	14.93
DCL FIN	1000	1518	3	14.93
EAST IND HOTEL	1000	1508	3	14.67
EID PARRY	3000	4533	3	14.75
ENFIELD FIN	1000	1518	3	14.93
ENNORE FOND	2000	3025	3	14.79
FOOD SPEC	5000	7500	3	14.47
GOOD YEAR	3000	4502	3	14.49
GNFC	3000	4503	3	14.50
GUJ AMBUJA	3000	4555	3	14.80
HOTEL LEELA VEN	2000	3035	3	14.89
INDIAL OIL	2000	2930	3	13.75
KEC	2000	3022	3	14.75
KREST DEVLP	1000	1518	3	14.93
L&T	3000	4468	3	14.30
MJ PHARMA	3000	4533	3	14.73
MADAN FIN	1000	1522	3	15.03
MODI ALKALI	2000	3037	3	14.94
MADR CEMENT	1000	1511	3	14.74
NAMDANG TEA	4000	6044	3	14.74
NELCO	2000	3022	3	14.76
ORKAY	2000	3037	3	14.94
PARVIDHGAAR LEAS	1000	1518	3	14.93
PANYAM CEM	2000	3036	3	14.93
PEICO	3000	4502	3	14.49
PHILIPS CARBON	1000	1511	3	14.74
ROLATAINERS	2000	3001	3	14.48
SAIL	2000	2950	3	14.34
STRAW PROD	3000	4500	3	14.47
SAE INDIA	2000	3022	3	14.75
SAFE LTD	2000	3030	3	14.90
SI VISCOSE	2000	3022	3	14.73
UPTRON	3000	4533	3	14.75
WESTERN INDIA	1000	1518	3	14.93
WS INDUS	2000	3022	3	14.75
ZUARI	2000	3023	3	14.76

Note: The list given above is a selection of many companies which accept deposits from their shareholders or from the public companies which offer somewhat lower rate compared to many quite sound private limited companies of partnerships. Readers are advised to take suitable professional advice.

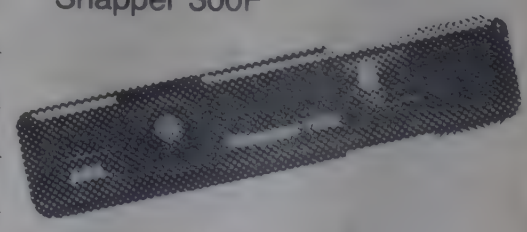
The unforgettable corporate gift

Snapper CAMERAS



Snapper 35

Snapper 300F



Snapper 110E

Everybody loves a Snapper !

For further details contact:
AGFA-GEVAERT INDIA LIMITED
- 17, N.A. Sawant Marg, Colaba, Bombay 400 005. Tel: 2028812
- 18/A Shivaji Nagar, P.B. No.6211, New Delhi 110 015. Tel: 503993 Tlx: AGIL 031 4116
- 2-A, Shakespeare Sarani, P.B. No.9230, Calcutta 700 071. Tel: 444595 Tlx: AGIL 021 2250
- 611, Anna Salai, P.B. No.1071 Madras 600 006. Tel: 478211 Tlx: AGIL 041 7609

ULKA-11377

Festive mood

We have no winners for investor contest 276. Contestants have just not been able to cope with the runaway rise in share prices. For instance Finolex Cables which was quoting at 298.75 on 23 September moved to 387.50 three weeks later. The markets continue to be in the grip of the bulls and this year's festival of light is the brightest for marketmen in years.

How to enter

On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these shares as on 9 December 1988, and send in your entry by 29 November 1988. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 9 December 1988, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 9 December 1988, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 29 November 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of the **Business India** group of publications is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 4 November 1988 (Rs)	Variations permitted from correct prices upto (Rs)	Prices as on Friday, 9 December 1988 (Please fill) (Rs)
ACC	Bombay	332.00	3.00	
Bajaj Auto	Bombay	382.50	3.00	
Century Enka	Bombay	2,240.00	4.00	
IEL	Bombay	56.00	1.00	
Siemens	Bombay	110.00	1.50	
SKF Bearings	Bombay	2,300.00	4.00	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC279

Your executives can now fly to work. At ground level.

Presenting the luxury of the new Tempo-Traveller

Tempo-Traveller is the new executive perk

It offers senior personnel the comfort and status that ordinary company buses can never match – and a car-pool could never give.

A spacious interior offers the luxury of upto 15 ergonomically designed seats and large, airy windows.

There's ample room for baggage. And a high curved roof allows for greater freedom of movement.

And it has been specially built for Indian roads by Bajaj Tempo – in collaboration with Daimler-Benz, the creators of the classic Mercedes range.

As cost-conscious as it is status-conscious

The new Tempo-Traveller is equipped with the advanced 72 BHP Mercedes OM 616 diesel engine, which functions like a built-in accountant. It stretches your company's every rupee – delivering the highest level of fuel economy with the lowest level of noise.

The Tempo-Traveller even minimises other maintenance costs. Spares are cheaper and more readily available. And regular service is close at hand. Because you are backed by the 150 experienced dealers established by Bajaj Tempo over a period of 25 years.

So before you stake business capital on company buses or corporate cars, give the new Tempo-Traveller serious thought.

And let your executives 'arrive in better shape'.

BAJAJ Tempo LTD.

The new Tempo-Traveller.
Anywhere else, they'd call it a Mercedes Transporter.

"Strength.
The ability to meet challenging
situations head-on.
The drive to get what I want.
These have all contributed to my success.
Naturally, I opted for the strongest
general insurance company.
New India, of course."

At the heart of a truly successful enterprise, here's always a strong core of motivation...
Boldness in thought and action.
The courage to take on new challenges.
The confidence and the innovative spirit to be the first in its field.
All this has made New India Assurance a Rs.500 crore premium company — and the leader in general insurance in India.
Always the first with so many policies... such as the Cancer Cover, Unborn Child Welfare Scheme and the Borewell Scheme — to name a few...

And the first to provide high-risk covers for the nation, as well as enterprising individuals...
Has resulted in unique policies for Satellites, Antarctic and Everest expeditions, the Himalayan Car Rally... even horticulture.
It is this combination of boldness, strength and innovative thinking, that has made New India the largest general insurance company.
But, most important, with every cover New India offers that something extra...
The personal touch.
And a genuine concern for each and everyone.

You name the risk. We insure it.

NEW INDIA ASSURANCE

A subsidiary of the General Insurance Corpn. of India

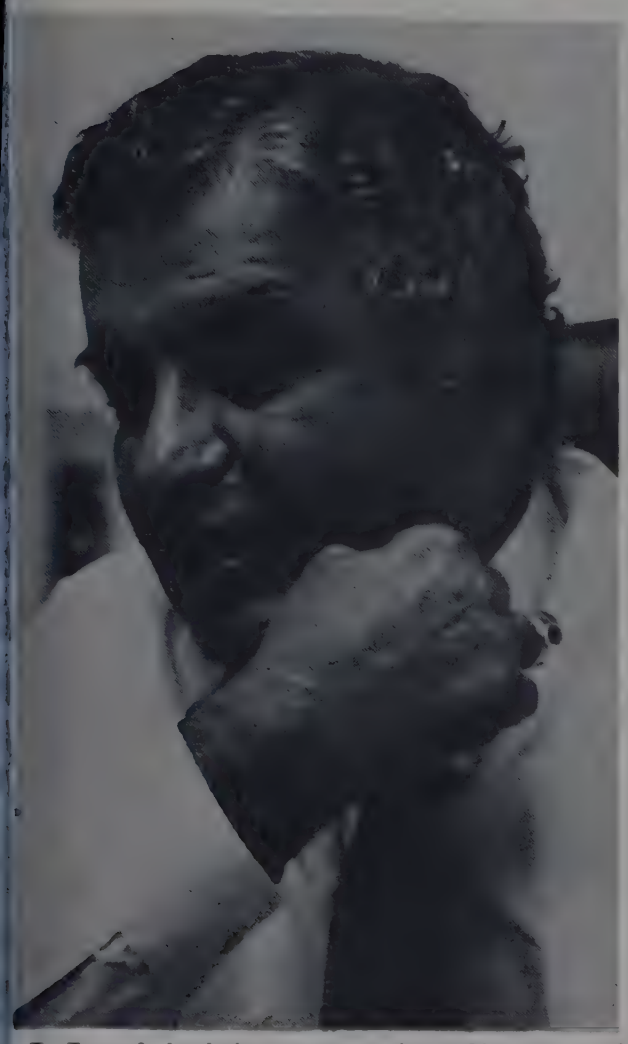
The New India range of assurance covers:
Personal: Mediclaim, Cancer Insurance, Unborn Child Welfare Scheme, Janata Policy, Personal Accident, Householder's Policy, Overseas Medical Insurance, Travellers' Baggage Insurance. **Commercial:** Court Bonds, Government Bonds, Money in Safe, Shopkeepers' Insurance. **Industrial:** Electric Equipment Insurance, Fidelity Guarantee, Satellite Insurance, Burglary & Housebreaking Insurance, Motor Insurance. **Rural:** Hut Insurance, Animal Driven Cart Insurance, Silkworm Insurance, Gobar Gas Insurance. And many more...

The more important the meeting, the more important the airline.

Flying on Lufthansa means reaching your business appointment on time.

Lufthansa

Steel in the blood



J. Irani *is joint managing director of Tisco*

What does it feel to be at the helm of the largest private sector company in the country? For J.J. Irani, the 52-year-old joint managing director of Tata Iron and Steel Company (Tisco), it is undoubtedly a source of pride. Tisco is not just a front-ranking 81-year-old company but the life-blood of Jamshedpur, the city of half a million which has grown around the steel plant.

Irani, who has a doctorate in metallurgy, has held as many as 14 different positions, including that of vice-president and president, in his 20 years at Tisco before he was designated joint managing director recently.

There isn't much in the Tisco plant with which he is not familiar. During his 12-hour working day he handles interpersonnel management problems and labour relations and goes on plant inspections. Besides, he is actively involved in drawing up the company's expansion plans. And he plays an active role in every major project — from preliminary survey to the selection of projects for modernisation or expansion to implementation. Currently, he is busy with three new joint equity projects, ie, Tata Man, Tata Korf and Tata Timken.

As a metallurgist, Irani's personal contribution has been in the field of special steels, the manufacture of which requires high technological skills. It was he who helped change people's attitudes at Tisco and convinced them that it was indeed possible to manufacture speciality steels, using existing facilities. Says Irani, "A housewife can turn out a standard meal, regularly and successfully, using common kitchen ingredients and equipment. But it requires special skill and flair to make a more artistic or innovative meal. The spirit is important."

More than equipment and technology, it is this pioneering spirit that has constantly spurred Tisco to excel and innovate. The company's production figures — 2.3 million tonnes of crude steel and 1.2 million tonnes of finished steel — and the record turnover of Rs.1,527 crores (as against Rs.1,416 crores in 1987) are ample evidence of this.

Irani is modest when laudatory references are made to Tisco's performance compared with that of public sector steel plants. "There is plenty of capacity and enough demand for all to participate. No one is considered superior — SAIL is just as good," he says. But he agrees that the Tatas' rapport with labour and their benevolence has made Tisco a unique success.

The labour relationship, built up painstakingly over the years, has paid rich dividends not just in high productivity, but also in greater worker consciousness. Only the children of employees find employment. The Japanese "cradle to grave" culture has been perfected by Tisco. Also, Irani strives hard for openness and it has paid off.

His approach to staff participation in company affairs often takes an unusual route. For instance, he once took a group of 80 company personnel — from doctors to managers to maintenance staff — and their wives on a trip to Goa. Everyone was expected to have fun. But at the same time, the holiday makers were also expected to think in a different environment about the company's growth and needs.

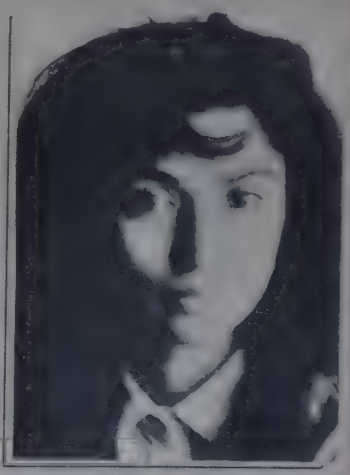
Despite his hectic schedule, Irani finds time to indulge his avid interest in photography and stamp collection. He has set up an amateur photography club to encourage school children.

■ PADMA RAMNATH

FRONTRUNNERS

R. JAIDEV

"Citibank places a premium on youth. That's why I've risen to this position so early," says a modest R. Jaidev, who at age 30 is a vice-president in Citibank, Bombay. Jaidev joined the bank ten years ago. He has only a Bachelor of Arts degree, but heads the bank's prestigious foreign exchange division which he set up in 1983. Two years later, he successfully pioneered the bank's entry into currency swap operations, the first being one for Maruti Udyog. Since then his division has been one of the bank's top moneyspinners. Jaidev is ambitious but unlike others who tend to eye foreign postings, he prefers the Bombay beat.



ELSIE NANJI

Five years ago, they would have asked, "Elsie who?" Now Elsie Nanji is recognised as "that bright, smart kid" who's art director, Ambience Advertising. She bagged the CAG's Art Director of the Year award in 1985 and then again in 1987. "My style is young, refreshing and different, a blend of the international and the ethnic," she says. Her past work includes the campaigns for Vadilal ice cream, VIP Skybags, and Nelco copiers with Enterprise Advertising from 1983 to 1987. Then came the Ambience offer and a chance to work on two high-profile products — Thums Up ('Taste the Thunder') and Garden sarees. She's just completed two films for Siddhi Cement.

SICO's MAPSICON

MICROPROCESSOR BASED AUTOMATIC pH CONTROL SYSTEM

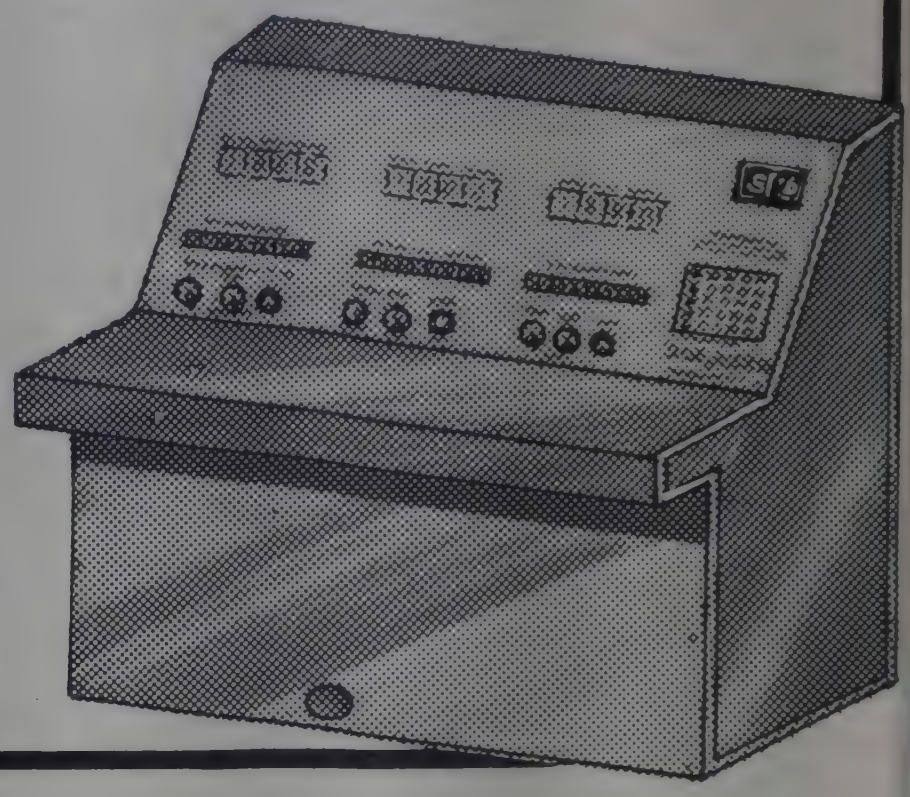
for better quality sugar

FEATURES

1. On-line pH control of preliming, shock liming and SO_2 control system with three independent microprocessor controlled PID controller.
2. Stepper motor driven valve for lime feed and integrated motor driven non-corrosive SO_2 control valve.
3. Linear bar graph display for valve positions with built-in pH recorder.
4. Control of pH possible within range of ± 0.15 pH of set valve.
5. Suitable for JPMA, NSI and other types of sulphiters

BENEFITS

1. CaO content in clear juice is reduced.
2. Saving of sulphur consumption.
3. Reduction of final molasses % in cane.
4. Rise in purity- 0.5 to 0.75
5. Higher setting rate leading to increased capacity utilisation.
6. Reduced scale formation in evaporators reducing the frequency of cleaning operations and the cost of cleaning.



SICO
Estd. 1911
SERVES SCIENCE

The Scientific Instrument Co. Ltd.,

Head Office Post Box No.1
6, Tej Bahadur Sapru Road, Allahabad-221 001
Phone : 51434/52594/55390 Telex : 0540 - 219 SICO IN
Telegram : SICO

PLANE PACK SICO 4 88

COMPUTER FOR SALE

CITIBANK is desirous of selling the following computer systems and associated equipment. Items are in excellent condition and fully operational.

1. 2 computer systems, each consisting of: IDM-3250 (Mod IV) CPU, equivalent to Prime system 2655, 1.3 MIPS rating, 4 MB main memory, 2x300MB removable disk drives, 1 Kennedy Vacuum column, 75IPS, 1600 BPI tape drive, 32 Terminal ports, 1 ICS-2 controller (cap: 32 lines), 1 AMLC controller (16 lines), 1 Terminet hardcopy console, Dual porting option, 2x300 LPM printers, 2 diskpacks, International Data Management Ltd. manufactured and maintained.
2. 1 Computer system IDM-2250 CPU equivalent to Prime 2250, 2 MB memory, 2 x 158 MB Winchester drives, 16 Terminal ports, 1 ICS-1 Controller (8 lines), 1 AMLC Controller (cap 15 lines).
3. 2 Nos. of 25 KVA Uninterruptable Power supply (UPS) with Isolation transformer and stabiliser, with imported Oldham batteries.

Interested parties to contact Mr. S. R. Balasubramaniam on phone 2870844, Telex: 11-3675 or by writing to him C/o Citibank, N.A., Sakhar Bhavan, 2nd Floor, Nariman Point, Bombay 400 021.

CITIBANK

ARE YOUR JOINTS GIVING YOU TROUBLE?

HOLDTITE
Liquid Sealant
Puts the seal on your jointing problems

Holdtite

* Dries quickly
* Remains stable under severe working conditions
* Offers a choice of grades for your specific applications
* Ideal for pipe jointing, drum sealing, car underbody, engine assembly and various pumps
* Mineral Oil Resistant

HAWCO

Metal Process Division

Hardcastle & Waud Manufacturing Co. Ltd.

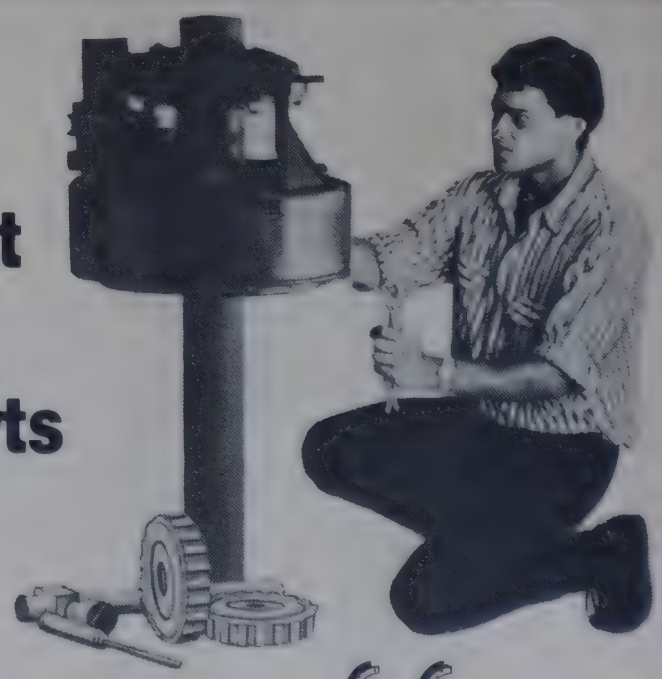
Head Office: Brabourne Stadium, 87 Veer Nariman Road, Bombay-400 020
Tel: 222114 Tlx: 011-2972 HWCO

Branches:
Madras: 64, Moore Street,
Tel: 511937 Tlx: 041-7767 HWCO
New Delhi: E-376, Greater Kailash II Tel: 646 1479
Calcutta: 17, Biplabi Trailokya Maharaj Sarani
Tel: 268850/262024 Tlx: 021-4325 HWCA

HOLDTITE–The sealant you can rely on.

CHAITRA-B HAWCO 25 R

What does a Bombay multinational consumer product manager have in common with a Guntur spare parts dealer?



"I want a transport company
– having a national network
– providing timely, reliable service
– with computerised operations
– and having professional manpower"

They both rely on

ECONOMIC TRANSPORT ORGANISATION

Economic House, 1st Flank Road, Chinch Bunder, Bombay 400 009.

Over 350 branches in India

Your reliable business link

"I want a transport company
– giving personalised service
– with good godown facilities
– willing to deliver even my small parcels
– and having a wide network of stations"

ARMS-ETO-11-A

ICFAI ANNOUNCES

A Unique Correspondence Course

DIPLOMA IN BASIC FINANCE

(The DBF Programme)

ADMISSION NOTICE

Encouraged by the phenomenal success of the CFA Programme (Chartered Financial Analyst) meant for Financial Executives, The Institute of Chartered Financial Analysts of India (ICFAI) now launches a new and unique programme in Basic Finance, entitled the DBF Programme (Diploma in Basic Finance) through correspondence.

DBF Programme Design & Structure

The DBF Programme is designed to help the candidates get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four compulsory and two elective modules. Two-day Weekend Workshop Sessions will be conducted at major cities periodically to facilitate direct interaction between faculty and the participants.

Eligibility

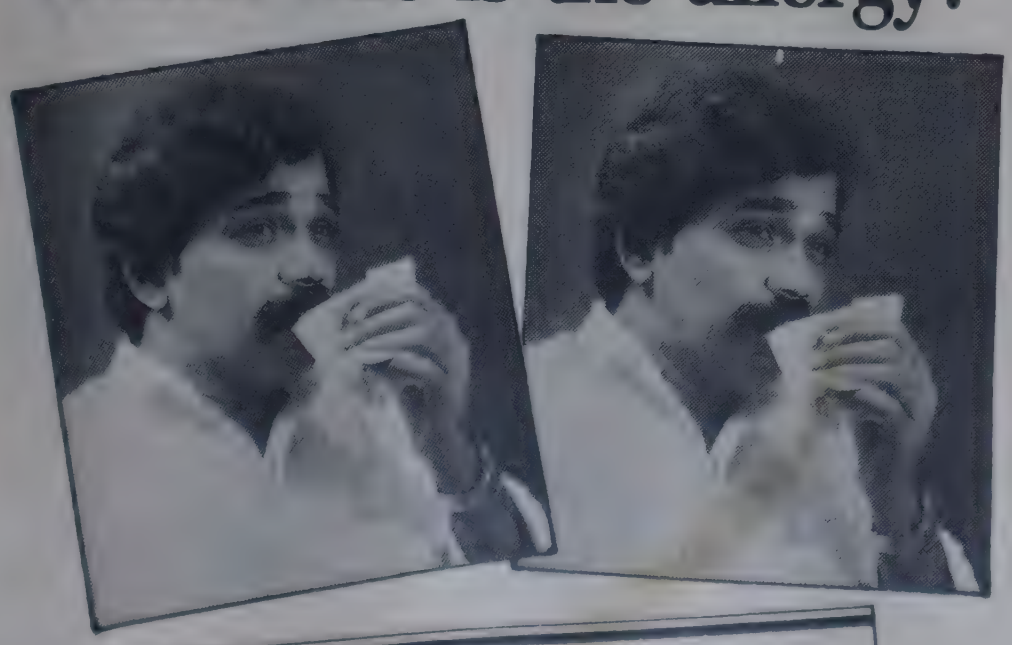
Corporate executives, self-employed persons, entrepreneurs, bank and insurance executives, Government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. The Institute welcomes sponsorship of candidates from employers.

Prospectus

For Prospectus and Application Form, please write to the Administrative Officer (DBF) giving your address and enclosing a demand draft for Rs. 40 drawn in favour of 'The DBF Programme A/c ICFAI' payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA
Road No. 3, Banjara Hills Hyderabad-500 034.

Spot the difference
Which one is the allergy?



If you suffer from:
- *Allergic asthma*
- *Allergic rhinitis*
- *Eczema*
- *Contact dermatitis*
- *Hives*
- *Food allergy*
- *Any other allergy*

may be the Allergy Clinic can help you

How can you tell?

It isn't always easy. Because an allergy isn't always obvious. A persistent cough, for instance, could be a manifestation of allergic asthma. Sneezing could mean allergic rhinitis. A rash, a food allergy or contact dermatitis. And so on.

What causes allergies?

Allergies are caused by what you inhale, or ingest, or come in contact with. It depends on your body's sensitivity.

How do you treat it?

Only correct diagnosis can define the line of treatment. The earlier you identify the cause, the better the chances of cure.

Who can help you?

The Allergy Clinic can. The Clinic is geared to treat any case. Mild or severe. In adults or children. A highly qualified specialist, who will make a thorough study of your history, and the latest testing facilities the world has to offer make diagnosis doubly sure.

How much will it cost me?

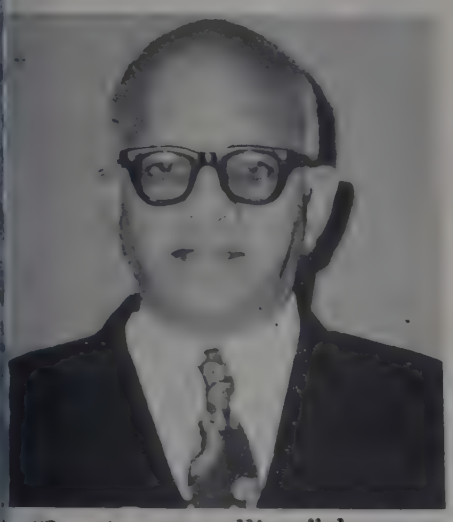
Initial consultation: Rs. 100. Follow-up: Rs 50 per visit.
Blood tests: Rs. 200 (approx.)
Skin tests: Rs. 20 per allergen.

HINDUJA HOSPITAL

THE ALLERGY CLINIC

P.D. HINDUJA NATIONAL HOSPITAL
AND MEDICAL RESEARCH CENTRE
Veer Savarkar Marg, Mahim, Bombay 400 016
Call 468740 for an appointment.

n four years the deposits of
ie Coimbatore-based Sakthi
inance Company under **S.N.**
ai leapt from Rs.2 crores to
s.25 crores. How did Pai
chieve this? "Hard work," he
ays. In these four years Pai has
ot taken a single day off. He
pends two days a week in Ma-
ras, two days a week in Coim-
atore, and the other three
ravelling ceaselessly. His beat
ncludes small towns and boom
owns in Tamil Nadu.



"I enjoy travelling," he says. Every Sunday he is in his Madras office between 9.30 am and 2.30 pm. Sometimes he stays up late even on Sundays.Wherever he is, he gets up at 4.30 in the morning, does a little yoga and goes for a walk. "My work is my tronic," he says.

In the days of yore the arts flourished when rajas and maharajas patronised them. Those days are gone. But today, a heartening number of the rich are extending support to the arts in their own way.

The latest addition to the tribe of art patrons is **Lekha Poddar,** daughter of G.P. Birla, who along with culture-conscious princeling **Martand Singh,** sponsored a fashion show by two budding designers in New Delhi recently.

The unusual backdrop of a ruin near the Qutab Minar, the free flow of champagne and the number of glitterati present ensured a very successful opening. Poddar promises many more such "happenings" and the good news is that the number of such new patrons of the arts seems to be growing.

What do you do when you have to inspire a motley crew of 24,500 employees? How do you get them to work harder and together? Can you ensure that they feel a sense of pride in their organisation? All these and more are everyday tasks for **V. Krishnamurthy,** chairman of the giant Steel Authority of India Limited (SAIL).

A veteran public sector manager, Krishnamurthy's methods are always a pleasure to watch. His latest exhortation to workers was inspired by a critical comment made by "rival" Tisco chairman Russi Mody. SAIL used Mody's observation to tease its own employees to react. Krishnamurthy says that "it makes people think positively about themselves and their organisation".

In using Mody's barb to motivate its own employees, SAIL was in a way only doing what Tisco had done earlier when it used a Krishnamurthy compliment in one of its ads. Now you know what they mean when they talk about the devil quoting scripture for his own ends.

Have you stopped and shopped? Most of Madras will, if **R. Badrinarayanan** has his way. When Badrinarayanan decided last year to set up a chain of provision shops in Madras, many eyebrows were raised. But his 'Stop and Shop' chain of eight shops that have come up in Madras in various strategic locations in the last 12 months have been a new experience for the Madras shopping public. The shops are air conditioned, have piped music and provide computerised billing with a uniformed staff that's always doing its utmost to please the customers. Badrinarayanan says that in spite of the doubting Thomases, he is "on the verge of breaking even".

And for would-be chain store owners, he has the following tips. "My staple customer is the 30-40 age group middle class two-wheeler owner who comes to shop with wife and child and also people who come in more often for daily needs like milk. Today milk is my top selling item."

From development banking to doing development work in the north-eastern hilly tracts of India can hardly be termed a natural career transition. But that is the path chosen by **S.M. Palia,** executive director of IDBI, Asia's largest development bank.

Palia, who is acclaimed among company promoters and colleagues alike for his integrity and uprightness, announced in September that he was going ahead with his plans of retiring voluntarily in early 1989 at the age of 50. "I've been toying with the idea of voluntary retirement from service for the past five years," he says. And the choice of his new vocation became increasingly clear after he saw the excellent results produced by IDBI-assisted voluntary agencies. "Our bank has been giving assistance to these agencies under the Technical Assistance Fund and our experience has been reassuring. These agencies, which are led by dedicated and honest-to-core social workers like Baba Amte, are well managed, and repay loans according to schedule," he says, "I would like to get involved with them and see how it works out." Social welfare would certainly get a boost from the services of a development banker.

"Big Jon" flies. And his realm is outer space. Having flown the Challenger in 1984, **Jon McBride** is scheduled to go into the big blue yonder in 1990 when Columbia will toss aloft a seven member team. In Bangalore recently to attend the International Astronautical Federation meeting, Jon gave desi questioners a taste of what its like out there. Among the questions that Jon fielded in Bangalore were: does one dream in space? Answer: yes, and the dreams are much the same as on earth.

And for those budding young ones dreaming of flying machines a la Rakesh Sharma, there was the sage advice that life out there was not just the heady feeling of weightlessness and of "sunrises that looked like diamonds". Said Big Jon, "Out there I had both body-aches and back-aches too."

Last year he learned how to hold a glass.

This year he's tying his own shoelaces...

...what he does next year is up to you!

The brave battle fought by a spastic child

When your hands and your feet don't listen to what your brain says, it's a very dark, lonely world.

And so we teach our children at the Spastics Society how to fight. They fight despair with hope. They fight fear with courage. And they fight their own inabilities with determination and careful training.

The efforts of the Spastics Society

For the last 15 years we have been working towards rehabilitating and educating these special children.

Through clinics, urban and rural demonstration centres, training material and medical research. By tapping varied professional expertise.

And the results have been heartening: hundreds of children have learned to cope with their problems and lead near-normal lives.

Make a special decision

Make this brave boy's fight your fight too.

Yes, a little investment from you can go a long way. Because we're all set to embark upon an intensive rural programme to reach spastic children in outlying areas.

The results of your investment might not show in your balance sheet. But they'll show on the face of an 8-year old boy as he smiles proudly after managing to eat his breakfast all by himself.

Yes, I would like to make these brave children's fight my fight too!
My cheque/money order/postal order for Rs_____ is enclosed.

Name _____

Company _____

_____

_____

Signature _____

For any further information, write or call
Mrs Sujata Parekh,
Spastics Society of Eastern India,
P 35/1 Taratolla Road, Calcutta 700 088.
Phone 77-7177

All donations exempt from Income Tax under Sec. 80 G of the I.T. Act, 1961.

All cheques should be made payable to :

SPASTICS SOCIETY OF EASTERN INDIA

P 35/1 Taratolla Road, Calcutta 700 088, Phone 77-7177.

Space Courtesy: RCI Reckitt & Colman of India Ltd.

Effective management of human resources

Managing the poor performer
by Valerie Stewart and Andrew Stewart
Wildwood House, pp 178, £6.95 (paperback)

Improving Trainer Effectiveness
Editor: Roger Bennett
Gower Publishing Company Ltd, pp. 283, $ 59.00 (hardcover)

The two books take up issues of skill development and performance management. The first is designed to help the manager lift the poor performer from "below the line to on-line". It is not designed to help you create superstars. Nor to help you turn around a whole department or a whole company — that would require several management skills rather than just the man-management skills discussed in the book.

The book is divided into three parts: the first part deals with detecting poor performance; the second describes the factors which cause poor performance; the third part explains the ways in which it may be possible to solve the problem of poor performance.

GOOD CHECKLIST

The authors have provided a good 12-point checklist to assess performance. The parameters used are: quantity of work, quality of work, absenteeism, other forms of withdrawal from work, conflict, dishonesty, refusal to volunteer, lack of delegation, unrealistic targets, information distortion, slow decisions and capriciousness.

The causes of poor performance are varied. And, almost invariably, any case of poor performance has more than one cause, though there may be a principal one. Some of the more important causes of poor performance relate to ability and job knowledge, stress and emotional problems, motivational problems, medical disorders, work group problems, the organisation itself, or working conditions. Even domestic problems may lead to poor performance in the workplace.

The authors caution managers about being seduced into investigating the causes of poor performance at the expense of concentrating on the cure. Among the remedies open to managers, the Stewarts say, are counselling, an interview to determine which job the person is suited for, a change of job in case of a pronounced mismatch, job redesign, peer group pressure, professional counselling from an outside expert, etc. The importance of training as a remedy for poor performance has been suitably highlighted. However, it is essential to emphasise that it needs quite positive support especially over the 'results dip' when people try new skills and take time to produce results.

It is after watching several good managers in action that the Stewarts have formulated their ideas. Study and observation have led them to the conclusion that it is possible for the average manager to extend direct help to most of the poor performers he will have to manage.

WHAT PEOPLE DO

There are a couple of aspects, however, which need to be mentioned. First what the Stewarts have discussed is 'performance' — in other words, how people behave at work. Their concern is with what people do, not with what they are. Secondly, by concentrating on the middle of the job sandwich — pulling up a current poor performer — they seem to ignore the two outside layers, namely recruitment and separation. The Stewarts have, it must be clarified, deliberately ignored a detailed discussion on these two aspects as, according to them, these have been treated quite well elsewhere by other authors. Nevertheless, they have this brief comment to make: (a) prevention is better than cure, and (b) you need to know what your options are if all your efforts seem doomed to fail. They have, accordingly, emphasised the need to recruit correctly and to treat recruitment as a major investment decision.

The second book has been designed to help trainers improve their effectiveness at (a) doing the current job and (b) adapting to change.

It is no conventional book. The contributors have been drawn from across the world and are known for their excellence. Roger Bennett, editor of the book as well as one of the contributors, is himself an eminent professor of management education and training. Among the others are: Alun Jones, a well-known trainer of trainers; Tad Leduchowicz who has done extensive research on trainer effectiveness and developed training packages for large organisations including Hewlett Packard, Rank Xerox, British Caledonian, etc; Howard Silverfarb who has 20 years of international experience in multinational firms in Asia, the US, Europe and Africa in management as well as executive training.

Roger Bennett observes that training is a frustrating business. Some people hold perverse views about training. They believe it to be necessary, yet doubt its value and relevance. Some trainers too hold perverse views about training. They believe that what they do is right, yet are not committed to the success of the organisations they work for. Roger Bennett believes that all trainers can be successful — they can integrate what they do with the real needs of their organisations.

KEY CHANGES

It begins by investigating what trainer effectiveness really means and placing it in the context of key changes that will affect what is done by the trainers. It then identifies the factors that influence trainer effectiveness, with many exercises aimed at getting the reader to identify such factors in his own job and situation. It goes on to look at different jobs or roles that trainers perform, and explores how these jobs and roles can be developed. The most important chapters are on style.

Roger Bennett, however, sounds a note of caution: the effectiveness of trainers flows from a good training policy, sound management of the training function, and a full understanding of the culture with which training must work.

The usefulness of the book is enhanced by two model programmes for developing trainer effectiveness, a quite effective trainer checklist, and an exhaustive annotated reading list of 30 books (besides the customary bibliography).

The most important feature of the book is its emphasis on integration of the training function and content with the real needs of the trainer's organisation.

Both the books will be found quite useful by managers and trainers.

■ JAYANT KHER

Continuity in Change

Excerpts from the speech of Shri J.N. Sapru, Chairman, I.T.C. Limited, at the 77th Annual General Meeting held on 14.10.1988.

Shri J. N. Sapru

INTRODUCTION

On the economic front, the year 1987/88 has been a difficult one for the country. Inflation, which inevitably rears its head in these adverse circumstances, will need to be closely monitored through carefully designed monetary and fiscal policies, and a severe check on non-plan expenditure exercised to avoid a repetition of the near double digit inflation of last year. The overall favourable monsoon this year has buoyed the economy, and though foodgrains production—estimated at around 170 million tonnes this year—will be an all-time record, we would be well advised to be less euphoric about it as the beneficial impact will take time to permeate. In the interim, the steps taken to accelerate the growth in the service and industrial sectors need to be further augmented through the process of measures now termed as 'liberalisation', and through specific incentives to boost the exports and foreign exchange earnings.

PERFORMANCE HIGHLIGHTS

Total income crossed Rs 1200 crores and, after payment of over Rs 819 crores by way of customs and excise duties, net income at Rs 381 crores registered an 18% increase over last year. From the profit after tax of Rs 24.79 crores, your Directors are pleased to recommend a dividend of 35% after retaining Rs 13.18 crores for future growth and expansion.

1. Foreign Exchange

For some years, India's tobacco exports have been declining for several reasons. What has been forgotten is that India is the third largest producer of tobacco in the world, and this important agricultural cash crop could play an important part in the drive for more export earnings, provided it was given the encouragement and incentives to improve its quality and competitiveness in the international market.

Your Company has for some years been taking steps to increase its non-traditional exports and foreign exchange earnings. **Several new areas of foreign exchange earnings are being simultaneously worked upon and I am pleased to highlight that today over two-thirds of your Company's foreign exchange earnings of about Rs 55 crores are from non-traditional items and, further, they represent nearly 15% of your Company's net turnover.**

2. Agri-businesses Division

Last year, I had given you an indication about your Company's proposed entry into edible and non-edible oils. The Agri-businesses Division became a reality from May this year and its objectives are: to assist the country in achieving self-reliance in edible oils and thereby conserving valuable foreign exchange; earning foreign exchange through the export of by-products and other agricultural produce; through research and development, improve farm economics and quality of life in the agrarian sector.

ITC has made arrangements with leading international organisations with proven track records of research in oilseeds for rendering technical assistance and scientific advice for the development of sunflower hybrid seeds. ITC shall spare no efforts to contribute significantly in improving yields and increasing production of oilseeds in the country.

3. Family Planning

We have stepped up our family planning activities in a big way, and are working closely with Government not only for effective distribution of contraceptives, but also through a variety of means to increase awareness among vast sections of the population of this very essential national priority. For the year ended March 1988, your Company achieved a sales turnover of 128 million pieces of condoms, which is the highest ever recorded by any company.

EXCISE

As you are aware the Director, Anti-Evasion, had issued a Show Cause Notice to your Company in March 1987, proposing to levy differential excise duty of Rs 800-odd crores on the allegation that your Company has misdeclared the maximum retail sale price printed on cigarette packets (which formed the basis of payment of excise duty from March 1983 to February 1987) to the extent that the actual prices charged by retailers were higher and that such prices were fixed by the Company for purposes of retail sale in the market. The Show Cause Notice was challenged before the Calcutta High Court but the Trial Court dismissed the Writ Petition on the ground that the allegations could properly be adjudicated upon by an Adjudicating Authority and not by the High Court in its writ jurisdiction.

An appeal was preferred against this judgement and the Appeal Court by its judgement dated 12th October 1988 has now agreed with the trial judge. However, the Appeal Court has clarified that the burden of proving all allegations made in the Show Cause Notice lies with Excise Authorities and your Company would be entitled to submit all evidence in support of its contention as may be considered necessary by your Company. The Adjudicator will decided the matter after considering such evidence.

We have not yet received copies of the Judgement. Further course of action, including appeals to Supreme Court, will be considered and decided after a detailed study of the Appeal Court Judgement is carried out. Meanwhile, your Company will continue to participate in the adjudication proceedings which had commenced in May this year.

I would like to reiterate your Company has not, ever, evaded excise duties nor knowingly trangressed the law.

FUTURE PROSPECTS

The trading results of the first quarter indicate a healthy outlook for the year ahead with all Divisions continuing to record satisfactory progress. Your Company will spare no effort to continue to augment foreign exchange earnings.

The next year will see further consolidation of the Agri-businesses Division. This important activity yields gradual results and its growth will be apparent over a period of three to four years. It is your Board's plan to engage in a phased, modular expansion into downstream products in the future.

These results would not have been possible without the dedicated endeavour of all our employees at every level of your Company's operations. Thank you also for your continued and unwavering support.

PREAMBLE: THE REASSESSMENT

I would like to briefly dwell on the expected responsibilities of large houses and reassess and reaffirm your Company's sense of purpose and direction.

Public debate would seem to imply that as a nation we have only weaknesses and no strengths. We seem to be taking delight in publicly berating ourselves and highlighting what is wrong and not what is right. Let us build from our strengths rather than focus always on our weaknessess.

We forget the sheer enormity of our country, and the magnitude of our achievement in increasing the National Income 28 times since the first decade of planning. Of creating an infrastructure which is the envy of even the developed world.

India is not short of resources. Economic surpluses are not God given nor created automatically. They are the result of what the human resource does with the physical or material resources. The solution to our economic advance is very much in our hands and in our ability to mobilise the creative productivity of our vast human resources.

Your Company as a corporate citizen has also been in the vanguard. **From the mid-'50s to the mid-'80s, your Company's sales turnover increased 31 times, contributions to the exchequer as excise tax 58 times, and the net fixed asset base expanded 21 times. Foreign exchange earnings in recent years crossed the Rs 50 crore mark, and profit before tax has grown more than ten-fold.** What 77 years ago started as a cigarette company, is now a multi-product, multi-market, and multi-technology organisation of businesses, symbolising 'Continuity in Change', and marching ahead in the overall interests of our stakeholders, and the development of our nation.

To establish the rationale of our practice, and obtain our direction, let us assess the market circumstance.

Around 540 million people live above the poverty line in India, and if we take 50% of this, we are already talking about a market-size of around 270 million people, which is growing in numbers and affluence, and which can be compared to any country.

Emanating from the first, the second reality about our market is its vast demand potential. India is a rich country with many poor people. If we can harness and channel our demand potential, with appropriate products and services, we can not only augment commercial surpluses but, in doing so, bring about an unparalleled socio-economic transformation.

THE REAFFIRMATION

To make all this happen, we must reaffirm a sense of direction.

In the past, when ITC was a single-product company, it was possible to get our bearings by answering the question "What business are we in?" Today, with a multiplicity of businesses, we must answer the question "What do we stand for?"

First, ITC is an Indian 'professional' commercial organisation, where control is earned and exercised through performance, and existence is allowed by public sanction.

But though we are professionals, we are not mercenaries. We have our aspirations, our values and a code of conduct that enables a congruence of theory and practice.

ITC is a professional organisation in yet another sense. In ITC there is a continuous revitalising of the human resource to prevent obsolesence, and a continuing focus on accountability and contributions with commensurate rewards.

Perhaps the single most important dimension of professionalism in ITC is the separation of ownership from control. In a large professional concern, where decision-making is decentralised, it is intrinsically required that there be a common understanding of the purpose and mission as the corporation or institution extends beyond and outlives the man or leader.

Secondly, ITC manages commercial enterprise for commercial results.

No society can shed the shackles of poverty until its investments create surpluses. It is the responsibility of business to create surpluses through the effective management of all resources held by it in trust for society for the overall benefit of all stakeholders.

In India we have some soul-searching to do. For reasons rooted in historical experience, the creation of profit has been equated with exploitation. But these attitudes have no relevance to our day and age which will not tolerate profiteering; if we do not impose the most desirable compulsion to make a fair return on investment, we would be falling seriously short of our duties as professional managers of commercial enterprise, and responsible citizens of modern India.

Thirdly, ITC makes sustained contributions to the quality of life.

We realise that the quality of profit, though essential, is not a substitute for the quality of life that our enterprise contributes to for all its stakeholders. Considering our history and commercial profile, our *shareholders* expect security, a growth in the value of their investment, and a meaningful return.

Our *suppliers* and *business associates*, many of them in the small-scale and ancillary sectors, expect organisations like ours to provide them steady long-term markets.

Our *employees* are not only seeking employment but growth opportunities.

Our *customers*, the reason for our business existence, are seeking enduring value; this is reflected in the quality of products and services we provide.

Government expects us to be partners in progress. We must make and take opportunity by providing impetus through research, innovation, investment, and managment to contribute to the uniform development of our nation.

Society expects responsible and responsive behaviour from corporations and not charity. Enlightened self interest demands businesses to make qualitative contributions for the betterment of the environment around us. It requires the enmeshing of business objectives with social needs so that our rich and varied national heritage is encouraged and preserved.

The competing demands on your organisation's varied contributions are harmonised and balanced by an irrevocable commitment to excellence. It is a dynamic concept which makes us reach forever forward. This is a concept which helps direction setting for the professional manager, who is a leader but not a master.

Fourthly ITC values knowledge and derives its strength from the collective knowledge of its people.

When organisations like your Company operate in the Indian market, they do so in a very specific context. In developing countries, alongside the branded differentiated market there is a vast market of unbranded and undifferentiated substitutes. Witness the co-existence of these two types in the product fields of cigarettes and 'bidis', loose and packaged oil, loose and packaged tea, etc. The logics of success in these two markets are different. One has a windfall and speculative short term approach to the market. The other is based on making investments in value addition. Your Corporation belongs to this second type.

To be successful in this context, ITC's strategies must be based on research and superior knowledge of the product and the consumer. Your Company's success depends not on short term expediency, but in creating surpluses by adding value, based on research and superior knowledge of the product, processes and the consumer.

Finally, ITC stands for the ability to harness and allocate resources, both human and financial which are befitting its size and strengths.

One of the main inhibitions to the realisation of the potential of the Indian market is the inability to mobilise adequate resources. In our country there is a belief that big and small are antagonistic to each other. In reality, there should be no competition. Both have their distinctive roles to play and the sooner we realise their complementarity, the sooner will both thrive to mutual benefit and the larger interests of the country. Similarly, there is a belief that wealth creation and distributive justice are mutually exclusive issues. You cannot distribute poverty. Distribution must follow the creation of wealth as night follows day.

The general hypothesis is that to be able to maintain the requisite standards of competitiveness and quality, organisations like your Company have to make substantial investments, which are of a 'sunk' nature. These investments are in areas like R&D, capacities and people. The only way to make these investments economic is to defray them over a large market, which is an intrinsic advantage for enterprise in India.

In this context, ITC as an enterprise must always think big and will adopt strategies that are commensurate to its size and scale. ITC will endeavour to mobilise resources to make investments and absorb gestations which emphasise the strengths of your Company and are in the interests of the country.

In conclusion, let us recapitulate. Your Company is motivated by the five fundamental factors of professionalism, commercial results, quality of life, knowledge and resource ability. The sum of these constitute your Company's reputation and goodwill built over eight decades of consistent dedication to the pursuit of excellence. We value our goodwill and will carry it forward to the future as our most cherished resource.

Integrating these six factors we can state what ITC stands for :

ITC stands for the professional management of commercial enterprise and its planned growth through the effective use of knowledge and resources at its command to create sustained surpluses and contribute to the quality of life as a valued corporate citizen.

This does not purport to be a report of the proceedings of the 77th Annual General Meeting.

Professional Management of Planned Growth

INDIA TOBACCO DIVISION · INDIAN LEAF TOBACCO DEVELOPMENT DIVISION · PACKAGING AND PRINTING DIVISION · WELCOMGROUP – HOTELS DIVISION · EXPORTS DIVISION · AGRI BUSINESSES DIVISION · BHADRACHALAM PAPERBOARDS LIMITED – AN ITC PROMOTED ENTERPRISE

Contract ITC 156 88

THE PACKAGING INDUSTRY WILL SOON FACE A COMPULSIVE CHOICE

Issue opens on 24th November, 1988

JALAN TEA GROUP promotes

JALPAC INDIA

A hi-tech venture to manufacture Metallized Paper and Films

HIGHLIGHTS

- ☐ Promoted by JALAN TEA GROUP with equity participation from PICUP.
- ☐ Metallized Paper and Films – a superior and cost effective packaging material.
- ☐ Tremendous market potential in consumer based and processed food industries – substantial enquiries already in hand.
- ☐ Plant and Machinery incorporating state-of-the-art West German technology from Weinert Vakuum Systeme and Pagendarm Beschichtungstechnik GmbH.
- ☐ Trial runs to commence in January, 1989 to be followed by commercial production.
- ☐ 80CC and other Income Tax and Wealth Tax benefits.
- ☐ Listing in Kanpur, Ahmedabad, Bombay, Calcutta and Delhi Stock Exchanges.

The Jalan Tea Group, which had set pioneering tradition in the Tea industry now enters the world of flexible packaging to manufacture Metallized Products.

Metallized Paper and Films are superior and cost effective substitutes to Aluminium Foil laminates. Offering better barrier properties and enhanced aesthetic appeal, they provide an ideal solution to the demands of the fast growing consumer industry, like processed food, tea, coffee, fruit juice and pulp, seeds, confectionery, pharmaceuticals, vegetable and lubricating oils, spices, pan-masala, chewing tobacco, cigarettes, soaps, electronic components, etc.

In the decorative category, they are used for labels, wall-paper, tinsels, giftwraps, liquor cartons, and zari.

Jalpac's plant at Haldwani in Nainital has been set up with state-of-the-art West German technology, to manufacture 4500 tonnes per annum of Metallized Paper and Films.

To part finance this project, Jalpac will soon issue 11,00,000 Equity Shares to the public – a profitable investment opportunity backed by the enterprise and commitment of the Jalan Tea Group.

JALPAC INDIA LIMITED
Head Office : 25 Ballygunge Circular Road
Calcutta 700 019

Managers to the Issue
The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division
2B Gorky Terrace,
Calcutta 700 017

JALPAC INDIA LTD
The roots are in tea
The rewards in enterprise

PRESSMAN

ACKWARD LOCATIONS

The quandary

he problems of being based in a far ut location are manifold both for e employer and the employee

ow that new industries or units are not ermitted within the limits of metro- olitan cities, both employers and em- oyees find themselves in a quandary. n the one hand, employers, especially ew entrepreneurs, find that it is difficult attract competent managerial staff to cations outside the metros. Employees, n the other hand, find that their career owth could be stifled unless they are illing to move out of the comfort of etro locations. The problems of being ased in a far out location are manifold r both the employee and the employer.

The problems for employees stem from he absence of basic amenities such as ousing and, often more important, chooling. Poor communication facilities, e it telephones or rail and air links, add the sense of being totally cut off from he outside world. Also, the absence of he kind of entertainment facilities that ost city-bred employees are used to, akes it virtually impossible to get a top ass manager sign up for assignments in uch locations. And yet, all the major vestments in industry are being made such locations.

UNCTIONAL PROBLEMS

or most entrepreneurs, the incentives iven for setting up units in backward nd no-industry zones are financially at- ractive. They also find that it is possible o commission projects in such an area ithin a reasonable time. But, most en- repreneurs fail to anticipate the diffi- lties in day-to-day management due to he lack of competent managerial staff. nless the entrepreneur is himself based t the location, he finds it difficult to get he project off the ground after the ommissioning.

The problem of recruiting staff be- omes more apparent in the case of tech- ical and manufacturing personnel. ommercial and sales staff are generally ased at developed locations due to the mportance of communication facilities. n any case, it is not essential for them to e based at the plant. For technical per- onnel, however, restricted as they are to articular industries because of their raining and experience, there are few options but to move — if they wish to grow.

Many employers start out by believing that employment costs would be substantially lower at these backward locations. While this may be true of the workmen, wage costs for supervisory and managerial staff are often the same as those in the metros, if not more. Many find, to their dismay, that even the official consumer price indices of these locations are not substantially different from those of major cities, making it impossible to justify lower dearness allowances.

Further, a premium in terms of compensation and designation has to be paid to attract staff to these locations. In fact, the compensation is often more than the quality of staff warrants.

SMALL TOWNSHIPS

Employers are often left with no option but to make investments in housing and other infrastructure for their employees, such as schools, clubs and sports facilities. Transport facilities for families, school children, and even family outings on holidays, have to be made. It is found that in several of these locations, companies virtually run small townships and incur all administrative costs.

Certain industries, such as the cement or fertiliser industries, have historically been based at out-of-the-way locations. As a result, these industries had not been able to attract the best talent. But, over the years, they have developed skilled technical and managerial personnel who are specially attuned to the needs of these locations. Companies in these industries, like ACC in the private sector or various Birla companies, have managed to do this by making considerable investments in housing and other amenities for their employees — even to the extent of paying for the education of children.

Many public sector companies in steel, mining and power, too have set up units in backward locations. While the quality of staff may not be comparable to that at metros, these units generally have lesser problems than private sector units. This is mainly due to the considerable investments they make in housing and other infrastructural facilities.

Despite these efforts, several bugbears remain, the chief being proper schooling. Given the myriad problems of our education system, managers find that once their children are past the primary school level, postings in reasonably big towns become necessary. For example, the requirement of a domicile certificate for entrance to a professional course makes it essential for a family to reside continuously in the same town through the final years of its children's schooling. This highlights the need for the government to consider measures for providing proper schooling facilities as part of the infrastructure while developing backward and no-industry zones.

What has been the experience of multilocational companies? Many of them report problems of parity in defining compensation policies initially. They have also found that employees are not as mobile as expected. Most employees refuse transfers to backward locations due to problems of schooling and also because spouses would not find suitable employment. And, with the increase in the number of two-income families in the major cities, it will become increasingly difficult for employers to attract personnel and compensate for such monetary losses.

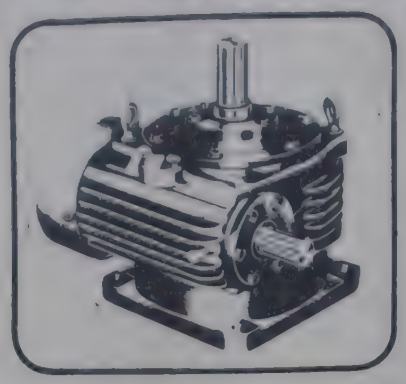
In some cases, where the employee has agreed to such a transfer, the company has had to compensate for the maintainence of two establishments over prolonged periods of time. This aggravates problems of parity. But, at senior levels, especially, the employers have virtually no option. Frequently, therefore, employers base senior employees in towns and have them travel to the site. This, of course, is not the happiest solution from the point of view of daily management. It has also often led to an increase in so-called 'corporate' jobs that oversee the activities of the unit.

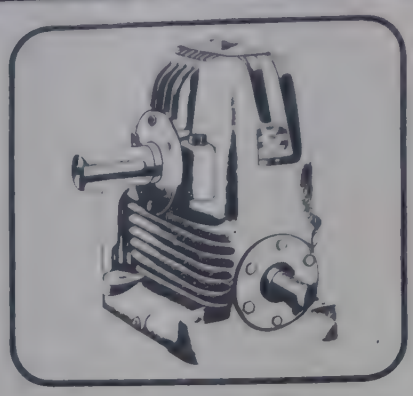
Companies find that employees are willing to work at such locations only when they are unmarried or after their children are settled. This leads to a very skewed age profile and the need for mature, yet energetic and ambitious managers at such units is acutely felt.

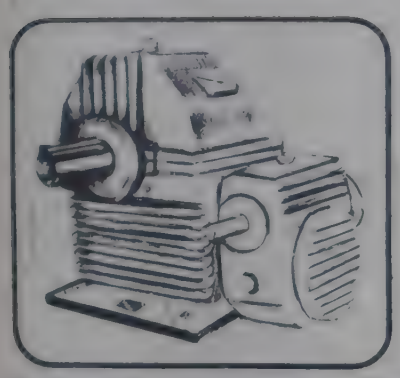
What is the solution to this dilemma? Most employers are agreed on the need to provide incentives, for making investments in housing and infrastructure facilities, and for ensuring that schools of good standard are located near such zones. There is perhaps need to provide the employees also with incentives in the form of tax breaks if they are posted at such locations. And perhaps add another category of reserved seats to the already long list — in professional courses — for children of employees based in backward locations!

■ ANITA RAMACHANDRAN

ACCURACY AND RUGGEDNESS ARE BUILT-IN QUALITIES OF







Shanthi

WORM AND HELICAL REDUCTION GEAR BOXES OF WIDE RANGE

Efficient/S/151/-88

Manufacturers: Shanthi GEARS LIMITED, 304-A, TRICHY ROAD, SINGANALLUR, COIMBATORE – 641 005. TAMIL NADU, INDIA.
PHONE: 874241 (5 LINES) TELEX: 0855-375 GEAR IN, 0855-302 SALE IN GRAMS: "SANTHIGEAR"

REGIONAL OFFICES: BOMBAY: 37, "CREATIVE INDUSTRIES BUILDING", SUNDARNAGAR, ROAD No.2, KALINA, BOMBAY – 400 098. PHONE: 6140168
• BANGALORE: 612, 45th CROSS, 8th BLOCK, JAYANAGAR, BANGALORE – 560 082. PHONE: 645018, 646332, TELEX: 845-2061 SALE IN
• MADRAS: 157, LINGHI CHETTY STREET, 1st FLOOR, MADRAS – 600 001. PHONE: 582444, 587234 • MADURAI: C 257, GANDHI ROAD, TIRUNAGAR, MADURAI – 625 006.

AGENTS/BUSINESS REPRESENTATIVES AT: NEW DELHI, CALCUTTA, AHMEDABAD, PUNE, NAGPUR, VARANASI, HYDERABAD, VELLORE, SALEM, MADURAI, TRICHY, TIRUNELVELI, COCHIN, TRICHUR.

Can you spot the Troublemaker?

The gentleman with the long ears is the troublemaker. He's the one who's been inciting other employees and formenting trouble in the organisation.

Littlemore, Detectives and Investigators, after investigation, identified the culprit and brought him to justice, saving the organisation lakhs of rupees.

Today, Littlemore is one of India's leading Investigation agency. With representatives and associates all over the world. And an unrivalled performance record that goes back 28 years.

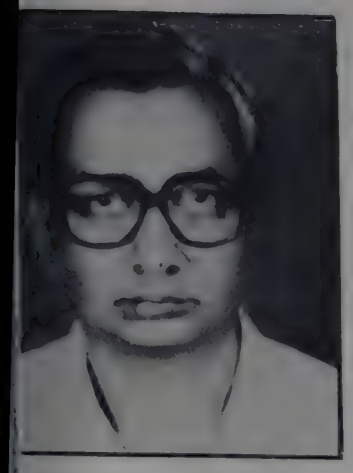
So, whatever be your problem - **strike settlement, violence, wage negotiation, industrial investigation, leakage of technical information etc.**—pay Littlemore a visit today, to discuss the same in a confidential atmosphere.

You can also appoint Littlemore on a retainership basis, for just Rs. 2 per employee, per day.

LITTLEMORE
SERVICES PVT. LTD
Detectives & Investigators

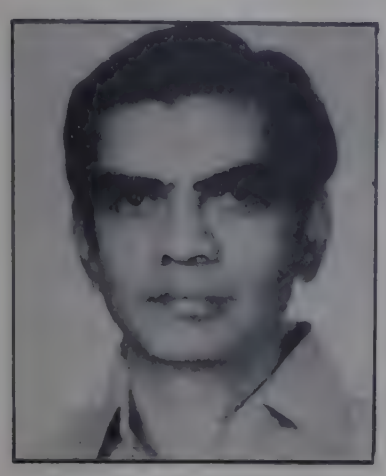
A-15 Sea Lord, Cuffe Parade, Bombay 400 005
Gram: LITSERDET. Telex: 011 4407
Phone: (022) 214047/216176/8221936

Sai—L—535

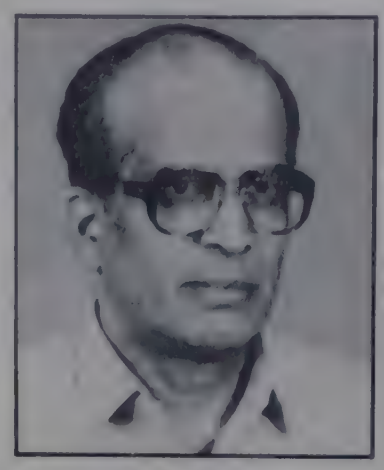


N. SINGH has joined
lian Rayon and
lustries Ltd as senior
e-president (HRD).

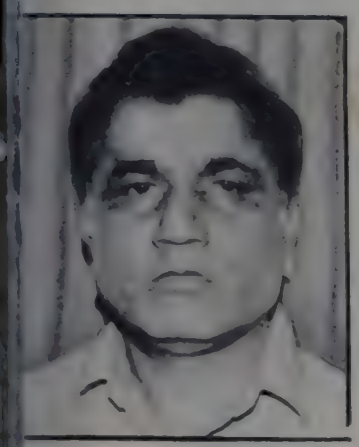
CESARE AZZOLINI has been appointed general manager of Alitalia for India, Sri Lanka, Nepal, Bangladesh and Afghanistan.



HASMUKH SHAH has been appointed chairman and managing director of Indian Petrochemicals Corporation Ltd (IPCL).

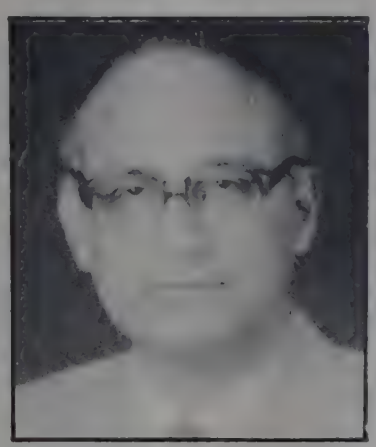


M.N. KAMATH has been promoted to general manager (credit) of Canara Bank.



JAY MEHRA has taken
er as deputy general
anager at the Kanpur,
ain branch, of State
ank of India.

P.P. RATHOD has been appointed vice-chairman and managing director of Gujarat Industrial Development Corporation (GIDC).



H.V. RANGASWAMY has been appointed managing director of Kuwait India International Exchange Company.

JAGMOHAN MATHUR has been appointed general manager of Centaur Hotel at Indira Gandhi International Airport, New Delhi.

DEEPAK TALWAR has been appointed executive assistant manager at The Oberoi Grand, Calcutta.

D.K. RAO has taken over as the deputy general manager of State Bank of India's regional office at Bangalore.

RAHUL TANDON has been promoted as general marketing manager of United Breweries Ltd, Bangalore.

DEEPAK ROY has been promoted as vice-president of Herbertsons Ltd, Bombay.

S.C. KHANNA has been appointed director (marketing) of Remington Rand of India Ltd.

O.P. BANSAL has taken over as deputy general manager (credit) of State Bank of India, Chandigarh circle.

N.H. PAI has been appointed president of Gannon Dunkerley & Co Ltd.

Y.S. AURANGABADKAR has taken over as general manager (planning) of State Bank of India, Patna circle.

M.R. BANSAL has taken over charge of the heavy equipment repair plant of BHEL at Varanasi.

M.V.K. PRASAD has been elected vice-president and K.N.S. RAJU managing director of Raasi Finance and Investment Ltd.

ASSOCIATIONS

M.S. RAJWAR has been
ected president of the
view conference on a
N convention on code
conduct for liner
nferences being held at
eneva.

AGHU MODI has been
ppointed to the
evelopment council for
ne ministry of food
rocessing industries by
ne government of India.

. KRISHNAMURTHY,
as taken over as
hairman of the western
ndia chapter of the
hemtech Foundation.

ASHISH KAMANI has been appointed president and BHAGWAN THADANI and G.C. KANUNGA as vice-presidents of the Indian Non-Ferrous Metals Manufacturers' Association.

S.B. PHADKE has been elected chairman and KAPIL KUMAR vice-chairman of the Indian Institute of Materials Management, Bombay branch.

P.K. JALAN has been elected president of the Calcutta Chamber of Commerce.

V.K. CHOPRA has been elected president and ASHOK DHANDH vice-president of the Cement Stockists and Dealers Association of Bombay.

P.R. SINGHVI has been elected chairman and S. BORAL honorary secretary of the Indian Plastics Institute, Calcutta chapter.

MAGANLAL H. DOSHI has been re-elected chairman of the Silk & Art Mills' Association Ltd (SASMA).

MUKUND KANSARA has been elected chairman of the Public Relations Society of India, Ahmedabad chapter.

Senior executive positions

A compilation of executive positions advertised in **Business India** and other major publications between 24 October and 6 November 1988.

WEST

MANAGING DIRECTOR * Gujarat * *Sal* Attractive * *Age/Qlfn* 40-45 years * Ph.D or MS in Polymer science/chemical engineering/ industrial engineering * *Reqd* 15 years experience in industry with 5 years in a very senior post * *Cont* The Managing Director, Atul Products Ltd, Atul 396 020, Gujarat (TOI-31.10)

VICE-PRESIDENT (Human Resources) * Bombay * *Sal* NS * *Age/ Qlfn* 35-45 years * Formal qualifications preferred but not essential * *Reqd* 2-3 years as head of human resources department * *Cont* ABC Consultants Pvt Ltd, 303 Embassy Centre, Nariman Point, Bombay 400 021 (BI — 31.10)

GENERAL SALES MANAGER (Consumer Products) * Bombay * *Sal* Negotiable + perks * *Age/Qlfn* 35 years * BSc or BE with MBA from premier institution * *Reqd* 8-10 years experience in sales and marketing; last position held should be in sales management of a consumer non-durable company for a minimum period of two years * *Cont* The Personnel Manager, Johnson & Johnson Ltd, 30 Forjett Street, Bombay 400 036 (ToI — 31.10)

VICE-PRESIDENT (Marketing) * Bombay * *Sal* Attractive + housing + perks * *Age/Qlfn* 40 years * NS * *Reqd* Leadership qualities to head marketing and sales teams * *Cont* A.F. Ferguson Associates, PO Box: 1786, Bombay 400 001 (BI — 31.10)

NORTH

VICE-PRESIDENT (Works) * Ratlam * *Sal* Attractive * *Age/Qlfn* NS * Graduate Engineer * *Reqd* 20-25 years' experience in pharma/ chemical industry * *Cont* S.B. Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (BI-31.10)

VICE-PRESIDENT (Works — Bulk drug/chemical) * Ratlam * *Sal* Attractive + perks * *Age/Qlfn* NS * Engineering background preferred * *Reqd* 20-25 years experience in pharmaceutical/chemical industry, experience with projects desirable * *Cont* Ref.No. MS-2022, S.B. Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (TOI-31.10)

FINANCE DIRECTOR * New Delhi * *Sal* Very attractive * *Age/Qlfn* NS * NS * *Reqd* 15 years experience with 8 years at a senior level, and a proven track record of exceptional professional accomplishment * *Cont* Code No.ES-6651, S.B.Billimoria and Co, Post Box No.4325, New Delhi 110 019 (TOI-25.10)

MANAGING DIRECTOR * New Delhi * *Sal* Very attractive * *Age/Qlfn* NS * NS * *Reqd* 115 years experience with 8 years at a senior level and with independent responsibility for a large manufacturing company. Should be able to handle nation-wide operations * *Cont* Code No.FS-6650, S.B.Billimoria & Co, Post Box No.4325, New Delhi 110 019

CHIEF EXECUTIVE * Delhi * *Sal* Top management terms * *Age/ Qlfn* 40-45 years * NS * *Reqd* 15 years experience with 5-7 years in the electronic industry as head of a profit centre. Excellent track record in new products and profit achievements essential * *Cont* Code No.CEE/DEL/734, Divisional Manager, Pers.Selection Division, ABC Consultants Pvt Ltd, 202 Meghdoot, 94 Nehru Place. New Delhi 110 019 (TOI-28.10)

GENERAL MANAGER (Marketing) * Delhi * *Sal* Rs.1.5 lakhs pa * *Age/Qlfn* 35-45 years * Engineer * *Reqd* 10 years' experience in project selling preferably in mineral wool * *Cont* Mantec Consultants P Ltd, (Management and Technical Services), P.O.No.33, New Delhi 110 019 (BI-31.10)

CHIEF EXECUTIVE * Delhi * *Sal* Attractive terms * *Age/Qlfn* Around 40 years * MBA/Diploma IIFT * *Reqd* 15 years experience in well managed company, of which atleast 2 years should be at the apex level * *Cont* B.R. Grover, Vice-president — Personnel, Dalmia (Bros) Pvt Ltd, 1st floor, Devika Towers, 6 Nehru Place, New Delhi 110 019 (BI-31.10)

SOUTH

CHIEF EXECUTIVE * South India * *Sal* Attractive * *Age/Qlfn* Around 45 years * Management Graduate * *Reqd* Marketing bias in career * *Cont* S.B. Billimoria & Co, 70/3 Miller Road, P.O.Box 176, Bangalore 560 052 (BI-31.10)

GENERAL MANAGER (Corporate Planning — Petrochemicals) * Bangalore * *Sal* No constraint * *Age/Qlfn* Around 40 years * MBA from reputed institute + chemical engineer * *Reqd* 10 years experience in project identification, evaluation and implementation in the petrochemicals sector * *Cont* The General Manager—HRD, United Breweries Group, UB House, 1 Grant Road, Bangalore 560 001 (BI-31.10)

VICE-PRESIDENT (International Sales) * Bangalore * *Sal* No constraint * *Age/Qlfn* Around 45 years * MBA from a reputed institute * *Reqd* Proven track record in developing export sales for a wide range of products * *Cont* The Group Vice-President (Personnel), United Breweries Group, UB House, 1 Grant Road, Bangalore 560 001 (BI-31.10)

VICE-PRESIDENT (Finance) * South India * *Sal* Rs.125,000 + house + car * *Age/Qlfn* 40-45 years * CA * *Reqd* 15-20 years relevant experience of which 5 should be at senior corporate level in a large concern * *Cont* ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600 034 (BI — 31.10)

DIRECTOR (Works) * South India * *Sal* Rs.200,000 + house + car * *Age/Qlfn* 45-55 years * BE (mechanical/electrical) * *Reqd* Should be heading a major cement plant with over 500,000 tonnes capacity; 5-10 years experience * *Cont* ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600 034 (BI — 31.10)

GROUP PERSONNEL DIRECTOR * Bangalore * *Sal* Excellent terms * *Age/Qlfn* Around 40 years * NS * *Reqd* 3 years experience in leading the personnel function in a large professionally managed company * *Cont* E.A.Kshirsagar, A.F.Ferguson Associates, Express Towers, Nariman Point, Bombay 400 021 (BI-31.10)

OVERSEAS

MANAGING DIRECTOR * Bandel, Nigeria * *Sal* Savings around Rs.3 lakhs pa * *Age/Qlfn* Around 40 years * NS * *Reqd* Experience of leading a company or a large profit centre. Exposure to plantations preferred * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bombay 400 00 (BI-31.10)

SENIOR VICE PRESIDENT (Finance) * Port Harcourt, Nigeria * *Sa* Savings around Rs.2.5 lakhs pa * *Age/Qlfn* Around 35 years Chartered Accountant * *Reqd* 7 to 10 years experience at senio management levels * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bom bay 400 001 (BI-31.10)

Executive positions

ToI — Times of India; *H* — Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

NATIONAL

HIEF ENGINEER * NS * *Sal* Attractive + Perks + Housing * *Age/ lfn* 40-45 years * Mechanical/Electrical engineering * *Reqd* 15 ars hands-on experience in maintenance, erection, and engineer- g development activities 5-7 years at senior levels, communica- on and man-management skills essential * *Cont* Ref.No.MS/4847, F.Ferguson Associates, Hansalaya, Barakhamba Road,New Delhi 0 001 (H-2.11)

ANAGER (Production planning) * Madras * *Sal* Good * *Age/Qlfn* 2-35 years * Engineering * *Reqd* 10 years experience in production anning and control in electronics industry or light engineering dustry * *Cont* Code No.MPP/MDS/1521, Personnel Selection Divi- on, ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600 34 (TOI-24.10)

ANAGER (Technical services) * NS * *Sal* Good * *Age/Qlfn* 40 years Electrical engineering from a reputed institute * *Reqd* 10-15 years elevant experience. Knowledge of design and installation or super- sion of joints and terminating would be an asset * *Cont* Ref.No. S-4845, A.F. Ferguson Associates, Hansalaya, Barakhamba Road, ew Delhi 110 001 (TOI-24.10)

ENERAL MANAGER (Materials) * *Sal* Attractive + perks * *Age/ lfn* Max 45 years * Management * *Reqd* 10 years experience at a nior level in a reputed manufacturing operation * *Cont* The eneral Manager (Personnel), Eagle Flask Industries Pvt Ltd, agle Estate, Talegoan 410 507, District Pune, Maharashtra (ToI — 4.10)

ENERAL MANAGER (Bimetal bearings) * Parwanoo (H.P.) * *Sal* xcellent * *Age/Qlfn* 35-40 years * Mechanical/metallurgical engi- eering * *Reqd* Sound engineering and manufacturing acumen and an-management capabilities * *Cont* The Chairman, Gabriel India td, 1 Sri Aurobindo Marg, New Delhi 110 016 (TOI-25.10)

ANAGER (Electronic Service Centre) * Bombay * *Sal* Commensu- ate with background * *Age/Qlfn* NS * Electronic engineering * *Reqd* -8 years experience, preferably in CNC controlled machine tools. xposure to techno-commercial aspects essential * *Cont* Manpower evelopment Manager, Voltas Ltd, Post Box No.172, Ballard Estate, ombay 400 038 (TOI-25.10)

ONSTRUCTION MANAGERS/ENGINEERS * *Sal* NS * *Age/Qlfn* NS Degree/diploma in civil/electrical/instrumentation/mechanical ngineering * *Reqd* Supervisory experience in erection, testing and ommissioning of equipment, QA/QC procedures, PERT/CPM tech- iques, etc, for large industrial projects * *Cont* Code No: 01/88, The anager (Personnel), Tata Projects Ltd, Unity House, 8 Mama armanand Road, Near Opera House, Bombay 400 004 (ToI — 5.10)

ANAGER (Personnel & administration) * Mora * *Sal* Rs.1 lakh + ousing at Mora * *Age/Qlfn* 40 years * Post graduate in personnel anagement/social sciences * *Reqd* About 15 years experience in ndustrial Relations/personnel and general administration * *Cont* RD Manager, Grindwell Norton Ltd, 114, 4th floor, M.G. Road, angalore 560 001 (BI — 31.10)

INANCE EXECUTIVE * NS * *Sal* Attractive * *Age/Qlfn* Under 30 ears * CA or Cost Accountant or MBA * *Reqd* Experience in inance, accounts, taxation and/or allied commercial functions * *Cont* Head — Human Resources Development, Hindustan Lever td, P.O.Box 409 Bombay 400 001 (BI-31.10)

OVERSEAS

SALES MANAGER * Middle East * *Sal* Upto Rs.25,000 per month + benefits * *Age/Qlfn* 35 years * MBA preferred * *Reqd* NS * *Cont* A.F. Ferguson & Co, PO Box: 1786, Bombay 400 001 (ToI — 6.11)

MANAGER (Palm oil processing) * Nigeria * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* 15 years' experience in crushing mills, vegetable oil refineries, etc * *Cont* S.B. Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (ToI — 6.11)

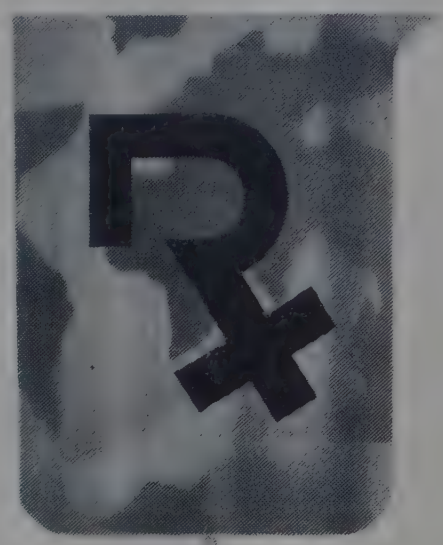
INDUSTRIAL ENGINEER (Material planning) * Saudi Arabia * *Sal* NS * *Age/Qlfn* NS * B.S in industrial engineering or equivalent * *Reqd* 8 years experience, preferably in an electric company. Fluency in English and knowledge of computer operations essential. Knowledge of Arabic preferred * *Cont* Shamin Ahmad, Jai Industries, 305A, Manish Commercial Centre, Dr.Annie Besant Road, Worli, Bombay 400 025 (TOI-30.10)

PROJECT MANAGER * Singapore * *Sal* Attractive + profit sharing * *Age/Qlfn* NS * Chemical/Mechanical engineering * *Reqd* 5 years experience in deionization systems desirable. Fluency in English essential * *Cont* The Personnel Manager, Chemitreat PTE Ltd, 28 Tuas Avenue 8, Singapore 2263

MAINTENANCE ENGINEERS * Saudi Arabia * *Sal* Attractive * *Age/Qlfn* Not to exceed 45 years * Mechanical/electrical/electronic engineering * *Reqd* 5 years hands-on experience in diaper/feminine napkins/paper converting factories. Supervisory experience and fluency in English essential * *Cont* Mathew International, Afzal Mansion, 11-B Bharucha Marg, Kalaghoda, Bombay 400 023 (TOI-30.10)

BUSINESS DEVELOPMENT MANAGER * Nairobi * *Sal* NS * *Age/Qlfn* NS * Graduate Engineer + MBA preferred * *Reqd* 7 years experience * *Cont* A.F. Ferguson & Co, 115 Dickenson Road, Bangalore 560 042 (BI-31.10)

The Challenge is to do much more and much better in bulk drugs



Vice president

(Marketing)

Pioneers and trend setters in the bulk drug industry. Dr.Reddy's Group is the country's largest manufacturer and exporter of many frontline basic drugs that include among others Alpha Methyldopa, Ibuprofen, Ranitidine, Norfloxacin and Naproxen. The Group continues to dominate the field by recognising the changing trends in drug industry earlier than others and preparing to meet these requirements in the field.

The Group is now looking for a marketing chief to consolidate the bulk drug marketing operations and penetrate new market segments both in the country and abroad. He should be outstanding enough to be a part of a professional team that has made a world-wide impact in less than five years.

Experience in the Pharmaceutical/Basic Drug industry will be an advantage but not a necessity.

Compensation, package will match the best in the industry with all benefits like house, car etc.

Please write to:
The Chairman
Dr.REDDY'S LABORATORIES LTD.,
1-11-200, Begumpet Hyderabad 500 016

Mudra/H/DrL/2/254

Nagarjuna Fertilizers and Chemicals Limited

Nagarjuna Fertilizers and Chemicals Limited is the new flagship company of the well-known Nagarjuna Group, a leading fast-growing corporate conglomerate with diversified activities in the steel, chemical, fertilizer and finance industries. NFCL is now implementing the prestigious Rs. 635-crore fertilizer project based at Kakinada for producing 900/1500 TPD of Ammonia/Urea. It is now seeking outstanding managerial talent for the position of :

VICE PRESIDENT
(Manufacturing)

Kakinada

Excellent Terms

The incumbent would be totally responsible for the operation of the plant including production, maintenance, technical services and other supporting functions such as materials, personnel, accounts, etc. He would be assisted by General Managers in these areas and would be required to co-ordinate and provide leadership to this highly qualified and experienced team.

Applicants should be engineers, preferably with post graduate qualifications in management with atleast 20 years experience, a considerable portion of which should be in plant operations. Prior experience, in a large chemical process plant is desirable but not essential. A keen, analytical and innovative mind capable of bringing about a systematic approach to technical areas, is essential.

Preferred age between 40 to 45 years.

Prospects for the right candidate are excellent with opportunities to head the corporate technical function in about 3 years. The compensation package will not be a constraint for the right candidate.

Please apply with a detailed resume within 15 days to :

Chairman,
Apex Management Consulting Group Private Limited
C-1, Rams Square, 2, Village Road, Madras 600 034.
Telephone 474348.

amcon

TOP MANAGEMENT PROFESSIONALS

Our client, a manufacturing company with an All India sales network, having a turnover of around Rs. 200 cr. and an established name in its product line, wishes to recruit outstanding professionals for the following positions :

MANAGING DIRECTOR

NEW DELHI **ES-6650**

The incumbent would be responsible for overall company operations and profitability, and will initiate and implement innovative strategic plans for marketing, development and modernization.

The ideal candidate would be a mature individual, suitably qualified, with a minimum of 15 years of experience of which at least 8 years should have been at a senior management level with independent responsibility for a large manufacturing company. He should possess keen business acumen, be sensitive to the environment and have the perspective for handling a country-wide operation.

FINANCE DIRECTOR

NEW DELHI **ES-6651**

The incumbent will be vested with the responsibility of operating sound financial controls and participating in corporate policy formulation.

He would be responsible for funds planning and control and top level liaison with banks and financial institutions.

The ideal candidate would be suitably qualified, having around 15 years of experience of which at least 8 years should have been at a senior management level, with a proven track record of exceptional professional accomplishments in large companies of repute.

TECHNICAL DIRECTOR

BOMBAY **ES-6652**

The incumbent would be responsible for all aspects of production, quality control, plant maintenance, projects, R&D as well as overseeing plant administration. He would be required to maximize production and increase efficiencies through modernization of the plant.

The ideal candidate would be an engineer, preferably in the mechanical discipline, with a minimum of 15 years experience of which at least 8 years should have been at a senior management level in a large manufacturing company of repute.

He should have a sound technical base, and be capable of handling a large work force.

Candidates for all the three positions should have excellent management and communication skills combined with depth of experience and acknowledged leadership qualities.

The compensation package offered would be in line with the best in the industry.

Applications will be treated in strict confidence and identities will not be disclosed to the client without prior permission.

Please apply within 10 days to :

S.B. Billimoria & Co.
Post Box No. 4325
New Delhi - 110 019

superscribing the relevant code numbers on the envelope and resume

ATUL®
PRODUCTS LTD.

requires

Company Secretary cum Finance Manager

ATUL is one of the largest chemical complexes of its kind in Asia. The complex manufactures agrochemicals, basic and commodity chemicals, dyes, intermediates, pharmaceuticals etc. The present sales of the complex is over Rs. 350 crores.

Atul Products Limited, the parent company, is looking for a Company Secretary cum Finance Manager for one of its companies. The person selected will be overall in-charge of Accounts, Costing, Information Systems, Finance, Company Secretary and Legal functions.

Candidates wishing to apply should have cleared both CA and CS examinations in first attempts. ICWA qualification will be an advantage. Experience of at least 5 years in a well managed company is essential.

The candidate will be based in Atul.

Salary will not be a constraint for the right candidate.

Please apply within 15 days to :

Managing Director
Atul Products Limited
Atul - 396 020, Gujarat.

ATUL®
PRODUCTS LTD.

requires

Chief Executives

ATUL is one of the largest chemical complexes of its kind in Asia. The complex manufactures agrochemicals, basic and commodity chemicals, dyes, intermediates, pharmaceuticals etc. The present sales is over Rs.350 crores per year.

Atul Products Limited, the parent company, is looking for very well educated and experienced persons to head/lead various divisions/ companies.

Candidates wishing to apply should have excellent education background in Chemical Engineering/Organic Chemistry/Industrial Engineering/ Polymers and have either MS or PhD degree. They should have at least 10 years of experience in chemical plants and at least 2.5 years experience in a very senior position. (General Manager and above). Candidates having worked in very well managed companies will be preferred.

Candidates will be based in Atul.

Salary will not be a constraint for the right candidates.

Please apply in confidence within 10 days to :

Managing Director
Atul Products Limited
Atul - 396 020, Gujarat.

JAIPRAKASH
INDUSTRIES LIMITED

Is looking for Committed. Result oriented. Fast expanding horizons now open up for you. Set the clock ticking and consider...

Jaiprakash Associates the engineering division of **Jaiprakash Industries,** India's leading civil engineering company with Rs. 1000 crores of projects in hand offers you exciting prospects at the following sites:

Kevadia Colony near Baroda in Gujarat for the Rs. 360 crore Sardar Sarovar (Narmada) Dam and Underground Power House.

Lakhwar – Vyasi near Dehradun in Uttar Pradesh for the Rs. 160 crore Lakhwar and Vyasi Dams.

Chamera near Dalhousie in Himachal Pradesh for the Rs. 100 crore Chamera Dam.

GENERAL MANAGERS/ADDITIONAL GENERAL MANAGERS

(Finance & Accounts)

The incumbent should be a Chartered Accountant/Cost Accountant with 10 to 15 years post qualification experience out of which at least 5 years should be at a senior level with independent charge of Finance and Accounting functions of a reputed Company. He should preferably be below 45 years in age.

Attractive compensation package commensurate with experience. Apply in strict confidence within 15 days to:

Executive Director (Head Quarters):

Jaiprakash Industries Ltd.

JA House, 63 Basant Lok, Vasant Vihar,
New Delhi – 110 057.

A well established rapidly growing Indian group, primarily engaged in the manufacture of PVC-based products, wishes to recruit the following positions, located at Bombay. The group, which has a current turnover of Rs. 50 crores plans to double its turnover over the next three years.

GENERAL MANAGER — FINANCE

(MS/4979)

This is a senior level position reporting to the Managing Director. The incumbent will be responsible for the finance function at the group level, with emphasis on financial planning and sourcing of finance, budgetary control and management reporting and operations audit. He would also oversee the legal, taxation, financial and work accounting, banking and EDP functions. Applicants must have a Chartered Accountant or MBA (Finance) qualification with at least 10 years experience including at least 5 years at a senior level. A strong commercial orientation and a business perspective are essential prerequisites for the job. Exposure to a computerised environment is desirable. Preferred age: 35-45 years.

SALES MANAGER — (INDUSTRIAL)

(MS/4980)

SALES MANAGER — (DISTRIBUTION)

(MS/4981)

Sales Manager (Industrial) would be responsible for direct sales to corporate customers who are primarily in the auto industry. Sales Manager (Distribution) would be responsible for sales to distribution including strengthening and expanding the existing dealer network. Both positions would be supported at the regional level by a branch sales set-up. Applicants must be graduates (engineering graduates for Sales Manager — Industrial) preferably with additional MBA qualification, with at least 8 years relevant experience in reputable companies. Exposure to automobile industry would be an advantage for Sales Manager — Industrial. Preferred age: 30-35 years.

For both positions an attractive salary and perquisite package would be negotiated.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS numbers. Candidates not contacted within three months of application, may assume that they are not being considered.

GENERAL MANAGER —EXPORTS

Delhi **Attractive salary + housing & perks**

Our clients, a large multi divisional organisation belonging to one of the top 10 business houses in the country, is on the look out for a general manager to head their exports division.

The person should be capable of activating the division, identifying markets for the company's own products, conceptualising the export strategy and supplementing the export effort by a trading operation/setting up EOUs. A Rs. 100 crore turnover is envisaged over the next 5 years period for this division.

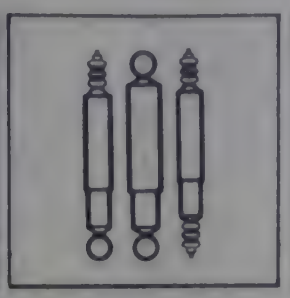
Applicants should be seasoned, mature, well experienced (atleast 15 years) and widely travelled professionals having extensive contacts in the trading community and government agencies such as CAPEXCIL, CCI & E etc. Apart from this, an in depth knowledge of import export policy and procedures and world wide practices will be required. A formal qualification in international trade is desirable.

Interested candidates may please apply in strict confidence giving details of age, qualifications, experience and salary drawn within 10 days to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001.

Applications and envelopes should be marked **'Ref: MS/4857'**.

Gabriel INDIA LIMITED



PARWANOO (H.P.)

GENERAL MANAGER-BIMETAL BEARINGS

Excellent compensation package including Company accommodation.

Gabriel India Limited is a leading manufacturer of shock absorbers and engine bearings in the country. The Company has an outstanding growth record in the automotive industry, and present sales of Rs. 350 million are expected to double in the next four years.

The Engine Bearing Division of the Company has been set up with an investment of Rs. 90 million, in technical and financial collaboration with Federal-Mogul Corporation of U.S.A.—an acclaimed leader with over 75 years of international experience in engine bearing technology. The Division's plant is fully integrated and is technologically the most sophisticated in the country, manufacturing a complete range of bimetal bearings, bushings, flanges and washers for commercial and passenger vehicles, tractors and stationary diesel engines. Manufacture of the product from the raw material stage for the first time in India has led to the setting up of a foundry to make bimetallic copper-lead powder, and sinter lines to make bimetallic strips. The Company has also installed equipment to produce flange bearings, which is unique among bearing manufacturers. The plant can, with marginal balancing equipment, substantially increase its installed capacity of 9 million pieces.

Immediate opportunity exists for a result oriented professional to take charge of the Company's Engine Bearing Division.

Gabriel India Limited is looking for a mechanical/metallurgical engineer with relevant manufacturing experience in a comparable modern precision industry. Good career growth prospects are assured.

Preferred age group : 35 to 40 years.

The job requires sound engineering and manufacturing acumen and excellent man-management capabilities.

The candidate will be based at Parwanoo in Himachal Pradesh. The Company offers a challenging work environment for motivated professionals.

The location offers the added advantage of working in a small community in the open environs of a valley, plus modern facilities at Chandigarh for schooling. Accommodation will be provided by the Company.

Kindly send your detailed resumé within 10 days, to :

The Chairman
Gabriel India Limited
1, Sri Aurobindo Marg
New Delhi 110 016

ULKA-D-GB-133

Bilt

THIS FUTURE COULD BE YOURS

PREREQUISITE : *Outstanding, successful technical professional about 38-40 yrs old;*

THE OFFER : JOIN AS DEPUTY GENERAL MANAGER IN A MANUFACTURING UNIT

OPPORTUNITY : *To Head a large unit in a few years*

DISTINCT POSSIBILITY : *Head a Division in the near future*

IF THE ABOVE APPEALS TO YOU & THE FOLLOWING APPLIES TO YOU

- *You are an outstanding Chemical/Mechanical/Electrical Engineer*
- *You have about 15 years of varied experience in Production, Maintenance, Projects in large process industries, a distinct commercial acumen and administrative skills*
- *You have a proven track record of leading a team of senior technical professionals, inspiring and motivating them*

THEN YOU COULD JOIN US AS :

DEPUTY GENERAL MANAGER

SALARY : *Over Rs. 75000/- p.a. + free furnished accommodation + car with driver + attractive allowance, perquisites & excellent retirement benefits.*

At Ballarpur Industries Limited – (BILT), the flagship company of the Thapar group, we stand for
Bettering *– Excellence is great; bettering is better.*
Interest of *– stakeholders and environment*
Leadership role *– in all its activities.*
Team of people *– prime movers of the organisation*

Turnover Rs.400 crores; traditional strongholds of paper, Chemicals; also into Edible Oils, Glass; strategic new areas – Telecommunications; diversifying into Man made fibres with DuPont, Detergents etc.; wide geographic network; major manufacturing units in Ballarpur (Maharashtra), Yamunanagar (Haryana), Karwar (Karnataka).

You would head the technical functions, in a manufacturing unit; take direct charge of Production, Maintenance, R&D, Energy conservation; assist the General Manager in administrative/commercial matters; and spearhead our efforts at modernisation/expansion/diversification.

If this is in line with your abilities and ambitions, write in confidence superscribing the envelope with the Post applied for to :

Anil Dixit
GENERAL MANAGER (P & A)
BALLARPUR INDUSTRIES LIMITED
THAPAR HOUSE, 124 JANPATH
NEW DELHI-110 001.

The Thapar Group

PRESSMAN

Bilt

WE DON'T NEED YES MEN
BUT IF YOU ANSWER THESE QUESTIONS IN AFFIRMATIVE,
WE WILL MAKE AN EXCEPTION.

ARE YOU

— A qualified Personnel Professional
— More than 35 years of age with more than 10 years of experience
— Total Personnel man, equally at home with IR & HRD

DO YOU BELIEVE

— that bad Industrial Relations scenario is not the fault of the workmen; but invariably the result of short term, firefighting, breakdown maintenance approach of the Management

— that Personnel Management is primarily the responsibility of the Line Management; that Personnel Manager should develop the competencies of the Line Managers to enable them to do so

— that people are the prime movers of any organisation, and most Managements lack the requisite understanding, will & skill to manage people effectively

— that you could deal with PEOPLE; inspire and motivate them

— that you could act as a catalytic agent of change by playing a facilitating role rather than a controlling one.

With us, you could translate these beliefs into action

ASSISTANT GENERAL MANAGERS/ PERSONNEL MANAGERS

DELHI, HARYANA, MAHARASHTRA

SALARY : *Over 60000 p.a. + free furnished house + car + attractive allowances, perquisites & excellent retirement benefits*

*We are **BALLARPUR INDUSTRIES LIMITED, (BILT)** the flagship company of Thapar group; and stand for*

Bettering – Excellence is great, Bettering is better
Interest of – stakeholders and environment
Leadership role – in all its activities.
Team of people – Being the prime movers of the organisation

Turnover Rs.400 crores; wide ranging portfolio including Paper, Chemicals, Edible Oils, Glass, EPABX; diversifying into strategic new areas like Man-made fibres; in the midst of a major Organisation Renewal exercise; from an Organisation to an Institution; working towards growth with and through people.

You would be the part of this team facilitating the process of transformation; in charge of the personnel management function of a unit with manpower strength of 5000 plus; a vital link between HO and unit for HRD/OD activities, reporting to the unit Head; or to be in-charge of the Corporate Industrial Relations function based at Head Office, Delhi.

Interested in capitalising on this opportunity?

Write in confidence superscribing the envelope with the post applied for to :

Anil Dixit
GENERAL MANAGER (P & A)
BALLARPUR INDUSTRIES LIMITED
THAPAR HOUSE, 124 JANPATH,
NEW DELHI 110 001.

The Thapar Group

PRESSMAN

TVS SUZUKI

CD TVS

Sundaram-Clayton & TVS-Suzuki

require

Assistant Managers – Operations

Madras/Hosur/Pondicherry **Rs. 67000 p.a. + indirects**

Sundaram-Clayton and TVS-Suzuki are members of the TVS group of companies. Together they command a sales turnover of Rs.270 crores. Sundaram-Clayton manufactures air-assisted automotive braking systems and railway braking and signalling systems. TVS-Suzuki manufactures a range of mopeds and motorcycles. TVS Whirlpool, a company promoted by Sundaram-Clayton, will manufacture a range of appliances.

The Job

The job involves the responsibility of leading teams of supervisory staff and workmen, in achieving production targets as per the company's stringent **quality, cost and delivery** standards, in a competitive environment. An opportunity exists for using modern concepts like Kanban, JIT, TQC and SMED. It requires an indepth knowledge of production areas like presswork, fabrication, plating, painting or machine shop with SPMs. Exposure to PPC is essential. The job also demands a high degree of commitment, and ability to work under different circumstances.

You

You should be a mechanical/automobile engineering graduate with 10 years' experience, or a diploma holder with 15 years' experience, in an automobile/light engineering industry.

A result-oriented approach, ability to manage human resources effectively, and willingness to try out new ideas are desirable.
Knowledge of Tamil is essential.

The position offers excellent scope for growth, and salary will not be a constraint for the right candidate.

The placement would be at any of the factories at Madras, Hosur or Pondicherry. The company will help in getting company-leased accommodation.

Please send your resume on A4-size paper, along with a recent passport-size photograph, within 10 days of this advertisement, to :

The Senior Manager – HRD
Sundaram-Clayton Limited
"Jayalakshmi Estates"
8 Haddows Road
Madras 600 006

SCL. 20281/88

VENKATESHWARA HATCHERIES GROUP OF COMPANIES

VH group of Companies are known for Innovation, Technical Excellence, Customer orientation and Progressive vision.The group enjoys market leadership in the poultry sector.The group is well integrated for producing Quality Chicks, Vaccines, Pharmaceuticals, Animal feed, Processed food and Fast Food. Ofcourse, all backed up well with R&D.

VH group has the technical collaboration with **ISA BABCOCK, COBB VANTRESS AND SPAFAS** INC., U.S.A. The group turnover is around Rs. 50 crores and is growing rapidly.

VENKATESHWARA HATCHERIES LIMITED, the parent Company requires the following Senior Personnel for the corporate office at **PUNE**

1.GENERAL MANAGER (POULTRY - WEST ZONE OPERATIONS) :

LOCATION : PUNE

Candidates should be graduates with post graduate degree or diploma in Management. Should have not less than 10 years post qualification experience in executive capacity. Exposure to different functional areas is desirable preferably in food and Agro industries. Those who have held the responsibility of profit centre management will be preferred.

The incumbents will be monitoring the production and marketing. operations in the entire West Zone.

Preferred Age Group : 35-45 years.

2. OPERATIONS MANAGERS - THREE

LOCATION : IN AND AROUND PUNE

Candidates should be Post graduates in Veterinary Science with specialisation in Poultry Science or Nutrition or Pathology. Should have not less than 5 years experience in production operations function in Hatcheries/Large Poultry farms. Should have fluency in Hindi / Marathi

Preferred age Group : 30 - 35 years.

3. MANAGER - QUALITY CONTROL (POULTRY) :

LOCATION : PUNE

Candidates should be graduates or Post graduates in Veterinary Science. Specialisation in Poultry Science is preferred. Should have 3 - 5 years experience in Hatcheries/ Large Poultry farms.

Preferred age group 30 - 35 years.

Venkads-087a

For all the positions mentioned above, salary will not be a constraint. Perks offered are liberal.

Those who do not fulfill the above requirements may wish to enroll in our data bank for the openings in future.

Please apply in strict confidence within 15 days with Bio-Data in detail specifying the salary drawn and expected, marking the envelope with job title to :

MANAGER (PERSONNEL)

VH GROUP OF COMPANIES

VENKATESHWARA HOUSE,S.No.114/A/2,Pune Sinhagad Road,POONA 411 030

Leadership Through Innovation

We need a

HIGH-POWERED

MARKETING MANAGER

To market super-power services

Hyderabad

Age: 30-40 years

Attractive remuneration and perks

We are a super-power engineering software company and a member of the Rs.75 crore Standard Organics Group.

We are introducing expert systems in engineering for the first time in the country. We are also a software partner of Hewlett Packard as an independent software developer. This provides opportunity for worldwide marketing possibilities.

Over 500 reputed organisations and professionals have used the expert systems effectively around-the-world – in Athens, Torino, Brazil, Naples, Triest, Venice, Lagos, Gabon and Riyadh.

These systems have wide-ranging applications – in engineering industry.

To qualify for this super-power job opportunity, you shall be a go-getter with a high IQ. Smart appearance. Super communication skills. First-class post-graduate degree in Marketing Management, an advantage. You will be fired with imagination in Systems Marketing. You will have a successful track record in innovative marketing for atleast 10 years.

Rewards are liberal. Travel opportunities around-the-world. Plenty of challenges.

Any takers? Write in strict confidence presenting your case for this high-powered opportunity.

imi

The Managing Director
Information Management (India) Pvt. Ltd.
Kautilya, 6-3-652, Somajiguda, Hyderabad 500 482.

A well established rapidly growing Indian group wishes to recruit the following marketing professionals for a new venture which manufactures products for the household and commercial/institutional segment, in collaboration with a leading European company. The group which has a current turnover of Rs. 50 crores plans to double its turnover over the next three years.

MARKETING MANAGER

Bombay (MS/4984)

The incumbent would be responsible for the marketing function including the development and implementation of marketing strategies and plans, product development and new product launch and increase in market share of existing products. Applicants must be MBAs with at least 7 years' experience in marketing/product management with reputable consumer product companies. Exposure to the interior decoration industry would be an advantage. A good personality, excellent communication skills and techno-commercial orientation are essential prerequisites for the job. Preferred age: 30-35 years.

PRODUCT MANAGER — NEW PRODUCTS

(MS/4985)

PRODUCT EXECUTIVES

(MS/4986)

Bombay

The incumbents would be responsible for the product management function for existing and new products. Applicants must be MBAs with 2-4 years' experience in the product management function. Preferred age: 24-27 years.

An attractive remuneration package (which is not a constraining factor) would be negotiated.

Please apply in strict confidence within 10 days to

A. F. Ferg ıson Associates
Post Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should have the relevant MS reference number. Candidates not conta ed within three months of application, may assume that they are not being considered.

A well known multi-divisional industrial group with interests in diverse areas wishes to recruit the following executives for its units in South India. The group's current annual sales turnover of around Rs. 75 crores is expected to grow substantially over the next few years.

TECHNICAL MANAGER

(MS/4853)

Reporting to the General Manager (Technical) the incumbent would head the Technical & Design Engineering Department of the group's power cable manufacturing unit. He would be overall responsible for the functioning of the department with primary accountability for new product development, technology improvement in existing products in consonance with marketing requirements and preparation of project reports for new project ideas.

Applicants should have a good degree in electrical engineering and in-depth knowledge of power cables manufacture with 8-10 years relevant experience. Ability to get on with persons laterally and vertically and to discuss technical matters with customers would be essential.

PRODUCTION MANAGER

(MS/4854)

Positions exist in various units of the group in South India, manufacturing power cables and steel wire ropes. Person Selected would look after all production matters of one or more manufacturing shops in the units concerned and be responsible for ensuring adherence to laid down targets.

Candidates should be electrical/mechanical engineers with around 5-7 years hands on experience related to the manufacture of one of the above items in a medium/large unit and should have the ability to handle a large work force.

MARKETING/SALES MANAGER

(MS/4855)

Vacancies exist in various companies of the group. Persons selected would either head the Marketing & Sales Department or be inducted at the middle management level based on experience. Products dealt with find a major application with mines, fisheries, state electricity boards and large power projects. Responsibilities would cover sales force management, production co-ordination, preparation and follow up of tenders and finished goods inventories/receivables management.

Applicants should be graduate engineers preferably with a post graduate qualification in management/marketing. Around 8-10 years industrial marketing exposure and the ability to develop and maintain senior level customer contacts are essential requirements.

IR/PERSONNEL MANAGER

(MS/4856)

The incumbent would be responsible for formulating and implementing personnel/IR policies and strategies, recruitment, wage administration and union negotiations. The primary emphasis of the job would be on improving productivity and maintaining harmonious relations with the labour and executives.

Applicants should have a proven record of success, around 10 years relevant experience in a large industrial undertaking and a thorough knowledge of labour laws and procedures. Persons with a basic qualification in law coupled with a post graduate degree/diploma in personnel management would be preferred.

Compensation for the above positions is negotiable and unlikely to be a constraint.

Please apply within 10 days giving details of age, qualifications, experience etc. to

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

Applications and envelopes must be marked with the appropriate MS reference numbers

A well established rapidly growing Indian group, engaged primarily in the chemicals and plastics industry, wishes to recruit outstanding sales professionals. The group expects to double its turnover to Rs. 100 crores over the next 3 years. Its products are sold through a dealer network as well as directly to industrial/commercial and government segments.

BRANCH MANAGER

(MS/4987)

Bangalore, Delhi and Calcutta

Attractive Salary (negotiable) + Perks

The incumbent will be responsible for all aspects of branch management including achieving regional sales and contribution targets, controlling receivable levels and strengthening and expanding the distribution network.

Applicants must be graduates, preferably with additional MBA qualification, with at least 8 years experience in field sales/branch management with reputable companies. Preferred Age: 30 – 35 years.

AREA SALES MANAGER – (INDUSTRIAL CUSTOMERS)

(MS/4988)

Bangalore, Delhi and Calcutta

Attractive Salary (negotiable) + Perks

The incumbent reports to the Branch Manager and would be responsible for direct sales to the industrial customers at the regional level. Applicants must be engineering graduates with at least 5 years experience in industrial sales. Exposure to the automobile industry would be an advantage. Preferred Age: Around 27 – 30 years.

AREA SALES EXECUTIVES

(MS/4989)

Bombay, Bangalore, Delhi and Calcutta

Attractive Salary (negotiable) + Perks

The incumbent would be responsible for achieving areawise sales and collection targets with respect to sales through dealers. Applicants must be graduates with 3 – 5 years experience in field sales with a proven track record. Preferred Age: 24 – 27 years.

For the above positions, the salary and perquisite package has been designed to attract the best talent available.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
Post Box 1786
Bombay 400 001.

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked with the relevant MS numbers. Candidates not contacted within three months of application, may assume that they are not being considered.

Crompton Greaves LIMITED

requires

the following personnel for its TELEVISION PROJECT to be located at Pithampur, near Indore, M.P.

Our wholly owned subsidiary, Hind Condensors Limited, located at Pune, is engaged in the manufacture of Capacitors, and has commenced a new project to manufacture Colour Televisions. This factory will be established at Pithampur, Dhar, and the CTV sets will be marketed by Crompton Greaves Limited.

We are looking for young, dynamic and result oriented professionals in the age group of 30-35 years with 7-10 years experience in the Consumer Electronics Industry to be responsible for the following functions of this project. This should include 3-5 years experience in a senior management position.

PRODUCTION MANAGER
Graduate in Electrical/Electronics Engineering from a reputed University with experience in the production of Consumer Electronics products. his previous position should include responsibility for minimal production level of 3,000 colour TVs per month. R&D, Product Development and Pre-producton experience is desirable.

MATERIALS MANAGER
Graduates in Electrical/Electronics Engineering with experience in materials procurement, vendor development and sourcing of consumer electronic components from indigenous and imported sources. The candidate should be fully conversant with Import Licence formalities, Excise, Sales-tax, Octroi and related functions. Sound commercial abilities and knowledge of computerised inventory control is desirable. Positon to be located in Delhi.

SYSTEMS MANAGER
Graduates in Electronics Engineering/Computer Science, with experience in Systems development and implementation in the Consumer Electronics field. Responsibilities will include Design, Analysis and implementation of PC Based Systems in all functional areas, such as Materials, Accounts, Finance, Personnel, Sales, Project Management and MIS. Experience with Super Mini/PC-AT level network computer systems and on site package modification/implementation for software is desirable.

The positions offer a challenging work environment, attractive salary and perquisites commensurate with qualificatons and experience and good career growth prospects.

Interested persons may please apply within 10 days with complete bio-data, superscribing the envelope with the position and code "HC-TV", to:

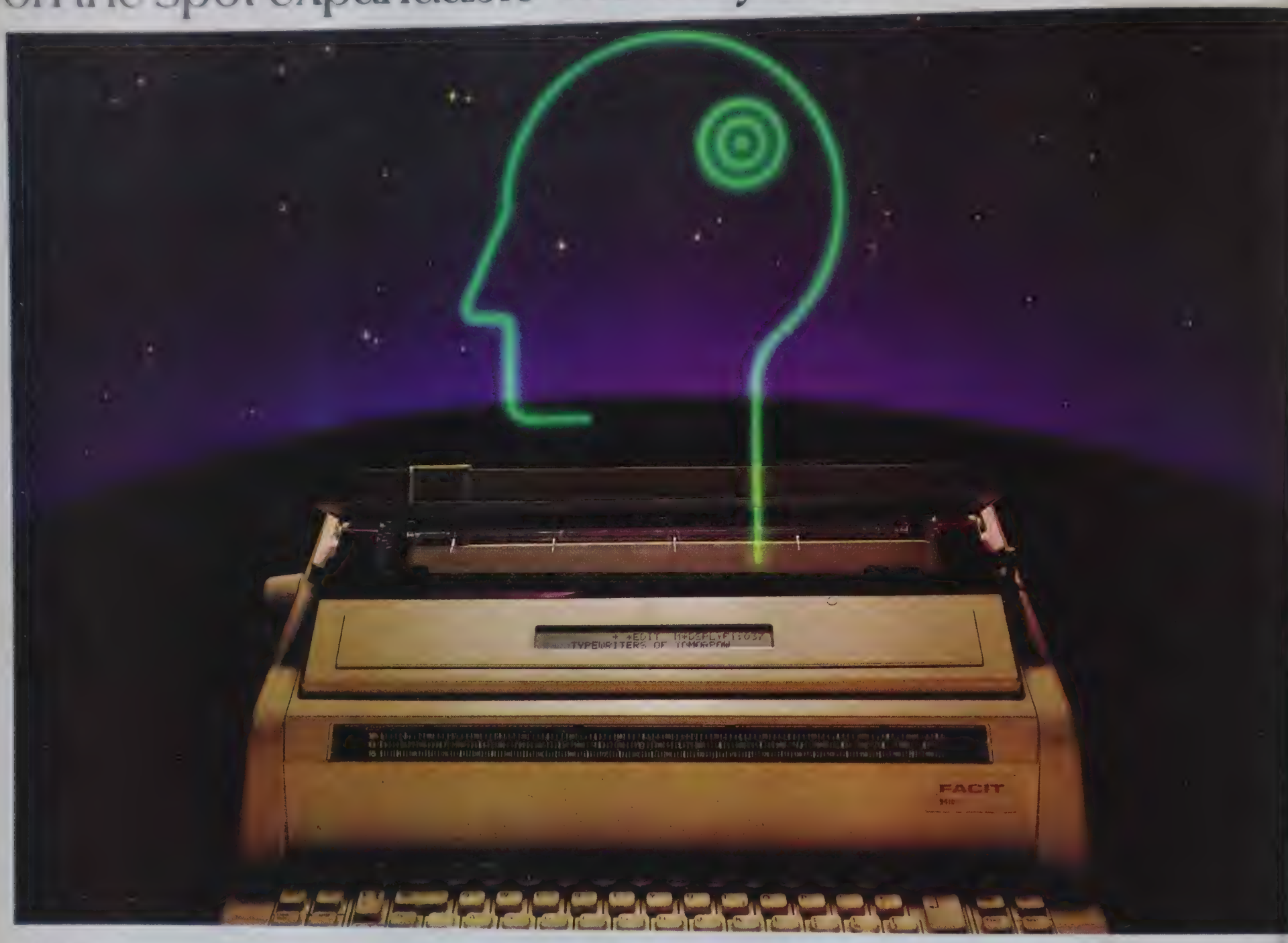
The General Manager (HRD)
Crompton Greaves Limited,
1, Dr. VB Gandhi Marg,
Fort,
Bombay 400 023.

When the going gets hot, keep your engine cool.

The rigours of peak hour traffic place a heavy burden on your engine. That's when you need high performance VEEDOL lubricants to keep your car cool... even if you lose yours.

TIDE WATER OIL CO. (INDIA) LTD.
CALCUTTA ■ BOMBAY ■ DELHI ■ MADRAS

Its memorable advantages include 'on-the-spot-expandable' memory and other capabilities.



Most electronic typewriters have limited memory. Each time you exhaust the specified memory, you have to send your typewriter back to the company for upgradation. You are left in the lurch for days. Sometimes even weeks.

But FACIT has more brains and talents in its 10 kg body than you'll find in most others.

It has unique memory modules expandable to 16K, 24K or 30K – **instantly.** You can just slip-in an extra memory pack without any fuss.

Yes, FACIT can **do almost everything that others can – and lots of things others can't.**

Look what unique features FACIT offers:

- Unique memory modules expandable to 16K, 24K or 30K right on the spot. You can slip-in an extra memory pack without any fuss or loss of time.
- Very user-friendly. Even the most sophisticated functions achieved through plain language.
- Unique 2-line LCD display adjustable for better viewing.
- 4 regular typing modes plus two exclusive modes.
- Easy line editing and text editing.
- File copying and retrieval ability.
- Instant text printing in any format, pitch or line spacing, through auto-scanning.
- Automatic bold printing.
- Computer inter-facing capability.
- Exclusive PS printing with Right Hand justification in inter-face mode.
- The quietest electronic typewriter available.
- Most ergonomic design, with choice of models.
- Unique 106-character print wheel plus high-yielding ribbon cassette for lowest running cost.
- Reliable after-sales service.

Sleekest looks – sophisticated features – good economy – ergonomic designs! FACIT has it all!

FACIT ASIA LIMITED
Perungudi, Madras 600 096
in technical & financial collaboration with FACIT AB, Sweden

FACIT

The ultimate electronic typing system

For details/demonstration, contact: **Forbes Forbes Campbell & Co. Ltd – Latham Division: BOMBAY** Ph. (2048081), **DELHI** (279268), **MADRAS** (869522), **BANGALORE** (215681) and at Chandigarh, Jaipur, Baroda, Ahmedabad, Secunderabad, Bhopal, Pune, Cochin. Also: **Continental Commercial Co. Ltd – CALCUTTA** Ph. (240362), Delhi, Lucknow, Kanpur, Patna, Guwahati, Dhanbad, Gorakhpur, Allahabad and Cuttack and **CICIKO Office Machines Pvt. Ltd – CALCUTTA** Ph. (282150), Siliguri, Gauhati and Agartala.

BOMBAY DYEING

REQUIRE

For their DMT Plant, Patalganga, Near Panvel, Dist: Raigad

I. MANAGER - MATERIALS

Qualifications & Experience:

Graduate in Engineering preferably with professional qualifications in Materials Management, with about 15 years of experience of which at least 5 years in Managerial position, in a reputed Petrochemical/Chemical/Process Industry of large size.

The position entails full responsibility of Purchase, Stores and DMT Despatch functions. The job involves procurement of Raw Materials, Equipment, Spare parts and consumables; Stores management and inventory control; DMT warehousing and despatch, Vendor development; Government liaison including DGTD/CCIE for import, STC, Excise and Customs etc; Transportation and handling of hazardous chemicals, and the plant computer section.

Age: Around 40 years.

II. DEPARTMENTAL HEAD-FIRE & SAFETY

Qualifications and Experience:

Should possess an Engineering Degree, preferably in Chemical Engineering and be qualified as Safety Officer under Factories Act, with 12-15 years industrial experience of which 5 years in Safety Management in a large size Petrochemical/Refinery/Fertilizer industry. The selected candidate will be responsible for Fire & Safety, Loss Prevention Services as well as for selection, installation and uptodate maintenance of all safety equipment and devices, co-ordination with all departments for implementation of safety procedures. He will also be responsible for formulation of safety manuals and impart Fire & Safety training to employees and liaison with concerned Govt. Departments.

Age: Around 35-40 years.

Remuneration Package:

For Post I Rs.85,000/- approx. per annum and for Post II Rs.67,000/- approx. per annum. In addition P.F., Superannuation, Subsidised Canteen Facilities, Medical Reimbursement for self and family, etc. as per rules. Selected candidates will have to stay in company's rent-free unfurnished family accommodation near the plant.

The above Positions are in the Senior Management Cadre.

Please apply within 10 days superscribing the envelope with the position applied for and stating age, qualifications, experience, nature of jobs handled, salary drawn and expected with recent passport size photograph and other relevant details like telephone number, etc. to:

The Chief Personnel Manager
The Bombay Dyeing & Mfg. Co. Ltd.,
Neville House, J.N. Heredia Marg, Ballard Estate, BOMBAY - 400 038.

Candidates who have applied earlier need not apply

BD/130

MRF

We are a highly successful professionally managed company with ambitious growth and diversification plans. As a recognised Trading House, MRF has an export network spanning 50 countries worldwide.

As part of our diversification plans, we need the following personnel for our Export Division at Madras :

MANAGER EXPORTS — SPICES

Job involves liaison with pepper and spices brokers to purchase and pack grades of pepper and spices for different markets. Minimum 5 years experience in pepper and spices trading including exports is essential. Code : MES/EXP/1188.

MANAGER EXPORTS — TEA

Job involves liaison with tea brokers to purchase, blend and pack grades of tea for different markets. Minimum 5 years experience in tea trading including exports is essential. Code: MET/EXP/1188.

Candidates should be graduates, preferably with post-graduation in Management. Result oriented self-starters possessing excellent communication and inter-personal skills with an ability to achieve stiff targets through aggressive selling and ensure profitable operations as a profit centre. Positions involve extensive travel.

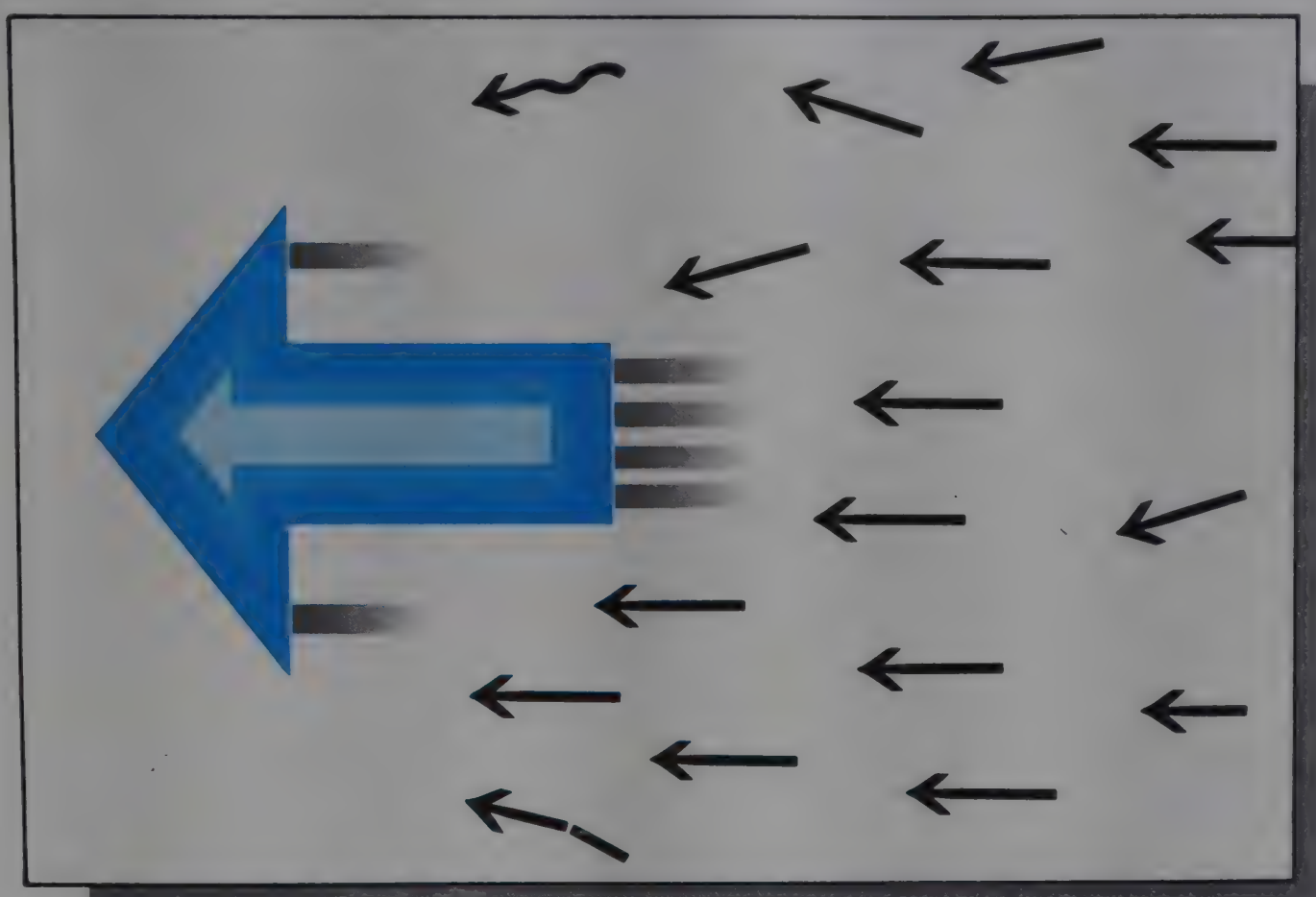
Age: 30 to 35 years.

We provide a challenging environment together with excellent growth prospects. The compensation package for the above positions will compare with the best in the corporate sector.

Apply with detailed bio-data within 10 days, indicating job title and code to:

Corporate Personnel Department
MRF LIMITED
Tarapore Towers
826 Anna Road
MADRAS 600 002

t INDCHEM ELECTRONICS,
ne quality of
ur teams
dds up to a
rmidable
rce.



Brainpower is the armoury with which INDCHEM ELECTRONICS makes a powerful thrust in three key directions:

Office Automation, Medical Electronics and Industrial Automation.

Three resource banks of pooled talent pit their wits in separate disciplines, and together ...

Fusing knowledge, ideas, capabilities and expertise ... to produce a strike force quite stupendous in the electronics business.

As the whole column of India's electronics industry marches towards a future of improved life, efficiency and productivity, the teams from INDCHEM fill the places in the front ranks!

indchem

Office Automation/
Telecommunications
Medical Electronics
Industrial Automation

INDCHEM ELECTRONICS LTD.,
K.R. Building, 124 L.B. Road,
Madras 600 020.

■ Norsk Data India Ltd ■ ATL India Ltd ■ Auto Measurematic Ltd ■ Pebco India Ltd
■ Medical Disposables Ltd

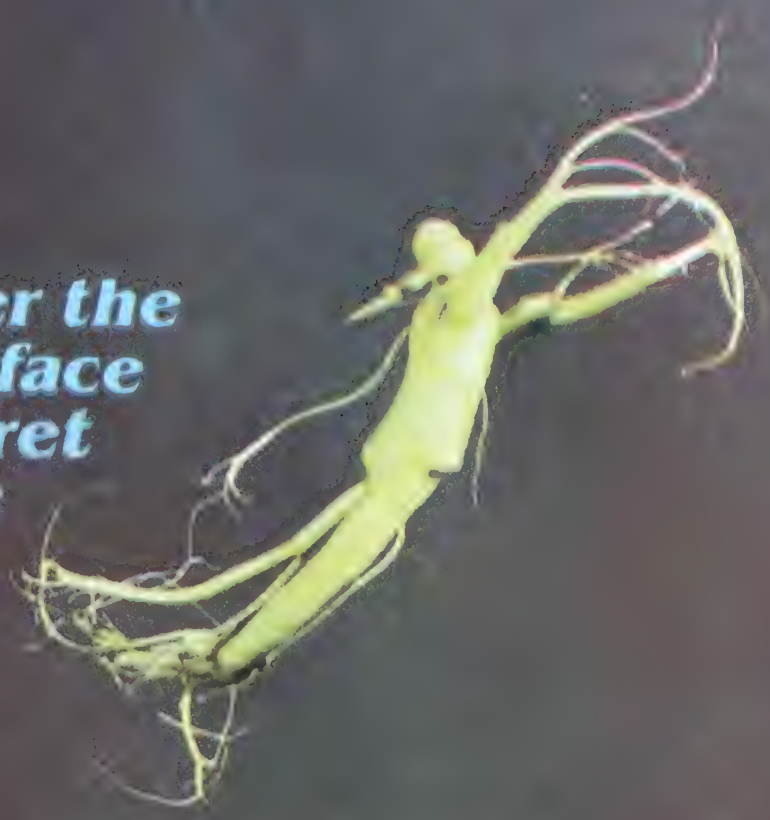
3 *The Divisions of INDCHEM ELECTRONICS*

Breaking through. Breaking ahead!

LINTAS M IEL P12 2720

There's no force in this world that can make the inhibited bold, and the bold valiant....

but from under the earth's surface a 5000 year old secret proves otherwise



A secret that takes you to the hidden depths of the Orient. To the fertile soils of Korea. To an enigmatic man-shaped miracle root. To a legend that modern day scientists have already put to the test, proved, and accepted with awe. A secret called.... GINSENG.

Ginsèng. Over the years it's come to mean vigour, vibrance, vitality, plain good health or even energy plus. International pop legends have sung its praise. Celluloid giants have become fans. Celebrity authors write about it. Oriental athletes improve their track records with it. And Russian Cosmonauts use it in space to combat fatigue.

Ginseng. Across the counter, in Russia, China, Japan, Korea, West Germany, UK and USA, it's gained total consumer acceptance. And in every form, inspired hard-core medical confidence too.

Ginseng. To many it's the elixir of life. To others it's the key to sexual virility. While the Orientals have believed in it for years, the rest of the world is still waking up to its prowess. And discovering that Ginseng is much more than the aphrodisiac it's reputed to be. ★ It's good for body tone. ★ Protects the liver ★ Great for the heart ★ Helps normalise blood pressure. ★ Reduces stress ★ Stimulates the nerves. ★ It has known anti-diabetic properties. In short, it's an ideal weapon to fight the rigours of today's demanding lifestyles.

Now, the original, most potent Korean Red Ginseng. In capsule form. Under the brand name JENSHENG, comes to you from Biological E Limited.

JENSHENG. Use it to make flights of imagination, exciting journeys of reality. Use it to open up the frontiers of your mind. Use it too, to surpass your own concept of the ultimate. But use it. Most of all, for your better health.

If you want to know more about JENSHENG do write to us for a complete illustrated booklet.

BE
Biological E Limited
18/1 & 3, Azamabad,
Hyderabad-500 020.

ORIGINAL

JENSHENG
Your root to better health
Available with all leading Retail Chemists

ISGEC JOHN THOMPSON

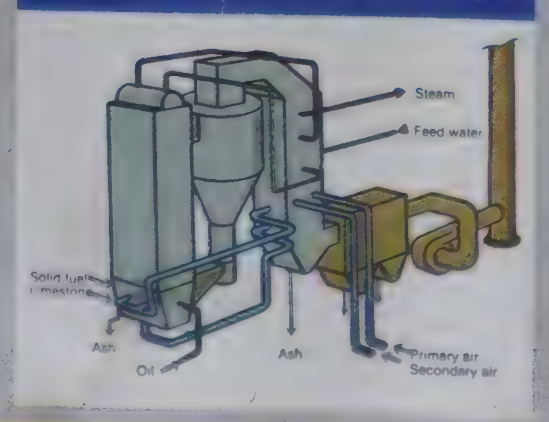
now
joins the
"ELITE CLUB"

A. Ahlström Corporation Finland
***(CFB) Circulating Fluid Bed Boilers**

One feature common to all the companies listed alongside is that they all chose AHLSTROM PYROFLOW *CFB technology. ISGEC John Thompson is thus a member of this elite club. IJT's collaboration agreement with Ahlstrom Corporation covers boilers upto 200 TPH capacity The SECOND GENERATION *Circulating Fluid Bed Boilers of Ahlström Pyroflow design comes to India, supported by experience of nearly 30 large and medium-sized boilers working for several years in many countries. Such as the USA, W Germany, Sweden, Austria, S.Korea and of course Finland. 36 more boilers are being installed in these countries as well as the UK, Israel, Taiwan, Japan and France, serving process industries, electricity generation, cogeneration and district heating.

Years of R&D effort, operating experience and novel features resulted in the AHLSTROM PYROFLOW. A clean and practical solution where *CFB technology has been well integrated in the boiler designs.

AHLSTROM PYROFLOW PROCESS DIAGRAM



All pressure parts and critical items are manufactured at ISGEC's modern and extensive facilities installed at [illegible] in Dt. Ambala, Haryana, which is one of the very few [illegible] in the country having the coveted "ASME 'S' approved standard

Outstanding features of AHLSTRÖM PYROFLOW *CFB Boilers are :

- Good fuel mixing, long residence time by recycling and high heat capacities of circulating material
- Environmental protection against SO_2/NO_x emissions
- Erosion and corrosion of heat transfer surface is prevented, and there are no in-bed tubes
- Low consumption of bed materials and high heat recovery from these
- Simplified Fuel Feed System
- Natural circulation, no external heat exchanger required
- Multi-fuel capability
- Adaptability to conversions and retrofits.

For details and enquiries write to or contact

ISGEC JOHN THOMPSON
(Division of The Saraswati Industrial Syndicate Ltd. Yamunanagar, Haryana.)
[illegible] Jawaharlal Nehru Road Calcutta 700071
[illegible] 3499 Telex : CALCUTTA 7777
[illegible] bay *Delhi *Madras

A large, well established and highly progressive multi-product multi-unit industrial group requires the following personnel for one of its units in North India.

CHIEF OF MARKETING

(MS/4849)

New Delhi

Reporting to the Chief Executive, the incumbent would lead a motivated team of professionals. He will be overall responsible for ensuring achievement of sales targets by drawing up effective marketing strategies. Sales force management, product management, advertising campaigns, launching of new products and liaison with dealers and related agencies would all form part of the job.

Applicants should be MBAs from well known institutes/universities with 15-20 years experience in the marketing of agro inputs/chemicals/fertilizers/pesticides.

Minimum exposure of 2-3 years as head of marketing in a medium/large sized organisation is essential.

MARKETING OFFICERS

(MS/4850)

U P/Haryana/Punjab/M P

Vacancies for Marketing Officers exist at various levels in the hierarchy. Incumbents would be responsible for marketing the company's products in their areas, look after dealer development and maintain liaison with State Government agencies. Candidates should be agriculture graduates/MBAs with 3-10 years experience in marketing pharmaceuticals/chemicals/fertilizers/pesticides in rural markets. Good communication skills and liaison capability are essential qualities.

SENIOR EXECUTIVES

(MS/4851)

New Delhi

Persons selected for this position would work in the Chief Executive's office and assist him in all aspects of day to day operations covering all functional areas. In this capacity a major responsibility will be the collection and analysis of information for top management. Depending on performance incumbents could except to be promoted to senior line positions in 2-3 years.

Applicants should be engineers with post graduate qualifications in management or systems and should have strong analytical and inter personal skills. Persons with 2-3 years similar experience would be preferred.

SENIOR PERSONNEL EXECUTIVES

(MS/4852)

New Delhi/Plant

Selected candidates will be based at the company's head office/plant and look after matters pertaining to IR, recruitment, wages and salary administration, personnel policy implementation and compliance with statutory provisions of labour laws.

Persons applying should be graduates with a post graduate qualifications in personnel management. Experience of 5-7 years covering the above areas in a well known organisation is essential.

Compensation for all the positions is negotiable and will not be a constraint for good candidates.

Please apply in strict confidence within 10 days giving full details of age, qualifications & experience to

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi

All applications and envelopes must be marked with the appropriate MS reference numbers

ESPL

(A STATE GOVERNMENT ENTERPRISE)

requires

COMPUTER PROFESSIONALS FOR SUPERMINIS

Electronic Systems Punjab Ltd. (wholly owned subsidiary of PSIDC) is engaged in manufacturing hi-tech products, 16/32 bit Micro Computer Systems, Data Acquisition and Control Systems in collaboration with M/S WESTINGHOUSE ELECTRIC CORPN., USA & Modems with M/S RACAL MILGO, USA. The Company has recently entered into collaboration with M/S HARRIS CORPORATION, USA, the world leaders in manufacturing Super Minis and its latest range includes H-60 to H-1600 with capability of mainframe system.

The Company requires qualified and dedicated Computer Professionals with proven Marketing/Hardware and Software experience in Computer Systems, Super Minis for its offices at CHANDIGARH, DELHI, BOMBAY, BANGALORE, BHOPAL and CALCUTTA.

SR. EXECUTIVES (MARKETING)

Candidates should be Post-Graduates in Science/Graduates in Engineering with 5-15 years experience in marketing of Super Micro/Super Minis Computer Systems/Mainframe Systems. The job would include identifying & developing market for Super Minis & achieving sales target. The candidate should be innovative, dynamic & result-oriented with persuasive skills & should be capable of providing leadership & guidance to a professionally qualified marketing team for effective product promotion and maintaining high level corporate image.

Engineering Graduates with relevant experience in Hardware/Software in organisations manufacturing Super Minis/Mainframe Systems or in reputed consultancy organisations and candidates with proven experience in QUALITY CONTROL of Electronic Instruments & Systems may also apply.

The Company provides excellent growth opportunities to deserving candidates including training at Collaborator's works in USA.

Remuneration package will be negotiable, based on qualification and experience, but will not be a limiting factor for the right candidates. Other benefits include House Rent Allowance/Leased Accommodation, Conveyance Allowance, Medical Benefits, Leave Travel Concession, Leave Encashment, Production Incentives, Superannuation Scheme, Group Gratuity cum Insurance Scheme and other standard perks.

Application with detailed bio-data should reach within 15 days to :—

Sr. Manager (Personnel),

Electronic Systems Punjab Ltd.,

B-81, Phase VII, Industrial Area, SAS Nagar, Chandigarh-160 055

JAISONS ESPL 988

Calling all DYNAMIC PROFESSIONALS!

MARTIN BURN LTD.

needs

SENIOR AND MIDDLE MANAGEMENT PERSONNEL FOR ITS CORPORATE OFFICE AT CALCUTTA

Spanning a glorious past of over 200 years, architectural marvels like Victoria Memorial Hall, Tata Centre, New Secretariat, United Bank Building, Assembly House (Calcutta), Ujjayant Palace (Agartala) and many more famous monuments, buildings and bridges in India bear testimony to the unique achievements of Martin Burn Limited as a creator of remarkable landmarks. A great construction Company that has also created some of the best engineering industries in our country like Burn Co. Ltd., Howrah, Indian Standard Wagons Ltd., Burnpur, Indian Iron & Steel Co. Limited, Burnpur to name a few. Martin Burn Limited has ambitious plans for streamlining the management and revamping the operations of its existing engineering units—the Engineering & Structural factory at Kidderpore, Transformer and Switchgear manufacturing unit at Foreshore Road, Howrah and a few others. Braced for further expansion and diversification, the company requires

CHIEF ARCHITECT—PS 116

The Company needs a Chief Architect with suitable experience, dynamic vision and creative mind.

The incumbent must be a qualified graduate in Architecture from a recognised University in India or abroad and should have at least twenty years experience preferably in Design as well as in supervision of construction. A thorough idea of the architecture of different regions of the world is desirable.

AGE: Above 42 years.

EMOLUMENT: A salary of Rs. 50,000/- per annum or above according to qualification and experience. Perks include reimbursement of House Rent, Car Expenses, Medical Expenses, Entertainment Expenses, etc., as per Company's rule.

This is a Senior Management position as Head of Central Design Office reporting directly to the Executive Director of the Company.

MANAGER: PRODUCTION & DESIGN/ELECTRICAL DIVN.—PS 117

The Company requires a dynamic Electrical Engineer with suitable experience both in production and design of Electrical Machinery.

The incumbent must be a Graduate in Electrical Engineering with specialisation in Electronics from a recognised Indian/Foreign University. The candidate must have at least fifteen years experience in design of Transformers/Switchgears/Rectifiers plus Production Management in an electrical equipment company of repute. Suitable experience in Electronics will be an added advantage.

AGE: Above 35 years.

EMOLUMENT: A salary of Rs. 40,000/- per annum or above will be commensurate with qualification and experience. Perks include reimbursement of House Rent, Car/Transport Allowance, Medical Expenses etc., as per Company's rules.

This is a middle management position heading production at Works and Electrical Design Section of Centralised Design Office. The incumbent is to report to the Chief Executive—Electrical Division.

REGIONAL BUSINESS REPRESENTATIVES—PS 118

Candidates who have just retired as Superintending/Chief Engineer of P.W.D. and Electricity Board/Electric Supply Corporations of different states having house, telephone, and own transport are to write to the company giving full details of career if interested to work on basic terms/commissions.

The company requires Two Regional Business Representatives for Electrical/Electronic products and for Civil Construction/Structural work for each state respectively. Terms to be settled during interview.

Interested candidates for the above positions are to send in applications with full bio-data alongwith a passport size photograph to: Mr. Shyamal S Bhattacharya, Chairman & Managing Director

THINK-TANK CONSULTANTS PVT. LTD.

227 A, Rashbehari Avenue, Calcutta-700 019. (033) 42-6334, 46-1750.

UNITED BREWERIES GROUP REQUIRES

FOR ITS CORPORATE MANAGEMENT DIVISION

INTERNAL AUDITORS

TO BE LOCATED AT NEW DELHI, CALCUTTA & BANGALORE

Candidates should be Chartered Accountants with additional qualifications in Costing/MMS with a consistently bright academic record. They should be high achievers with excellent communication skills.

The position calls for at least 2 to 3 years experience in Operations/Management Audit in a Professionally Managed Company. An exposure to computers would be a distinct advantage. Applicants should be around 26 years of age – relaxable upto 30 years considering qualifications and experience. Though based at above locations, the job would involve extensive touring.

The positions are in the Management Cadre, reporting directly to the General Manager (Internal Audit) and offer excellent growth prospects. The compensation offered is designed to attract high calibre professionals. Candidates who had applied earlier need not respond.

Apply in strict confidence within 10 days, indicating preferred city of posting and superscribe the envelope with the Position/Location applied for, to:

The General Manager – HRD

UB

UNITED BREWERIES GROUP

UB House, 1, Grant Road, BANGALORE 560 001.

UNITED BREWERIES GROUP REQUIRES

BUSINESS STRATEGISTS

at its Corporate Headquarters in Bangalore

The United Breweries Group, with a turnover of over Rs.1000 crores, is one of the fastest growing Industrial Groups in the Country today, with a widely diversified business portfolio ranging from Liquor and Food Products, to High Technology fields such as Petrochemicals, Energy Products, Pharmaceuticals, Electronics and Telecommunication Equipment and Biotechnology.

We have identified a few openings for Business Strategists. Their key responsibilities will include:

* Analyse and review operating results for each line of business.
* Advise operating management on business strategies.
* Identify and evaluate new project acquisition and diversification proposals and co-ordinate their implementation.

The responsibility requires an excellent grasp of economic principles, sound analytical skills and ability to communicate persuasively. The candidates should preferably be Engineers with an MBA from a reputed Institute, and have a proven track record in formulating and evaluating new business strategies. They must have 3 to 5 years experience in a consultancy or commercial environment. Experience of O&M, Industrial Engineering will be an advantage.

Preferred age: Around 30 years

We are looking for highly innovative, achievement-oriented persons for the above position, and the remuneration package will not be a constraint.

Please apply in strict confidence within 10 days, to
The General Manager - HRD

UNITED BREWERIES GROUP
UB House,1, Grant Road, BANGALORE 560 001.

SRF
SHRI RAM FIBRES LIMITED

BUSINESS PLANNING PROFESSIONALS

SRF is one of the few Indian companies to have successfully adopted long range planning. The company's management is firmly committed to a formalised strategic planning system which has been in existence for the past five years. The system encompasses the entire SRF group of companies engaged in diverse businesses such as Nylon Industrial Yarn; Synthetic Industrial Fabrics; Engineering Plastics; Fluorocarbon Refrigerant Gases; Ball & Needle Bearings; Auto-electricals; Hire Purchase/Leasing; and Financial Services. Business plans are formulated at the level of each Strategic Business Unit (SBU) as well as at the corporate level for the entire group.

The Corporate Planning Department located at the Head Office at Delhi, provides inputs to top management for strategic decision-making besides co-ordinating the planning exercise of the SBUs. Each SBU has its own strategic planning cell which works in close co-ordination with the Corporate Planning Department.

We need professionals to help in this effort at various locations.

We are looking for young professionals, in the age group 25-35 years, preferably Engineer – MBAs with 2-10 years' experience in good industrial/consultancy organisations.

The job involves systematic analysis of business environment in order to be able to identify business opportunities & threats and build competitive strategies. Another important role would be to continuously improve upon the existing strategic planning system and provide conceptual inputs to line managers who have the prime responsibility for formulating and implementing strategies. Besides keen intellect, good inter-personal skills are essential.

The positions provide an excellent opportunity for acquiring a general management perspective and would be stepping stones for suitable senior positions.

We offer an excellent compensation package commensurate with qualifications and experience.

Please apply within seven days to:

Vice President (Personnel)
SHRI RAM FIBRES LIMITED.
EXPRESS BUILDING,
9-10, BAHADUR SHAH ZAFAR MARG,
NEW DELHI – 110 002

ave you ever wondered why
tanding creatives that are bang on
t's brief, often get turned down?

dvertising professionals, who believe
are selling creatives, aren't going to
t, but the truth is simply this:

client never buys creatives. He buys
tions to his marketing problems. So
n he gives us his brief for advertising,
should relate it to his marketing
ls.

t R K SWAMY, we are alive to this
lenge. And our efforts are directed at
ing an insight into the client's busi-
s. His strengths and opportunities in
marketplace. His marketing ambi-
tions. So that what we develop is an advertising solution to his marketing problem. Which, is his real concern.

To help us make this qualitative difference to our advertising, we have a one-of-a-kind discipline: HANSYSTEM. A thought process that encourages intuitive skill, guides creative energy.

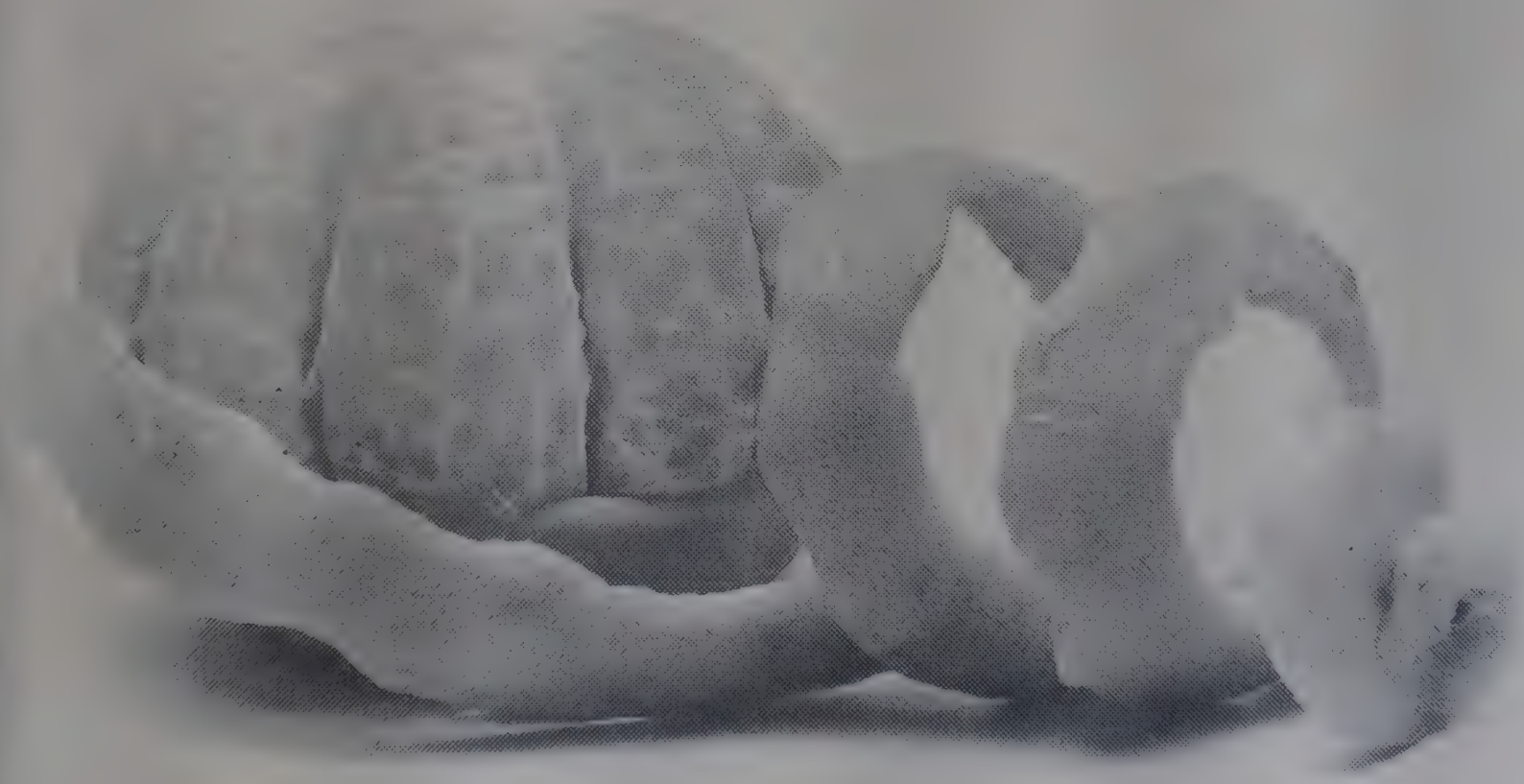
HANSYSTEM, we believe, will help you to make an original and more meaningful contribution to your clients.

Call on us soon. Because, we also believe, that people who think *'differently'* should ideally be working together.

Account Directors
Account Planners
Account Supervisors

R K SWAMY, a Rs.25-crore agency, offers breakthrough career opportunities to Senior Account Management personnel in Bombay, New Delhi, Calcutta, Madras, Bangalore and Hyderabad.

Write to:
The Chairman
R K SWAMY ADVERTISING ASSOCIATES Private Limited
604 Mount Road, Madras 600 006
An Agency of the BBDO Worldwide Network.



Can you get the brief behind the brief ?

National Institute of Bank Management

FACULTY POSITIONS

NIBM invites outstanding academicians in the following disciplines to join the faculty of the Institute at its Campus at Pune.
COMPUTER & SYSTEMS, INTERNATIONAL BANKING, FINANCE AND CREDIT MANAGEMENT, FINANCING OF SMALL SCALE INDUSTRIES

The faculty positions available are—

	Scale of Pay
Professor	Rs. 1800-75-2100-100-2500
Associate Professor	Rs. 1500-60-2100
Assistant Professor	Rs. 1200-50-1900
Faculty Research Associate	Rs. 850-40-1250
	(These scales are subject to revision)

Minimum qualifications sought are a Doctorate or an outstanding Master's Degree (with consistent – first class record since school final) in a particular discipline, demonstrated teaching at higher level and/or research experience for a number of years and published works. Placement will be made on the basis of merits.

Residential accommodation at the Campus will be available. In addition, other benefits such as Contributory Provident Fund, Leave Travel Concession, Medical Reimbursement, Sabbatical Leave, Consultancy etc. are admissible as per the Institute's rules. For residential accommodation, a license fee as prescribed is deducted and no HRA is admissible.
Those interested may send in their full particulars with published material to :

Chief,
Administrative Services,
National Institute of Bank Management,
Kondhve Khurd, Post Bag 1,
Pune 411 022
within 15 days from the date of this advertisement.

Sai Agency

VICE PRESIDENT (OPERATIONS)

BANGALORE **GOOD SALARY + PERKS**

A reputed professionally managed manufacturer of machining centres, CNC lathes, CNC milling machines and special/general purpose machine tools having foreign collaborations would like to recruit a Vice President (Operations) for its manufacturing plant in Bangalore. The company has a turnover of around Rs. 16 crores p. a. and its products have received national as well as international acclaim. It has ambitious diversification and expansion plans.

The Vice President (Operations) will be totally responsible for all manufacturing operations including planning, production, purchase, design, research and development as well as quality control. He will report to the Chief Executive.

Candidates should be Mechanical Engineers with around 15 years production experience in the engineering industry. At least 5 years experience in senior managerial positions is essential. Candidates with experience in the machine tool industry will be preferred. Sound technical knowledge, proven leadership abilities and exposure to modern management practices would be prerequisites. Preferred age : Around 45.

Compensation package offered by the company will be comparable with the best in the industry/region and is unlikely to be a limiting factor. Perquisites such as company car and housing, LTA, medical, club subscription, PF as well as gratuity will be extended.

Please apply giving full details within 10 days to

A. F. Ferguson Associates
115, Dickenson Road
Bangalore 560 042

(All applications and envelopes should be marked "MS/3495").

ATUL®
PRODUCTS LTD.

requires

Managing Director
for one of its group companies

ATUL is one of the largest chemical complexes of its kind in Asia. The complex manufactures agriculture products, basic and commodity chemicals, dyes, intermediates, pharmaceuticals etc. The present sales of the complex is over Rs.350 crores per year.

Atul Products Limited, the parent company, has decided to promote a company to manufacture Polycarbonates, the toughest engineering plastics, and its compouds. A letter of intent has been received and foreign collaboration has been signed. The estimated project cost is Rs.50 crores.

Atul Products is looking for a very well educated and experienced person to take total responsibility of implementing the project and managing the new company thereafter.

Candidates wishing to apply should posses either a Ph D or MS degree in Polymer Science/Chemical Engineering/Industrial Engineering from a renowned University. At least 15 years of varied experience in industry of which at least 5 years should be at a very senior level. Preferred age is around 40/45 years.

Salary and other benefits will not be a constraint for the right candidates.

Please apply within 10 days to :

Managing Director
Atul Products Limited
Atul - 396 020, Gujarat.

Modern GROUP

NEEDS

EXECUTIVE DIRECTOR

Modern, is a Jaipur based professionally managed diversified multi product industrial group having a turnover of Rs. 100 crores. The group has five manufacturing units in Rajasthan and a Commercial Office at Bombay.

Modern Syntex (India) Ltd., one of the largest Synthetic Yarn manufacturing company and the prime company of the group, requires a dynamic Executive Director based at Bombay. Reporting to the managing director at the plant, he will have full responsibility for the Commercial Operations at Bombay.

He should be a professional executive between 35 and 42 possessing a minimum of 10 years' experience in handling the commercial activities of large textile mills in a similar capacity or as a general manager. Experience with Synthetic Spinning units would be an asset.

The post carries a very high salary plus furnished accommodation, car with driver, medical, leave travel, 20% bonus, etc.

Please mail immediately full details of age, qualifications, experience, family background, references, etc. to the Chairman, Modern Syntex (India) Ltd., D-22, Moti Dungari Road, Jaipur 302 004.

Applications received would be processed strictly in confidence and no reference would be made to the present employer.

CHIEF ENGINEER

Age:
40-45 years

Attractive salary + perquisites

A leading, professionally managed industrial group, which is among the top 10 in India, is looking for a Chief Engineer for one of its companies. The company is in the process industry and has ambitious growth plans. The plant is located in a backward district of Andhra Pradesh and has its own township with all amenities.

The selected person would report to the head of the unit and would be independently responsible for plant maintenance and utilities. This is considered to be a very critical position and long term prospects are good.

Candidates should be graduates in mechanical or electrical engineering with around 15 years' hands-on experience in maintenance, erection and engineering development activities in the process industry, of which 5-7 years should be at a senior level. In addition to technical knowledge, good communication, man-management skills and leadership qualities are essential. He should also be good at developing the capabilities of his subordinates.

Salaries and perquisites will be in line with the best in the industry and would not be a constraining factor. Housing will be provided.

Please apply in strict confidence within 10 days to:

A F Ferguson Associates
Hansalaya, Barakhamba Road
New Delhi 110 001

giving details of qualification, experience, age and salary drawn. Please mark the application and envelope with **'MS/4847'.**

Blow Plast Ltd.

We are a young, professionally managed organisation with an enviable track record in a fast paced and competitive business environment. Our luggage brands V.I.P., Odyssey, International Tourister and Skybags are leaders in their respective segments. The Company's turnover currently exceeds Rs.110 crores.

We need bright young men for the following position at major locations all over the country.

BRANCH MANAGER

The incumbent would primarily be responsible for achievement of the sales objectives in the assigned territory and efficient administration of the branch. To this end, he would be required to lead and motivate a team of field sales personnel, build a stable dealer network, plan and execute local promotion, as well as oversee the commercial and accounts operations.

Candidates would be Graduates, preferably with a Post-graduate degree in Management from one of the premier institutions, with about 2-4 years experience in handling branch/sales operations. Ability to quickly grasp the dynamics of consumer/trade behaviour would be a basic pre-requisite.

The Company offers an attractive compensation package, professional work environment and excellent scope for career advancement linked to performance on the job.

Please apply within 10 days, giving details of age, qualifications, work experience, languages known, locational preferences if any, etc., superscribing the envelope with the position applied for, to:

Manager — Personnel

Blow Plast Ltd.
Post Box No.9145, Bombay 400025

New Commercial Advtg.

DIAL 'O' FOR OMNITEL SAY HELLO TO A GOOD FUTURE

We are a professionally managed public limited company engaged in the production and marketing of state-of-the-art telecommunication equipment, with a turnover potential of over Rs. 25 crores. We are looking for a competent, result oriented professional with a proven track record to fill the following position at our Works in Karnataka.

Factory Manager : The incumbent should be a Mechanical Engineer in his forties with 10/12 years experience including 3 to 4 years in Senior Management position. He will report to the Director Engineering and undertake entire manufacturing responsibilities including production planning programming, quality control, and effectively leading and motivating the production, material control and quality control personnel. Specialisation in production Engineering/Industrial Engineering will be preferred. Candidate must be conversant with factory rules and regulations.

Remuneration : The remuneration package is negotiable and will be commensurate with the senior position. The perquisites will include Housing, Leave Travel Allowance, Provident Fund, Gratuity etc.

Please mail your Bio-data within ten days to

The Managing Director
OMNITEL INDUSTRIES LIMITED
No. 1, Dhruvatara, 6-3-652, Somajiguda,
HYDERABAD - 500 482

AKRO - SHA PROFILES LTD

The unit is coming up in Technical and Financial Collaboration with M/s. Uniplast, Austria, a full fledged unit to manufacture variety of products in the Building and Interior Decoration Materials like PVC Profiles, doors and windows and will commence production shortly at Bidar, Karnataka.

NEEDS

PROJECT MANAGER

Graduate in Mechanical/Chemical Engineering with 5 to 7 years experience in activities related to the manufacture of PVC Profiles, doors and windows or in any PVC Industry. He will be responsible for process planning, achieving production targets with the optimum utilisation of men and machinery and thorough knowledge of implementation of project.

COMPANY SECRETARY

The Incumbent will be responsible for Liaisoning with financial institutions and other Govt. Agencies, Capital Goods clearance, maintaining project cost, financial accounting etc. He will take charge of all secretarial functions. Exposure to project functioning, budgetary control is essential.He should be A.C.S only with 5 years experience as a financial head in a reputed organisation. Age around 30 years.

MARKETING MANAGER

Dynamic self-starters with clear business perspective, capable of motivating and providing leadership to achieve the project growth. He should be capable of identifying marketing oppurtunities and developing innovative packages and services Especially in the areas of production management, viz-a-viz, reviewing and monitoring sales budgets and performances, co-ordinating marketing strategies, sales policies and effective control of the marketing department. Persons with M.B.A. in marketing with a minimum of 10 years experience in marketing of plastic products, building material PVC doors, windows etc., or related lines will be given the mantle.

EXTRUDER OPERATORS

The candidate should have 5 to 10 years experience in the similar capacity in a PVC pipes/PVC profiles extrusion, preferable ITI candidates in the age group of 25 to 35 years.

FABRICATORS - PVC DOORS & WINDOWS

With thorough experience in fabrication of Aluminium/PVC doors and windows, preferable with ITI in the age group of 25 to 35 years.

NOTE: EXCEPT FOR POST NO. 2-3 ALL THE SELECTED CANDIDATES ARE REQUIRED TO WORK AT FACTORY IN BIDAR, KARNATAKA.

The pay package will not be a limiting factor for the deserving individuals.

HIGHLY MOTIVATED PROFESSIONALS LOOKING FOR CHALLENGING ASSIGNMENTS SHOULD APPLY, GIVING A COMPREHENSIVE BIO-DATA LISTING MAJOR ACHIEVEMENTS AND AREAS OF INTERESTS, SALARIES DRAWN AND EXPECTED ENCLOSING A PASSPORT SIZE PHOTOGRAPH TO:

THE MANAGING DIRECTOR,
AKRO - SHA PROFILES LTD.,
912A, 9th Floor, Raghava Ratna Towers,
Chirag-Ali-Lane, Hyderabad - 500 001.

Advertising Associates - Hyderabad

CEMENT PERSONNEL FOR SAUDI ARABIA

ELECTRICAL ENGINEER

We have been retained by a leading cement company in Saudi Arabia to locate an Electrical Engineer for their 1.5 million tpa dry process plant incorporating 5 long dry kilns, X-ray analysers and computer control systems to produce ordinary portland cement and other special cements including oil well cement.

He will report to Engineering Manager and will be responsible for the efficient functioning and maintenance of all electrical installations. He will coordinate the activities of an Electronic Engineer (in charge of the Electronic and Instrument Unit), a General Foreman (in charge of the Workshops Unit) and a work force of about 80 personnel.

He should have a Degree in Electrical Engineering with minimum 10 years related experience with industrial electrical installations including power generation, preferably in support of a cement manufacturing plant. He should be well-versed in trouble shooting and routine maintenance procedures.

General

- Good knowledge of English is essential
- Maximum age limit is 45 years
- Initial contract for two years, extendable by mutual consent.
- Attractive salary and fringe benefits

Please apply within 10 days with complete bio data and photograph to:

HOLTEC ENGINEERS PRIVATE LIMITED
Corporate Centre
201/202 Ashok Hotel,Chanakyapuri
New Delhi 110 021

Consultants to Cement and Other Mineral Based Industries

PROJECT / ENGINEERING CONSULTANCY PERSONNEL

HOLTEC, a leading Engineering and management Consultancy Organisation requires consulting personnel at various levels and in different areas of operation.

- **SR. MANAGERS** • **SR. ENGINEERS**
- **MANAGERS** • **ENGINEERS**
- **DY. MANAGERS** • **ASSTT. ENGINEERS**
- **DESIGNERS/DRAFTSMEN**

1 PROJECT PLANNING MONITORING & COST CONTROL
2 PROCESS ENGINEERING/ TECHNOLOGY
3 PROJECT ENGINEERING
4 ELECTRICAL ENGINEERING – POWER & INSTRUMENTATION
5 STRUCTURAL ENGINEERING
6 FOUNDATION ENGINEERING
7 CONSTRUCTION MANAGEMENT
8 PLANT COMMISSIONING
9 ENERGY MANAGEMENT
10 MAINTENANCE MANAGEMENT
11 ENVIRONMENTAL MANAGEMENT
12 EXPLORATION GEOLOGY
13 MINING ENGINEERING
14 DESIGNING/ DRAFTING

- First Class Degree in the relevant branch of engineering is essential for areas 1 -13.
- First Class Diploma in Engineering or Draftsmanship in Mechanical/Electrical/Civil engineering is essential for area 14.
- Experience in cement and/or process industries, power plants, heavy engineering units in plant design/ operation /maintenance /erection /commissioning is desirable.
- Experience with reputed consultancy establishments is preferred.
- Exposure to computer-aided programs and operations (including CAD) carries extra weightage.
- Analytical approach, innovative thinking and communication skills (oral and written) are essential.
- Position and Remuneration shall be commensurate with qualifications, experience and competence.

Please apply within 15 days with detailed curriculum vitae and photograph to:

HOLTEC ENGINEERS PRIVATE LIMITED
'Corporate Centre'
201/202 Ashok Hotel, New Delhi-110 021

ngg. and Management Consultants
In Association with "Holder Bank"
Switzerland

asian paints
(INDIA) LIMITED

require an

INTERNAL AUDIT EXECUTIVE

We are looking for a committed professional to join our rapidly evolving Internal Audit Department based in Bombay. The combination of the Company's operating environment and the emphasis being placed on the internal audit task offers considerable opportunity for an innovative approach to audit and scope for individual growth.

The challenges of this assignment can be visualised from the breadth of the Company's operations, which currently comprise of four manufacturing plants and forty one sales offices across the country, as also eight support functions located in Bombay. All operations are carried out in a decentralised manner, in an environment of extensive computerisation. The role of the incumbent would lie in ensuring that adequate controls are exercised, without dilution in the extent of autonomy needed for Executives to achieve their goals.

The candidate we are looking for must be a Chartered Accountant/Cost Account/MBA from an Institute of repute. Though prior work experience is not essential, it would be given due weightage.

Besides an attractive compensation package designed to attract the best available talent, we also provide a stimulating work environment which emphasises professional excellence, operational autonomy, an open culture and recognition for contribution. Those interested may please apply within 10 days giving full biographical particulars, including qualifications, work experience, salary drawn and expected and a recent passport size photograph to:

General Manager (Personnel)
ASIAN PAINTS (INDIA) LIMITED
L.B.S. Marg, Bhandup
Bombay 400 078

Please superscribe the words "INTERNAL AUDIT EXECUTIVE" on the envelope.

ADROIT/AP-140/88

Vice-President (Technical)

Required for a HT Porcelain Insulators manufacturing works near Bhopal, belonging to a large public limited company having annual turnover of Rs. 200 crores. The person would be required to take complete charge, and lead team of highly knowledgeable and professional personnel on technical functions in a most modern plant installed in technical collaboration of West German firm. A technocrat having first class degree in Engineering with specialisation in Ceramics is being looked for.

Minimum 15 years experience, of which at least 5 years in senior position in Solid core insulators and Bushings of 132 kV and above ratings, in India or abroad is desired. The position requires high degree of technical expertise, man-management capabilities, and thus proven track record in HT Insulators manufacturing Company of high repute would meet our requirements. Preferred age around 40 years.

Being a senior management position, salary and perks offered will be attractive. Application be sent in strict confidence with needful bio-data details to :

Insulators & Electricals Company
Unit : Hindusthan Development Corpn. Ltd.
Kanchenjunga (7th Floor), 18-Barakhamba Road, New Delhi-110 001

MANAGING DIRECTOR

A leading listed Finance Company involved in Leasing, Hire-Purchase and Safe Deposit Vaults and based in South India with all India Branch net work wishes to appoint a Managing Director.

The Company plans to expand its asset base to Rs.20 crores from the existing Rs.10 crores in the immediate future and also to diversify into property development and other areas of financial and non-financial operations.

The candidate we are looking for should be holding a Senior Executive position comparable to a Deputy Managing Director or Executive Director in a large financial banking or diversified Commercial Group with proven track record in the financial service field. The position may suit those seeking to relocate in the South. He will report to the Board consisting of well known professionals and will enjoy considerable freedom in deciding the future policy for the Company.

Preferred age will be around 50 years but relaxable in deserving cases. Remuneration package will be comparable with the best in the field.

All correspondence or contacts will be strictly confidential and no references will be made without prior clearance of the candidate.

Please apply within 15 days with a one page resume why you consider yourself as the person we are looking for to fill this top position.

Please reply to P.O. Box AA/279/LP/1,
Business India,
Flat No. 5-B-1, JP Towers, 5th floor,
7/2 Nungambakkam High Road,
Madras-600034.

A LEADING MEDIUM ENGINEERING COMPANY PRODUCING HIGH TECHNOLOGY CAPITAL EQUIPMENTS WITH A TURNOVER OF RS. 15 CRORES REQUIRES THE FOLLOWING SENIOR MANAGERS FOR THEIR OPERATIONS AT BANGALORE:

MANAGER — MATERIALS AND CONTRACTS

HE SHOULD BE A TECHNICALLY AND COMMERCIALLY SOUND ENGINEER WITH ABOUT 5-15 YEARS EXPERIENCE IN AN ENGINEERING INDUSTRY AT SENIOR LEVEL. THOROUGH KNOWLEDGE OF INDIAN AND INTERNATIONAL MARKET AND ABILITY TO WORK INDEPENDENTLY IS ESSENTIAL.

MANAGER — PRODUCTION PLANNING & CONTROL

HE SHOULD BE A MECHANICAL ENGINEER WITH 5-15 YEARS EXPERIENCE IN A CAPITAL EQUIPMENT INDUSTRY AT SENIOR LEVEL. WE ARE LOOKING FOR A DYNAMIC PLANNER WHO CAN ASSURE RESULTS.

BOTH POSTS ARE SENIOR AND CARRY VERY ATTRACTIVE SALARY AND PERQUISITE STRUCTURE. A COMPANY LEASED ACCOMODATION WILL BE PROVIDED.

APPLY P.O. BOX NO. 544, G.P.O., BOMBAY-400001.

Pharmacia United, the sole representative of Pharmacia AB, Sweden – is now fully operational in India in association with the United Breweries Group.

Pharmacia United Limited will manufacture and market Pharmacia AB's range of Biotechnology & Diagnostic Instruments and Reagents.

Engineers-Service

Responsible for the installation, maintenance, trouble shooting and customer training for sophisticated BIOTECH/DIAGNOSTIC Instruments.

Location: Bangalore, Madras, Calcutta, Bombay.

Engineers-Manufacturing

Responsible for the implementation of the phased manufacturing program.

Will have assembly engineers reporting to him.

Location: Bangalore.

Engineers-Development lab

Responsible for the implementation of the phased indigenisation program, quality control, testing routines and manufacturing procedures. The job involves interaction with vendors to procure and type approve components for import substitution. It also involves developing of software for climate chamber operations and automated test routines for instruments.

Knowledge of CAD/CAM, BASIC, ZENIX is essential.

Location: Bangalore.

Essential qualifications for all the positions:

BE, (Mech./Electrical/Electronics Engineers) with 2-3 years of experience in instrumentation/computer engineering or other related fields.

M.Sc., (Physics) with electronics as specialisation may also apply.

Excellent growth prospects await the right candidates. Salary will commensurate with qualifications and experience.

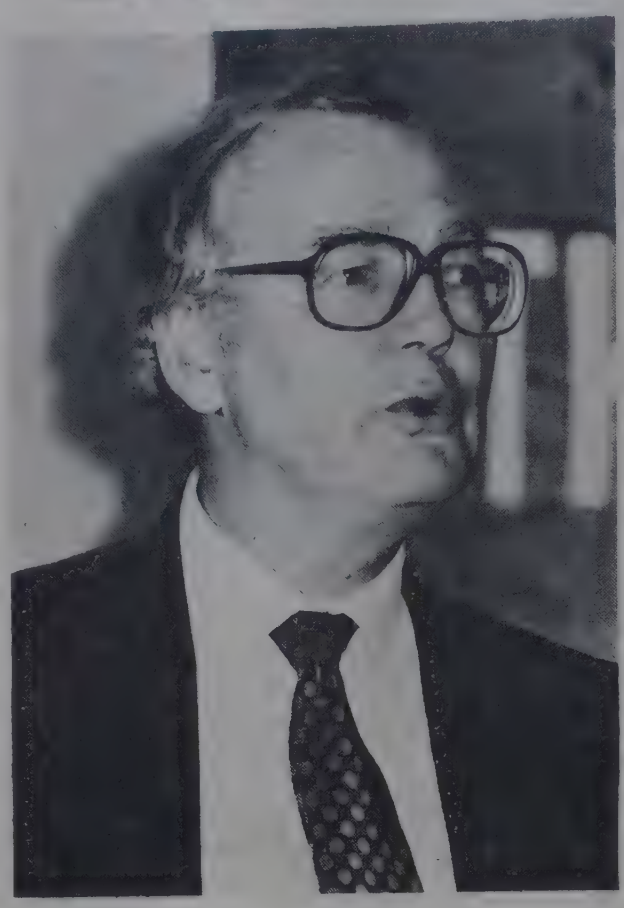
Apply within 10 days, superscribing on the envelope the designation, division and location, to:
Personnel & Business Culture

Pharmacia United Limited, 'Pharmacia House' 18, Cunningham Road, BANGALORE 560 052.

Pharmacia United
Personnel & Business Culture

everest/S88/192

"Allow more direct foreign investment"



As chairman and chief executive of the UK-based Midland Bank and former deputy governor of the Bank of England, **Kit McMahon** *is undoubtedly a major voice in the world of high finance. On a visit to India last fortnight, he replied to questions put to him by Basudev Dass of* Business India.

Recently, Lazard Brothers & Co was permitted to buy equity in an Indian merchant banking company, signifying the Indian government's keenness to allow joint ventures in the financial services sector. What is the Midland Bank's response to this? Do you expect a branch licence to be granted in the near future?
We have no immediate plans to seek permission to open branches in India. There is a particular reason why we don't feel the need. Midland's strengths traditionally and even now is in correspondent banking. It has been our strength for 70 years or so. Besides, the Hongkong Bank has a 14 per cent stake in our bank's equity, and it is in branch banking here. As a correspondent bank, we have links all over India which may be affected if we were a competing bank.

If Lazard is going to be the first of several joint ventures, we would certainly be interested in considering. We have always been thinking about this and are in touch with potential partners, but there is nothing imminent or immediate. We are not pushing for anything particular at this moment.

Since our association with the Hongkong Bank, we have withdrawn from other southeast Asian countries. We have sold them our branch in Seoul, we've folded in our branch in Singapore into their operations, and closed down our operations in Bangkok and Malaysia. Similarly we've taken from them their branches in our part of the world such as those in Germany and Amsterdam. But we have kept representative offices in India and China, because we regard these countries as strategically important.

The Indian government is seriously thinking of liberalising the rules relating to foreign currency borrowings by the Indian private corporate sector. What are your views on official assistance versus commercial borrowings?
We would be delighted if we could take part in some of that commercial borrowing. But the problem is that at the moment, there is competition from countries like Japan, who can do tax spared lending. We can't take part in that unless we do it on commercial terms, and earn a reasonable commercial rate on it. At the moment there is no prospect of that.

After Citibank gave the lead, banks are starting to think that debt-equity swap is not a bad idea after all. Do you believe that this is a solution for international banks to move out of sticky accounts?
It is a partial solution. We are very keen to explore and are exploring debt-equity swap possibilities in a number of countries. Most countries are reluctant to allow this. I don't think swaps can ever be on a big enough scale to solve the problem. And I think the banks will have to be careful to avoid taking industrial stakes themselves. I mean, we don't know how to run hotels, or cement factories, whatever it would be. So what we would be looking for is international partners — hotel chains or whatever. We are working on this... we've got a lot of possibilities

Consumer or retail banking, which was relegated to the back seat not so long ago is today a major preoccupation of international banks. Why have banks made a big push in this area? Given the cost in financial terms, and the personalised nature of this business, do you feel it can be self-sustaining?
Retail banking is essential business in the UK. We are a consumer bank there, and we intend to remain so. It's a profitable business though it is increasingly competitive. So you have to keep up with the game and invent new products for the market. But outside UK, we do not have ambitions to do retail banking. I think it is very difficult, actually, for any bank to run a successful retail banking operation in a country other than its own. The local relationships and the nexuses, the loyalties and so on, are harder to crack than most foreigners believe. It looks like the same kind of business, but it isn't so. It's tricky. Even if we had a licence here, we would use it only for corporate lending.

What, according to you, should be done by the government to improve the banking environment in this country?
The Reserve Bank of India has already made a start, and it is a very encouraging start (a reference to the recent relaxation of credit limits and interest rate controls). What does strike one here is that there is much, much more bureaucratic regulation — detailed regulation of what banks can and can't do — than in most other countries. We are very pleased to see the abolition of the rule that a company couldn't change its bank and take its account elsewhere, without a no-objection certificate. Now, in most countries of the world, it is inconceivable that such regulation should have even been in place.

An important change would be to allow and encourage more direct investment from abroad. Although people say that it is encouraged, we do know of examples where it will take two years from start to finish, whereas in other countries it would take six months. That is how India should really be looking for foreign funds — less from borrowing and more from encouraging investment.

SUMMER IN THE CITY, AND IT'S REALLY COOKING. JUST GETTING ACROSS TOWN IS A STEAMBATH.
AT LEAST GETTING AWAY WILL BE A BREEZE. I CAN'T WAIT. — SINGAPORE AIRLINES BUSINESS CLASS

RN 35850/78

REG.

Benzer of cou

ER SURPRISE IN STORE FOR YOU!

INDIA'S BIGGEST SHIRT SHOP AND THE BEST!

AT BUS ARMY DESAI ROAD, BOMBAY

Business India

agazine of the corporate world | November 28 to December 11, 1988 | Rs. 6

C. F. T. R. I., MYSORE

HCL
RIDING THE TECHNOLOGY TIGER

SHIV NADAR

ARJUN MALHOTRA

INSIDE

DCM
SPLITTING THREE WAYS

WIE
IN THE UB FOLD

MYSORE CEMENTS
EVERYTHING GOING FOR IT

MELTRON
BUZZING WITH GROWTH PLANS

Chopard

GENEVE

GSTAAD **A timeless masterpiece**

„Gstaad« the latest sportswatch created by Chopard. A unique combination of centenerian tradition and contemporary desig
Available in gold and stainless steel, solid 18 kt gold or enhanced with diamonds, the „Gstaad« watches can be found at:

available at leading jewellers worldwide

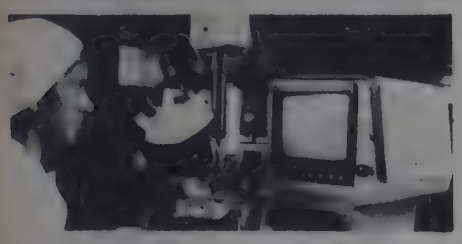
address inquiries to
Chopard & Cie S.A., 8, rue de Veyrot, 1217 Meyrin-Geneve

COVER FEATURE

46 **HCL**
Riding the technology tiger
HCL Ltd has emerged as the largest computer manufacturer in the country. A marketing company par excellence, it has shown a remarkable ability to predict and profit from fast-changing technological trends
EAPEN THOMAS

CORPORATE REPORTS

56 **DCM**
Accord or discord?
If somebody up there loves DCM, the heirs of the late Lala Shri Ram seem to be doing their best to mess things up
DILIP CHERIAN



65 **WIE**
In the UB fold
Why did A.S. Wardekar sell off his consistently profitable Rs.70 crore company to Vijay Mallya?
SHEKHAR GHOSH

70 **MYSORE CEMENTS**
Everything going for it
With its Rs.150 crore modernisation and expansion plan, Mysore Cements is all set for a good season
DURGESH SHAH

75 **MELTRON**
Growth is the buzz word
The fastest growing state electronics undertaking, Meltron is now eyeing high-tech areas and aims to become a total communications organisation
SHANKAR P.

79 **SPECIAL REPORT**
The Times of India
Anniversary time
The 150th anniversary of *The Times of India* marks the beginning of a new era for the paper. On one hand are a new breed of managers who have seized the day and for whom the past is of little use; their plans are made for a competitive future market. And on the other, is the old guard which views the future with much anxiety
ALOYSIUS FERNANDEZ

25 BUSINESS NOTES
Looming rifampicin shortage
Premier Padmini gets a new look
'Mutual aid' came to Bharat Petroleum's help
Washing machines are getting off the shelves
Electronic taxi meters
PVC prices go down

43 GUEST COLUMN
North South trade must be a two-way affair, says
MANMOHAN SINGH

100 MANAGEMENT
An unembarrassed look at mentors, by
NANDAN MALUSTE

104 MARKETING
Lijjat is leaping into the vast and wicked detergents industry
NAAZNEEN KARMALI

112 BANKING
If 'business per employee' is not an accurate indicator of productivity, what is?
SHIV TANEJA

129 **TECHNOLOGY**
Alexander Graham Bell would barely recognise the pushbutton telephone as a descendant of his invention
GAYATRI BHANDARKAR

131 LAW
India will not be brow-beaten into amending its Patent Act and acceding to the Paris Convention
ANOOP SAXENA

165 PROFESSIONAL PROFILE
Hoshang Billimoria of Tata Sons, S. Parmeshwar of Cynamid India, and Sailesh Haribhakti, president of the Bombay Management Association, are flying high in their professions.

175 JOBWATCH
The focus is on the marketing guys in most companies
ANITA RAMACHANDRAN

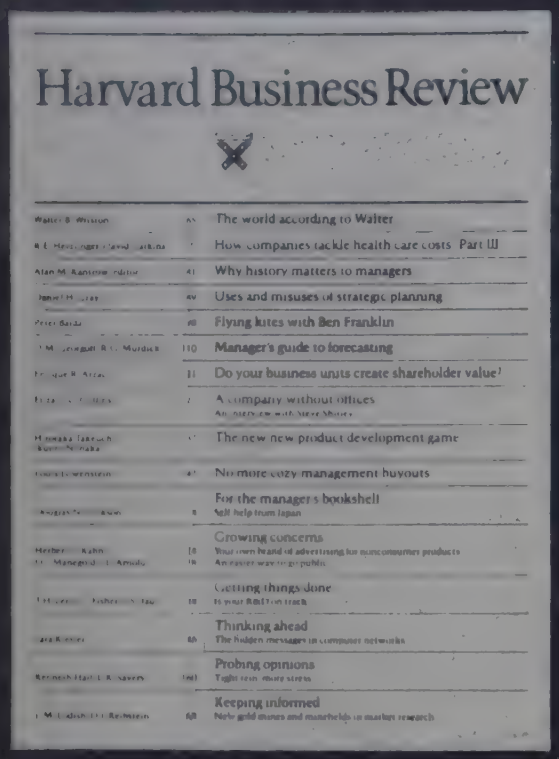
216, INTERVIEW
G.K. Suri, chairman of the National Productivity Council, believes that there must be a total change in attitudes to productivity
ANOOP SAXENA

112 Banking
17 Books
27 Businessmen in the News
25 Business Notes
97 Column
188 Corporate Monitor
56 Corporate Reports
46 Cover Feature
155 Debentures
160 Diary of a Merchant Banker
37 Economic Indices
39 Economic Outlook
92 Economy
127 Exports
88 Focus
8 For Your Information
43 Guest Column
135 International
216 Interview
156 Investor Contest
175 Jobwatch
131 Law
3 Letter from the Publisher
5 Letters to the Editor
12 Listening Post
119 Management
109 Marketing
148 Market News
145 New Issues
21 News and Events
169 People
165 Professional Profile
178 Reader Service
100 Taxation
129 Technology

LIBRARY & DOCUMENTATION UNIT
9 DEC 1988
C. F. T. R. I. MYSORE

Published and printed by
A.H. Advani
of BUSINESS INDIA
Wadia Building
17/19 Dalal Street, Bombay
400 001, at the Tata Press
Limited, Bombay 400 025
& Phototypeset by
Business India Photosetters

Subscribe To Excellence


Harvard Business Review

The world according to Walter
How companies tackle health care costs Part III
Why history matters to managers
Uses and misuses of strategic planning
Flying kites with Ben Franklin
Manager's guide to forecasting
Do your business units create shareholder value?
A company without offices
The new new product development game
No more cozy management buyouts
For the manager's bookshelf
Growing concerns
Getting things done
Thinking ahead
Probing opinions
Keeping informed

A magazine written for decision makers worldwide. Published by Harvard Business School.

50 Recent Articles from the Harvard Business Review...

Read them and consider: a single article—if it's the right article—could make all the difference in your business and your career!

CORPORATE STRATEGY

Get Leverage from Logistics
Line Staff Is Obsolete
Management in The 1980s
The Risky Business of Diversification
Task Teams for Rapid Growth
How to Acquire a Company
Management of Objectives

GENERAL MANAGEMENT

Patterns of Delegation
Making Sense of Management Theory
Power and the Ambitious Executive
The Effective Decision
Problems of a New Executive
How to Meet the Press
Thriving in a Recession

PRODUCTION & OPERATIONS

Simple Truths of Japanese Manufacturing
Every Factory Has a Life Cycle
Sweeping Changes in Distribution
Demand Better Results—And Get Them
Guides to Inventory Pricing
Productivity Management
What Happens When Our Oil and Gas Run Out?

FINANCE

New Balance Sheet for Managing Liquidity and Growth
The Folly of Stock Market Timing
Cashing in on the Checkless Society
The Psychology of Pricing
Using Your Hidden Cash Resources
Investment Policies That Pay Off
Using Credit for Profit Making

MARKETING & SALE

After the Sale Is Over...
Get More Out of Your Trade Shows
How to Segment Industrial Markets
Making Your Marketing Strategy Work
Squeezing the Waste Out of Advertising
Clues for Advertising Strategists
What Makes Advertising Effective?
Making the Major Sale

PLANNING & CONTROL

How to Get a Better Forecast
Making Cost Controls Work
Steps in Long Range Planning
Zero Base Budgeting
Sharpen Your Number Sense
Improve Your Profits Day by Day
Make Overhead Cuts That Last

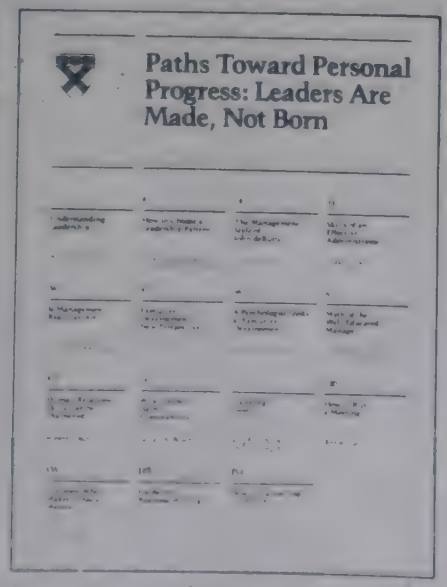
INTERNATIONAL

You're the Best Judge of Foreign Risks
Be Prepared for Political Changes Abroad
Doorstep for Free Trade
Succeeding in Saudi Arabia
Negotiating with 3rd World Governments
Critical Factors in Worldwide Purchasing
Managing the Risks of International Exchange

...And Receive A Free Gift!

PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN is yours free as soon as your subscription order is received!

Skills of an Effective Administrator
Is Management Really an Art?
Myth of the Well-Educated Manager
What Helps or Harms Promotability
Listening to People
How to Run a Meeting
Everyone Who Makes it Has a Mentor
For Better Business Writing
How to Stay on Top of The Job
A Psychologist Looks at Executive Development


Paths Toward Personal Progress: Leaders Are Made, Not Born

SUBSCRIPTION INVITATION

Send my free copy of PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN, start my 1-year subscription (6 issues) to Harvard Business Review and bill me for only Rs. 1,350/-

(Please add Rs. 15.00 for outstation cheques)

Harvard Business Review YES

NAME _____
POSITION _____
COMPANY _____
STREET _____
CITY _____ PIN _____

ADVANCED MANAGEMENT SERVICES
410, Jolly Bhavan No. 1
New Marine Lines, Bombay 400 020
Tel: 252998
Telex: 11 5132 HRVD IN

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Editor	Rusi Engineer
Deputy Editors	Dilip Cherian (Delhi) Mukarram Bhagat (Bombay)
Assistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Correspondents	Shankar P. (Bombay) K. G. Kumar (Trivandrum) N. Radhakrishnan (Bombay) Dilip Maitra (Bombay) Eapen Thomas (Bombay) Keya Sarkar (Bombay)
Staff Writers	Madhumita Bose (Calcutta) Dharani K. Pani (Madras)
Chief Sub-editors *Sub-editors*	F. S. Pinto, Gouri Dange, Tushar K. Das
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422 2024424
Advertising Manager	Roopina Cama 2041974 2253
Asst. Advt. Manager (Madras)	Vimal Shivdasani 474964
Sr. Advt. Executives *(Bombay)* *(Calcutta)* *(Hyderabad)*	 Ferzine Esmail 2041974/2253 P. L. Baluja 448455 Anju Wal
Advt. Executives *(Bombay)* *(Delhi)* *(Calcutta)* *(Madras)*	 Elizabeth Jason, Himanshu Chitnis 2041974 2253 Prabha Nair, Archana Pillai 350135 350253 Sutapa Bhattacharya 448455 Annapurna Vancheswaran 474964
Marketing Manager *Sales & Planning*	Pheroza Sutaria 2041974, 2253
Subscription Manager	Anita Mehta 274161
Regional Sales Representatives *(Bombay)* *(Delhi)* *(Madras)* *(Hyderabad)*	 S. Ravi N. Iyer 274161 Sumati Bedi 350135 350253 S. Kannan 474964 Anju Wal
Design	Trilokesh Mukherjee
Layout *Artists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House
Registered Office	Wadia Building, 17 19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 275388
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236 202 4422 202 4424 Telex: 11 3557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
Madras Office	Flat No 5-B-1 JP Tower 5th Floor 7 2 Nungambakkam High Road Madras 600 034. Tel: 474964
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

SUBSCRIPTION RATES

INDIA: ANNUAL SUBSCRIPTION Rs. 125

Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)

Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58, West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of ***Business India***

Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage

LETTER FROM THE PUBLISHER

HCL is India's largest computer company. Its success deserves a full round of applause. Started by a group of technocrats led by Shiv Nadar, in 13 years HCL has crossed the Rs.100 crore mark leaving the competition behind.

And what an achievement, considering that many of the competitors belonged to the giant business houses of Tatas, DCM, Sarabhai or giant multinationals. What are the reasons for HCL's success. Clearly Nadar and his team have a spirit of enterprise. But they also have understood the need to keep up in the rapidly changing world of computers and electronics — to absorb the changes, and then to turn the change to their advantage. And most important they have a vision of where they want to go.

In the US (and less so in Europe) such stories are not uncommon. In virtually every field of new technologies or new products or even services new companies establish themselves quickly, and then capture the market nationally as well as internationally. But in India such stories are indeed rare.

Broadly, there are two reasons for this. First, in the US, society recognises the role of technical innovation. Given the speed of change, and also obsolescence, it is widely recognised that unless one keep up and produces the most modern products, companies will be left behind. And if large sections of industries are left behind, soon the country will be left behind. Therefore, there is always a search for the new competitive winners.

World over, the computer industry is a high growth exciting industry. But what is often not fully understood by our sheltered industrialists is that in such a competitive hot house the chances of failure are much greater than success.

The second reason is a little more complex. It is of course well known that the US has well developed capital markets. But what is equally important, the US has tax and company legislation that permits new entrepreneurs to raise money honestly and then to retain again honestly significant sums. It is only now that the Europeans and Japanese are beginning to appreciate that in spite of developed capital markets, legal mechanisms and systems are required that allow creation of capital (and wealth!) in the hands of the new entrepreneurs. Yet, as is only too well known in India, the system is heavily weighted in favour of those who already have a great deal. And the tax structure is such that it is extremely difficult for any entrepreneur to accumulate any significant sums of money legally.

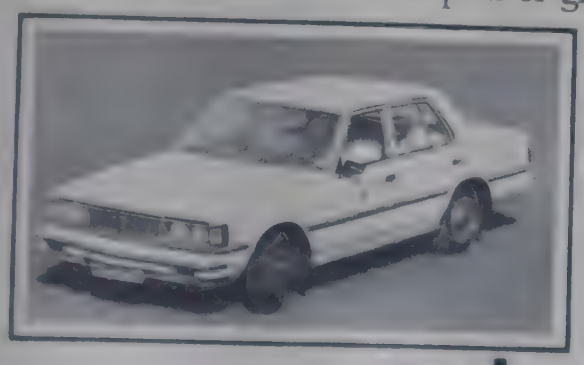
Finally, there is one point on which within the industry, there is most universal agreement. Whatever success electronics and computer companies have achieved, it is *inspite* of the Electronic Commission and the department of electronics. The real reason for setting up a separate commission and department, was to give special emphasis and treatment to the electronics and computer industry. But the department has consistently sought to justify its own existence and has created more problems and hurdles than it has solved. It is time we give up such special treatment for this industry.

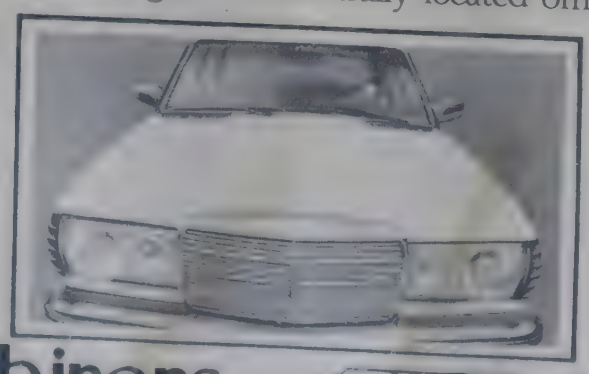
Ashok H. Advani

The world awaits your coming.
Make sure you arrive in style.

Hire a limo from Auto Hirers.

Bombay's widest fleet of luxuriously airconditioned limousines awaits your discovery at Auto Hirers.
From Mercedes to Datsuns to Toyotas to Chevrolets to Fords to Ambassadors.
Backed by an array of plush coaches, both airconditioned and non-airconditioned.
All, nobly complemented by an army of superbly trained chauffeurs, at your service day and night.
You can hire the cars on a daily, weekly, monthly or yearly basis.
Drop in or give us a ring at our centrally located office in Bombay.





auto hirers

The Sleek Fleet.

- **For details contact: Tel: 4927196, 4948203**
- 7, Commerce Centre, Tardeo, Bombay 400 034 Telex: 11-76231 AUTO IN Cable:SEDANHIRE
- NIPT Phase IIB (Arrival) (Air India Module) Sahar Airport Bombay 400 099
- Airport Tel 6320700 Extn. 233 234

Member

We accept DINERS and **Centralcard**

Let's face the truth

Read your cover feature on aviation safety (31 October) with great interest. Am glad that at least one magazine has investigated the matter.

You may be surprised to know that the airlines are recruiting aviation engineering staff from the general engineering stream (mechanical, electrical, electronics) rather than from the nine approved aviation institutes.

The inadequate experience of the general stream trainees results in risky operations and overburdens their supervisors and seniors. Besides the airlines' policy deprives aviation institute students, who undergo *ab initio* training for three years, of jobs which should go to them. AME students have no alternative openings because of the nature of their training. On the other hand, the general category students have vast job opportunities open to them. The question is, why is the government absorbing general stream students for posts actually meant for AME graduates.

AME apprentices are also deprived of their stipend when working with any airline in India. This violates the apprenticeship act.

Rakesh Bhatia
Ex-president, AME Students Association
Calcutta

• Liberty or licence?

This has reference to Jaswant Singh's article, 'Liberty' (31 October).

Without going into the merits of the arguments against the banning of Salman Rushdie's book, *Satanic Verses*, I want to ask a question. How does the author of the article justify his possession of a book which has been banned by the government?

Not only this, his proclamation of this fact in a widely read magazine like yours may incite others also to lay hands on this banned book. Is this morally and legally right?

S.R. Chowdhry
Jodhpur

• Air-India: ban free passes

I must congratulate Air-India's managing director, Rajan Jetley, for the measures introduced by him to effect economy in the undertaking. I particularly appreciate his bold decision to withdraw the facility of free first class passage and the chauffeurs attached to the managerial cadre. Also, residential accommodation for the staff posted overseas is being limited to 1,600 square feet.

When the airline is making huge losses year after year, it is the duty of every employee to wholeheartedly support Jetley's actions. But the staff members who are used to living in maharajah style have chosen a path of confrontation rather than co-operation. I would like to suggest to Jetley that he suspend the free travel facility for the entire staff until the national airline makes a profit. And even after it comes out of the red, the staff should only be given a concession of 50 per cent. Gradually, say by 1993, the concession should be only to the extent of 10 per cent of the fare and no more. Let the employees realise that there is no reason whatsoever for them to be entitled to more than this.

Talking of free passages, I would recommend to the railway ministry also to follow in the footsteps of Jetley and stop free passes for employees. It is no secret that free rail passes are misused and that an army of railway staff is engaged in the unproductive job of issuing such passes and keeping records. Thus, at a stroke the railways will save millions of rupees. Will the railway ministry muster enough courage to take the necessary action?

It is pertinent to note that the government has taken such bold steps in the past — when the privy purses were abolished.

G.R. Jhaver
Bombay

• Small investors' woes

Will someone speak on behalf of the small investor whose pleas for justice are being drowned amidst the din of the raging bull market? What is being done by the stock exchange authorities to ensure that the small investors get a fair deal from brokers and jobbers?

The brokerage is high — 1 to 2 per cent. Besides, orders are rarely executed at the prices one expects them to be — even when the price has been attained. Recently I placed a sell order at Rs.70. It was not executed even though the price touched Rs.75 and closed at Rs.67. The next day my sell order at 'best' was executed at Rs.59, about 15 per cent less than the original order.

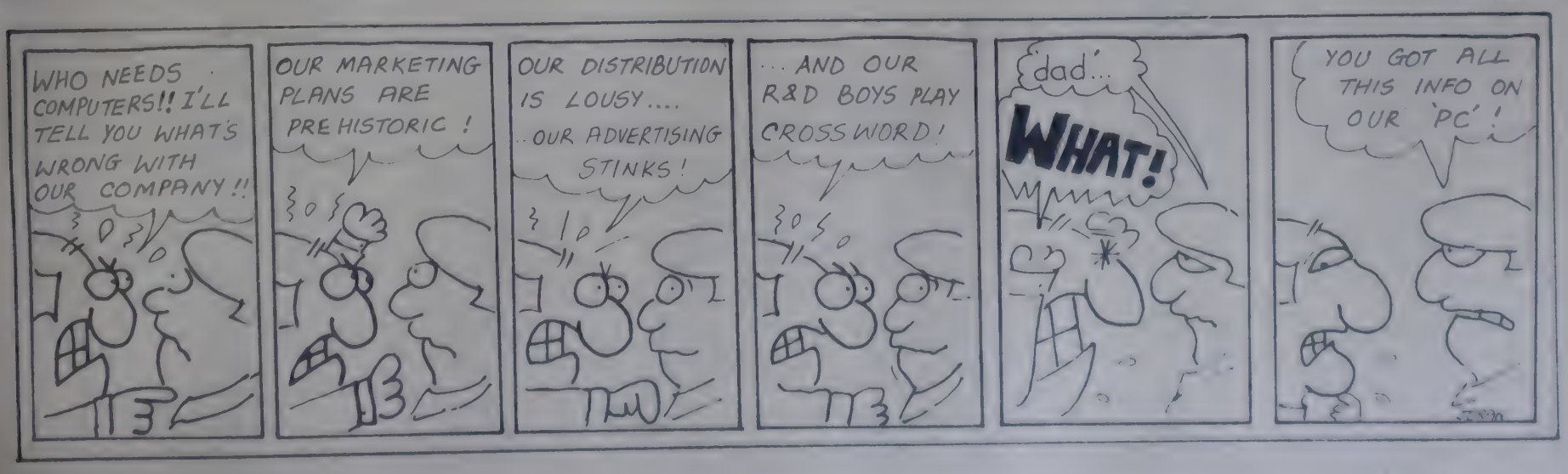
Also, the prices reported in the papers are often not correct — jobbers are able to manipulate them.

These are just some of the problems a small investor faces. The payment of monies, receipt of scrips, etc, present several others.

Don't you think that both brokers

LIKE FATHER, UNLIKE SON

by Joran


WHO NEEDS COMPUTERS!! I'LL TELL YOU WHAT'S WRONG WITH OUR COMPANY!!
OUR MARKETING PLANS ARE PRE HISTORIC !
OUR DISTRIBUTION IS LOUSY....
..OUR ADVERTISING STINKS!
... AND OUR R&D BOYS PLAY CROSS WORD!
dad...
WHAT!
YOU GOT ALL THIS INFO ON OUR 'PC'!

and jobbers should be held more accountable? So much can be done to make our share market more professional — yet so little has been done all these years.

Arvind Sethi
Bombay

• A highly elitist policy

Considering the fact that the new credit policy ('A whiff of liberalisation', 17 October) is going to have far-reaching consequences on the working of the entire banking and industrial sectors, a more in-depth analysis was expected.

It leaves several questions unanswered. Do most banks have the infrastructure to meet the new challenge? What will be the fate of smaller banks in the long run? How will the new and small borrowers cope with the changed policy?

I personally feel that the new credit policy is highly elitist. While the bigger banks and the blue-chip companies will reap the benefits of the policy, smaller banks and marginal borrowers will suffer in the emerging aggressive scenario.

Anupam Sircar
New Delhi

• Tall claims

This refers to your Professional Profile ('A love affair with rice', 30 October).

The statement in the article that "universities concentrate only on the development of high yielding varieties" is misleading and incorrect. Similarly IR-50 was not introduced by J. Farm but by different agricultural universities in India, through the international rice-testing programme of the IRRI, Philippines and ICAR. The varieties IR-8, IR-20, IR-36, IR-64, etc, also came from IRRI. Most of these varieties were popularised by the government of India (Directorate of Rice Development), through the National Minikit Demonstration Programme or the state level ART.

Nagarajan's statement that IR-50 is cultivated on a million hectares of land is wrong. The gross area under rice in Tamil Nadu is only 2.2 to 2.4 million hectares. This is the total area cultivated in all the seasons together, namely, Swarnawari/Kar/Kuruvai, Samba and Thaladi. IR-50 is normally grown during the Kuruvai season (May-August), since during the second crop season, it contracts the disease called blast which is highly devastating. Hence not even 100,000 hectares are covered by this variety. A similar claim by Nagarajan regarding the J-13 variety is also not correct. At least in Madurai district, which I had visited recently, the farmers have rejected this variety.

It is regrettable that at times people make tall claims, which go against the public interest.

K. Vellaichamy
Director (Rice Development)
Patna

• Urgent action essential

What is happening at Kamani Tubes Ltd (Corporate Report, 31 October) is being watched with immense interest by people all over the country and with great expectation by workers in similar sick units. When urgent action is the essence of the proposal any delay in the process of implementation can ground the scheme. The RBI's instructions to co-operative banks to withhold releases of funds to the workers at KTL is a thorn in the flesh for this revival programme.

For a scheme of this nature, why should the workers be made to pay 15 per cent interest for loans of Rs.10,000 for buying shares from Kamani family members. Why not make available 'venture capital' or 'seed money' free of interest to these workers? Secondly, why not extend to them a moratorium of at least three years for the repayment of the loan? These measures will lighten the burden on the workers, ease their anxiety, and enable them to address themselves wholeheartedly to the onerous task of reviving the unit.

M.K. Jos
Panaji

• Squeezed out by Piramal

I refer to your corporate report on the take-over of Universal Luggage by Blow Plast (31 October). The article states that the Piramals who own Blow Plast and VIP Industries have acquired a controlling interest in Universal Luggage Manufacturing Co Ltd set up by Jal Engineer.

What about the shareholders who have put their hard-earned money in Universal Luggage? They have been deprived of dividend for the second year in succession even though the company has earned a handsome net profit of Rs.2.25 crores.

In fact, the investors were assured a 20 per cent dividend when Universal Luggage went public in January 1987. The Company Law Board should look into the matter and not permit the Engineer family to sell their equity to the Piramals until they pay dividend to the shareholders who have been left high and dry.

R.G. Seshachalam
Bangalore

• How to retain high-fliers

This refers to the article on high-fliers (Job Watch, 19 September). Anita Ramachandran is right when she says that in the ultimate analysis, the system of identifying a high-flier must also be able to recognise his performance and reward him with the growth he deserves.

A really dynamic management should not worry about the loyalty of a high-flier if it has displayed the necessary courage to establish such a system and if such a system is not only fair but also seen and accepted as fair.

Having created such a system, only the performance of the high-flier and his contribution to the growth of the organisation would determine its success and to that extent the management must take a risk with a high-flier.

C.R. Karode
Thane

• Double standards

Recently, visas were refused to some British cricket players

It is a well known fact that the diamond cartel of De Beers is based in South Africa, with some subsidiaries elsewhere. However, all those who are associated with this South African cartel, either directly or indirectly through its subsidiaries, are being issued visas freely to come to India whenever they want.

Only last month an executive of De Beers was here with his colleagues; another team is scheduled to visit Bombay this month. Will anyone explain?

M.C. Shah
Bombay

Private Telecom Network- Make Distant Offices Seem Like The Cabin Next Door.

Tata Telecom has ushered in Digital Electronic PABX Systems that have revolutionised communication in commerce.

Digital Electronic PABX Systems with Stored Program Control.

Systems that can help you get in touch with the outside world by merely lifting a finger.

Networking For A Closer Business World.

Tata Telecom has set up Private Telecom Networks that link far-flung offices within an organisation with EPABX Systems that can now operate as a single, integrated network.

Systems that not only transmit voice but data and images as well.

Result: Instant and complete communication between wide-spread offices. Be they offices within the city as required by Tata Electric Companies. Or offices all over the country as required by State Bank of India.

Technology From Oki Of Japan.

Tata Telecom is working with technical assistance from Oki Electric of Japan.

Oki is a world leader in the field of telecommunication.

Oki's technology is state-of-the-art, which makes it relevant to today's needs – and to those of the future.

Rs. 12 Crore Worth Of Back-Up For Quality And Service.

Besides the hardware, Tata Telecom has built a comprehensive infrastructure for quality service to customers.

The company has invested Rs. 12 crore in this project, in sophisticated computerised test equipment – so that every component can be checked for 100% performance. And that diagnosis is immediate and rectification rapid.

The Tata Commitment.

Tata Telecom is here to stay – with an automated assembly and testing facilities at Gandhinagar, Gujarat.

Key personnel have been intensively trained in Japan.

Tata Telecom has done all this to meet the challenge of the future. To bring you EPABX Systems that will change your life. For the better.

For further information on

TATA TELECOM DIGITAL EPABX SYSTEMS

Contact

SALES OFFICES:

1209, Raheja Centre,
Nariman Point, Bombay 400 021.
Tel: 2873128, 2873129. Tlx: 011-5329.

Devika Tower, 2nd Floor,
6, Nehru Place, New Delhi 110 019.
Tel: 6434067. Tlx: 031-71407.

5E Park Plaza, 71, Park Street,
Calcutta 700 016.
Tel: 294978, 292055. Tlx: 021-7733.

1D-Apex Plaza,
No.3, Nungambakkam High Road,
Madras 600 034.
Tel: 476266. Tlx: 041-8171.

TATA
TELECOM

TECHNOLOGY FOR THE FUTURE WORLD.

Radical allowances

After considerable negotiations, the employees' union and the management of Herbertsons Ltd have arrived at a unique settlement. Employees will now be entitled to some innovative benefits and allowances.

- Hill station allowance: paid along with LTA irrespective of whether the journey was undertaken or not
- Holiday working allowance: awarded every time an employee has to work on a company designated holiday
- Honeymoon leave: seven days on full salary, allowed at the time of an employee's first legitimate marriage
- Abortion leave: allowed only twice for "female workmen"
- Paternity leave: allowed twice during workman's service, provided it is taken within 15 days of the child's birth and provided workman does not have more than two children

Sad reflection

A recent journey by the Howrah Mail opened my eyes to one of those irrationalities that religion and superstition have perpetuated.

Crossing over the Godavari, my co-passengers started throwing coins into the river as a token to appease whatever 'god' it is that resides in those murky waters. And all this when an urchin from one of the surrounding villages was sweeping the compartment with dried leaves to earn a little money. Needless to say, he got very little because most of the change had been offered to the river.

If one were to take into account the numerous 'holy' rivers in India, the numerous trains crossing them and the thousands of coins that go into the rivers as offerings every day, and tot up the total financial loss, it must run into several crores every year. Not only is this an enormous, senseless waste but also a poor reflection on our national attitudes.

Let's stop this waste.

SPS

Mukti knee joint

Mukti, a Madras-based socia organisation which provides artificial limbs to arm and leg amputees, has developed an artificial knee joint called the Mukti Joint to facilitate easy movement of legs for above-the-knee amputees. The joint will enable the handicapped to sit and do their work like any one else. The Mukti Joint works on a spring action and is being provided free of cost to the poor and at a negligible cost to the well-to-do.

V. GOVINDARAJAN, *Madras*

Courting a tangle

At Sorab, about 80 km from Shimoga in Karnataka, the taluk's litigant public had to travel all the way to Sagar for any court matter. The high court decided that the establishment of a munsif and magistrate court would end the inconvenience. Until a building was built for the purpose, the district court took possession of a hostel maintained by a trust for the purpose of trials, etc. However, a suit has been filed by some persons challenging the handing over of the hostel to a court. The grounds? The donors had willed that the building be used as a hostel and none other.

A court may come into being by winning a suit against itself.

ARUN BHATIA, *Bangalore*

Cluttering up the heavens

The heavens are facing a population explosion of a different kind.

According to the report of the Astronautical Congress held in Bangalore recently, the number of manmade satellites is growing every year. As on 10 February this year, there were 379 objects in geosynchronous orbit alone. Of them, 240 were spacecraft and 89 were rockets. Of these, 91 objects belong to the US, 64 to the Soviet Union and the rest to 16 other countries and Intelsat.

VIVEKANAND V. KADAM, *Bangalore*

Zap the birds

Japan's second largest airline — All Nippon Airways (ANA) — claims to have reduced bird hits by 20 per cent over the last three years.

ANA attributes this to the huge eyeballs painted on the aircraft's engines. These "eyes" trigger a reflex action in the birds, which makes them veer away from approaching aircraft.

Maybe this is something our civil aviation and air force authorities can look into and implement.

ASHOK V. KARNIK, *Pune*

Converting plastic into crude oil

The Germans have been at it again — this time, they have gone and converted discarded plastic into crude oil, the organic material it was once. Researchers at Union Kraftstoff, a West German chemical firm, have developed a process whereby plastic and other wastes are treated under high temperature and pressure. Plastic molecules are broken down to form a product superior to crude oil and one that can be used as gasoline or heating oil.

In India, a lot of discarded plastic is recycled and re-used in the making of products like shoes, tubs, mugs and pegs. Though the Indian government encourages recycling, it must be noted that the quality of recycled material gets progressively poor. With the West German breakthrough, the discarded plastic can be put to more profitable and efficient use.

N.S. KUKREJA, *Kota*

Guaranteed imperfect!

The world of fashion functions by its own rules. Each new fold or wrap brings its own twist into the scheme of things. No one and nothing remains untouched by the vagaries of fashion it would seem — not even law. Take for instance this label which comes with every pair of stone washed designer Vidam Sassoon jeans.

Now that covering one's backside — at least in the eyes of the law.

ABHAYA BHARGAVA, *Bombay*

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs.50 paid for each published contribution.

Rules are forever

Rules and conventions are usually adopted because they serve a purpose. Government departments, however, carry their observance to ridiculous lengths. A case in point is the special status given to SC/ST candidates for government jobs.

An ad placed by a public sector company, "Hooghly Dock and Port Engineers Ltd", in the *Indian Express* of 23 July 1988 invites applications for the post of general manager (finance). The post carries a salary of Rs.6,100 a month and candidates are required to have 15 years of post-qualification experience. As usual, general applicants are required to attach a postal order for Rs.20. Candidates belonging to SC/ST are exempted.

Is it that the government believes that SC/ST candidates who have risen to the rank of deputy general manager cannot afford to pay Rs.20?

UPPULURI KRISHNAMURTHY, *East Godavari*

Still going cheap

If the United Bank of Switzerland (UBS) figures are correct, Bombay is still one of the cheapest cities to live in the world — at least by European standards. Based on a group of 108 goods and services — excluding rent — utilised by an average European family of three, the study finds that Tokyo costs 50 per cent more than European cities like Stockholm and Geneva. Compared with London and New York, Tokyo is 100 per cent more expensive to live in. Against Bombay, it is 269 per cent dearer! Shonali, a teenage tourist from Bombay in Tokyo, found that all she could afford to buy there was a spectacle case!

ST, Bombay

Know your telephones

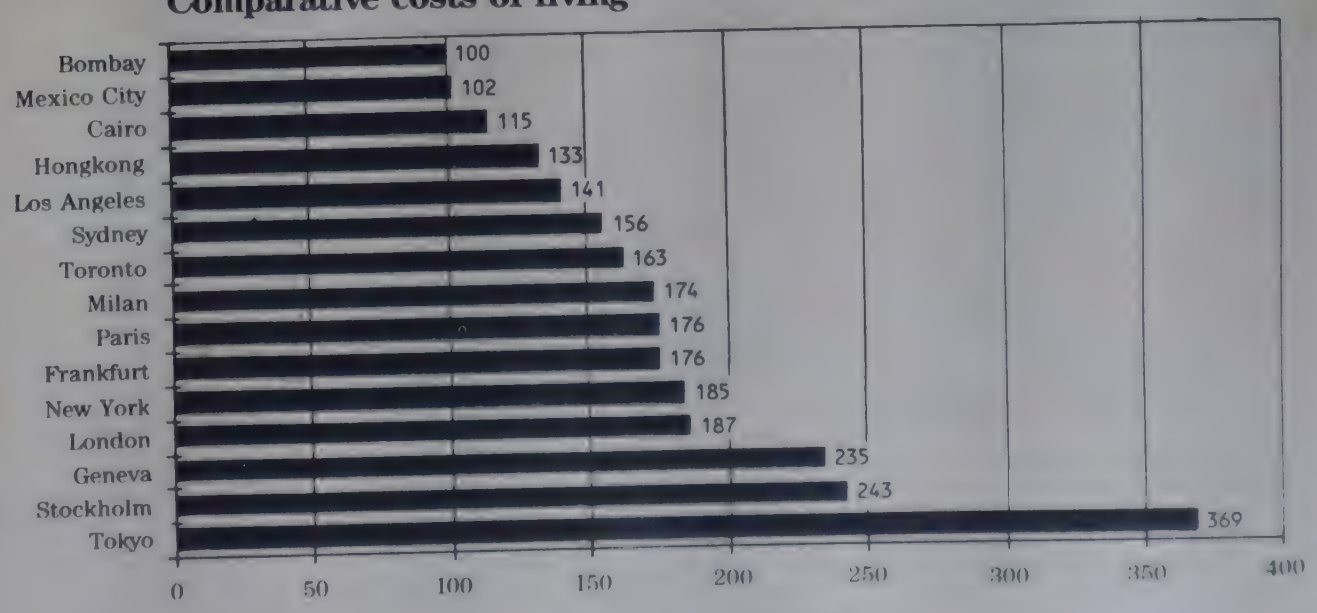
- If you are on the waiting list for a telephone connection you have the right to inspect the waiting list records.
- If your phone bill is more than twice the previous bill and you think you have been charged excessively you need pay only the average of the previous three bills immediately. The balance will await departmental investigation.
- Under Rule 421 of the Indian Telegraph Rules, seven days' notice with reasons in writing has to be given before your telephone is disconnected.
- There is no reconnection charge if the outstanding amount is paid within ten days of disconnection.
- According to norms laid down by the department, a telephone should be repaired within a specific number of hours, eg, seven hours in Bombay. This is, however, a norm, not a mandatory provision. You can point this out if your telephone remains dead for long periods.
- The department officers cannot refuse to see subscribers who want to meet them. They have instructions to receive visitors at a specified time every day.
- The general manager or district manager of the Telephone Department is required to make the rules available to subscribers.
- The complaint booking number, 198, has to be picked up by the person in charge within three rings.
- Normally an ordinary trunk call has to materialise within two hours, an urgent call within one hour, and a lightning call within 15 minutes.
- Telephone rules provide that the department has to check every telephone every six months to keep the instrument in order. This is a mandatory provision.
- During the financial year April 1987 to March 1988, 179,464 complaints were made in the country. Of these, 165,000 were disposed of.
- The Department did not find a justification for rebate in 131,901 cases while a total of Rs.7.15 crores was refunded in 33,799 cases.
- Bombay topped the list with 24,763 complaints though a rebate was given only in 741 cases, involving Rs.49.3 lakhs. Delhi followed with 21,336 complaints but 4,954 subscribers got a refund of Rs.2.07 crores.
- The union minister for communications granted 824 and the minister of state for communication 112 out-of-turn phone connections since their assumption of office. All this at a time when there is a waiting list of about 1.2 million. This means there is approximately one waitlisted person for every three people who have a connection.
- As per MTNL's Tatkal (instant) scheme, according to the Department of Telecommunications, the monetary loss to the government due to these out-of-turn allocations is about Rs.3 crores.
- To clear any confusion regarding the rental to be paid under the Own Your Telephone (OYT) scheme, the following information will be useful.

OYT

Amount	Bi-monthly rebate in rental	Bi-monthly rental
Rs.3,000	Rs.24	Rs.176
Rs.5,000	Rs.40	Rs.160
Rs.8,000	Rs.64	Rs.136

This applies for 20 years, after which the normal rental in the case of general category applies.

Comparative costs of living



Index: Bombay = *100, based on exchange rates as on 31 March 1988*

What do you mean, "I didn't get the circular"?

Should lazy circulars hold up vital decisions?

If your answer is 'No', call Team Xerox

Very often, a circular doesn't circulate. It settles on some desk and quietly gathers dust.

Many managers don't get to see it. And because they're uninformed, they can't contribute when it comes to arriving at decisions. Or they can't take action when they are supposed to. Delayed information, or the lack of it, results in the kind of decision that could spell disaster.

Moreover, circulars get delayed. Not only in travelling from one desk to another, but also at the preparation stage where they are often tied up by their traditional ally, the cyclostyling machine. Which necessitates the retyping of an existing original onto a stencil. This takes more time than you might expect.

And every time anything is retyped, chances of mistakes increase. Then, copies have to be run off... a further waste of time, besides being messy.

Speedy communication is essential for your organisation to function efficiently. And that's where a Modi Xerox photocopier comes in. Original circulars need not circulate.

With a Modi Xerox copier, information can be rapidly reproduced and speedily communicated to those who need it, when they need it.

Managers can get all the data they require, well in time for considered decisions. And people who need to contribute, can.

All this rapidly starts adding up. You function more efficiently which does your organisation's image and results a world of good.

So call Team Xerox. From manufacturing to after-sales support we provide cost-effective solutions to communication problems.

You'll break the vicious circle caused by lazy circulars and time-consuming stencils.

Fill in the coupon and post it today to :

Modi Xerox Limited
Marketing Division
33 Community Centre
New Friends Colony
New Delhi-110 065

Yes. I want to know how Team Xerox can improve the efficiency of my office

Name _____

Designation _____

Company _____

Address _____

_____

Call Team Xerox today!

OBM/165/2

Modi Xerox

Setting the standards for others to copy!

Xerox is a registered trademark of Rank Xerox Limited, U.K., and Xerox Corporation, U.S.A.

Who will breast the tape first?

Three companies — Essar, McDowell and Gujarat Ambuja Cement (GAC) — have filed applications to set up downstream petrochemical units in Maharashtra, Andhra Pradesh and Gujarat respectively. The applications are reported to be pending with the cabinet committee for project approval — the final hurdle before a decision, one way or the other, is taken.

The committee comprises the union ministers for finance, industries and commerce and the cabinet secretary. In practice, however, the decisions come from the prime minister's secretariat. If GAC's Rs.200-crore styrene and polystyrene project application steals a march over the others — and current indications are that it will — then it will prove once again how important it is to have your man in Delhi.

Letting it be

Vijay Mallya seems to be more active overseas than he was while a resident Indian in recent years.

After clinching a deal to buy out 21 per cent of the equity of the Pune-based WIE Ltd, a civil construction and erection company, Mallya is reported to have shown an interest in acquiring Alfa-Laval India, known for the range of dairy machinery that it manufactures. It is said that after acquiring 3 to 5 per cent of the company's equity in the stockmarket, he made a bid to negotiate with Alfa-Laval's parent company in Sweden for transfer of the latter's 40 per cent equity in the Indian company. But Mallya's overtures have not been entertained, it is reported. The Swedish multinational prefers to let things be at its Indian associate.

One's good, four's better

Macneill & Magor Ltd (sales: Rs.88.33 crores for the year ended June 1987), a Calcutta-based company headed by B.M. Khaitan, is now in the process of splitting up. Each of the four engineering divisions of the company is being converted into a separate company while the tea and mining divisions are being left untouched for the time being.

Kilburn Reprographics, having units in Calcutta, Bombay and Ghaziabad, was the first engineering division to become a separate company at the end of 1987. Soon Kilburn Engineering in Bombay will follow and then the electrical division (Calcutta and Madras) and the materials handling equipment division. (Calcutta).

The main aim of this exercise, according to company sources, is to come out of the MRTP net which is stalling the company's expansion and growth. Also, the idea of having a centralised management at Calcutta for the units scattered all over the country, had not been working well. But shrewd market observers want to compare the performance of the engineering units with that of the tea units before making any judgement.

The BIFR means business

The reputation of the two-year-old Board for Industrial and Financial Reconstruction (BIFR) is growing with every case that comes up before it for hearing. At a recent hearing to decide a revival package for the "sick-beyond-redemption" Gogte Textiles, Belgaum (accumulated losses: Rs.10 crores as on 30 June 1987) the BIFR is reported to have vetoed any fresh assistance to this company.

According to reports, at the hearing, the company representative repeatedly tried to make the company's bankers, State Bank of Mysore (SBM), the scapegoat accusing it of delaying cash credit. Strangely enough, the Industrial Development Bank of India argued that the company was justified in its demand for further assistance. However, SBM and the Industrial Finance Corporation of India (with the largest exposure in Gogte Textiles) did not think so.

The BIFR is believed to have stuck to its norms and has asked the promoters (chairman B.N. Gogte, SICOM and others) to bring in 20 per cent fresh capital. The concerned banks and institutions have been asked to submit a revival package by January 1989. Obviously the BIFR means business.

An IAS victory?

B. Ratnakar, the former banker who matched the State Bank of India step for step when he was chairman of Canara Bank, may not occupy the coveted position of joint chairman of the Minerals & Metals Trading Corporation and the State Trading Corporation. According to the Delhi grapevine the government has cleared the name of another individual (which it has kept a closely guarded secret) believed to be from the IAS cadre. If that is the case, it is one more victory for the bureaucrats.

B. Ratnakar: lost out

Cement cartel broken

The cartel of cement manufacturers, which has been operating since the monsoon this year broke up last week. ACC, the largest producer of cement and also the most active promoter of the cartel, was the culprit.

Last week, it offloaded 30,000 tonnes in the Bombay market (total demand: 100,000 tonnes a month). The cement was brought from Andhra Pradesh where the demand is poor. ACC priced its cement at Rs.62 a bag and thus brought down the average price in the Bombay market to Rs.64 from Rs.70 a bag the week before. So, is the cartel finished? Some believe that despite ACC's action, the cartel will hold on. Others feel that other manufacturers will be tempted to initiate ACC's cartel-breaking action when in trouble.

WHEN BUSINESS BRINGS YOU TO **PUNE** CHECK IN TO A DISTINGUISHED WORLD OF EXECUTIVE LIFE-STYLE

A 5-STAR EXPERIENCE AWAITS YOU... WHENEVER YOU'RE IN PUNE FOR BUSINESS OR PLEASURE!

Hotel Executive Ashok. The ultimate in 5-star comfort, luxury, charm... and hospitality. Whatever your purpose of visit.

You stay in well-appointed Executive, Deluxe Rooms... or if you wish Executive Suite.

For your palate, pick of Indian, Chinese, Continental fare.

Reflect over tasty tid bits at the coffee shop, and celebrate at the well-stocked bar.

Unwind with a dip in the swimming pool,await of the sports facilities.

For business, there's a spacious conference hall, the availability of secretarial, telex and fax services.

Remember, next time you're in Pune, come to Executive Ashok.

And take back pleasant memories!

The Ashok Group

Hotel Executive Ashok

5 University Road, Near Rahul Cinema,
Shivaji Nagar, Pune 411 005.
Tel: 57391/2/3/4, 50463/4/5/6.

For Reservation:

Bombay – 908, Dalamal Tower, Nariman Point, Bombay 400 021 Tel: 2872552/231571.
ITDC – Bombay. Tel: 2026022/2023343
Bangalore – 71781/73894. Calcutta – 435264/435208.
Madras – 473778/472186. New Delhi – 600121/600412. Or any of the ITDC Hotels

17.5 per cent hike in aluminium price

In spite of a 17.5 per cent hike, the domestic price of aluminium continues to be lower than the international price which is Rs.36,000 per tonne on the spot market. The ex-factory average selling price of aluminium has gone up from Rs.25,309 to Rs.29,749 a tonne with effect from 17 November 1988.

The increase is primarily due to the escalation in power tariffs, expenditure on modernisation and technological upgradation, and improvement in the quality of the metal.

While aluminium producers have welcomed the price hike, they consider it inadequate to meet the cost escalation in the industry.

Canadian aid for Rajmahal coal mines

The union cabinet has approved the expansion of the Rajmahal opencast coal mines in Bihar at a cost of Rs.550 crores. The project is to be undertaken with Canadian assistance. The Canadians will meet almost 85 per cent of the foreign exchange required — $120 million at a conservative estimate. A large portion of this is to come from the Canadian Export Corporation.

After the expansion, the output of coal will increase from around five million tonnes a year to approximately 10.5 million tonnes. The project is linked with the National Thermal Power Corporation's Farakka thermal plant. It is estimated that the project will be completed within 66 months after work begins on it.

Almost 10 per cent of the expansion cost has been allocated for environmental work — reclamation of land, planting of trees and allied activities.

Grain output may exceed 170 million tonnes

While inaugurating NAFED House (the new official headquarters of the National Agricultural Marketing Federation Ltd) Bhajan Lal, the union minister for agriculture, announced that foodgrain production during 1988-89 may exceed 170 million tonnes.

While advising farmers not to resort to distress sales, he promised them that the government would procure all items for which procurement prices had been announced.

Autonomous body for FTZs mooted

One of the first major recommendations of a committee set up by the India-USSR Chamber of Commerce and Industry is that a unified, autonomous and plenipotentiary authority be formed to manage all free trade zones (FTZs) in the country.

The committee headed by Vivek Singhal, the chamber's vice president, was constituted to analyse the slow growth in exports from the zones, particularly to the Soviet Union.

According to the committee, some of the units in the FTZs, particularly those in Kandla have been misusing the import facility granted to them by re-exporting imported items without any further processing. The units have been repacking imported products and export them at prices 20 to 30 per cent higher. They have therefore neither created any additional employment nor raised technical skills or the level of indigenisation of products.

Revenue collection short of target

The central revenue collection till October in the current fiscal year fell short of the pro rata budget estimates by 5.57 per cent, according to a status report on revenue realisation from direct and indirect taxes.

The report prepared by the revenue department of the union ministry of finance says that the collection during the period was Rs.21,302 crores while the estimated revenue was Rs.22,558 crores. However the receipts represented a 12.6 per cent increase over the Rs.18,905 crores of the corresponding period last year.

The combined realisation of customs and central excise fell short of the sanctioned budget estimates by 3.43 per cent. In absolute terms the shortfall was Rs.1,152.85 crores. The central excise collection was 3.91 per cent short of the sanctioned budget estimate. In absolute terms, the shortfall was Rs.906.28 crores.

Taking 1984-85 as the base year, the report showed that the central excise collection grew by 16.48 per cent in 1985-86, 15.87 per cent in 1986-87, 8.98 per cent in 1987-88 and 10.18 per cent in the current year.

Rajmahal mines: coal output to double

Plastics exports to get a boost

The plastics and linoleums export promotion council (Plexconcil) has identified idle plastics processing capacity to the tune of 1.29 lakh tonnes which if diverted to exports could fetch Rs.400 crores in foreign exchange.

India's traditional plastics exports have been confined to items like bangles, spectacle frames, imitation jewellery and

usehold articles like buckets d mugs. Exports have never en above Rs.70 crores and re than half of this trade is in pees.

In recent times, considerable reign exchange has been in-sted in the processing sector. uch of this is in non-tradi-onal products like LDPE agri-ltural films, woven sacks, jection moulded products, ulti-layer films and the like. uring the last five years, 14 ultilayer film plants have ome up each costing Rs.1 crore Rs.3 crores. After the US, it is dia which has the largest nu-ber of such plants. Their ca-pacity utilisation, however, is ess than 10 per cent.

To help the industry find an export market for these uncon-ventional plastics, IPCL, the premier polymer manufacturer n the country has set up an export cell.

Rs.45,000 crores for railways during Eighth Plan

The railways are expected to get 7 per cent of the projected Eighth Plan outlay of Rs.650,000 crores. The transport sector as a whole is expected to get 14 per cent of the total plan outlay.

Working on the preliminary projection made by the Planning Commission, the railways have drawn up a Rs.45,000-crore Eighth Plan outlay at 1988-89 prices.

Of the Rs.45,000 crores, it is estimated that Rs.15,000 crores will be spent on the rehabilitation of assets including rolling stock, track renewals, signalling and electricals. Rs.15,000 crores will be set aside for the completion of the ongoing projects and adding certain capacities to meet the Eighth Plan growth rate of 6 per cent. The balance of Rs.15,000 crores will be utilised for supporting inputs mainly the rolling stock.

Financial experts describe the Rs.45,000-crore investment as "need based requirement". In the Sixth Plan the railways were allocated Rs.6,700 crores. However, the outlay was stepped up two-and-a-half times to Rs.16,700 crores in the Seventh Plan.

The railways will finance project investments to the extent of 55 per cent through generation of internal resource. A productivity increase of 12 per cent is envisaged over and above the 25 per cent increase likely to be achieved during the Seventh Plan.

ONGC to sign $ 125-million loan pact

The Oil and Natural Gas Commission (ONGC) is about to sign an agreement with Credit Suisse First Boston Ltd for a Eurodollar loan worth $ 125 million. ONGC is expecting to receive the entire loan amount in December. The money is to be used to meet the foreign exchange requirements of its expanding operation within the country and abroad.

ONGC has also tapped other international capital markets for raising foreign commercial loans. A Eurodollar loan of $ 300 million had been signed with 37 international banks including 17 lead managers from different countries in February this year.

Rs.5,300-crore Soviet aid pledged

India and the Soviet Union have signed six agreements. Four of these provide for co-operation in the areas of space, nuclear and thermal power. One deals with cultural, scientific and educational exchanges between the two countries. The sixth agreement proposes to avoid double taxation of income. Under the agreements, the Soviet Union will provide concessional assistance of 3.2 billion roubles (about Rs.5,300 crores).

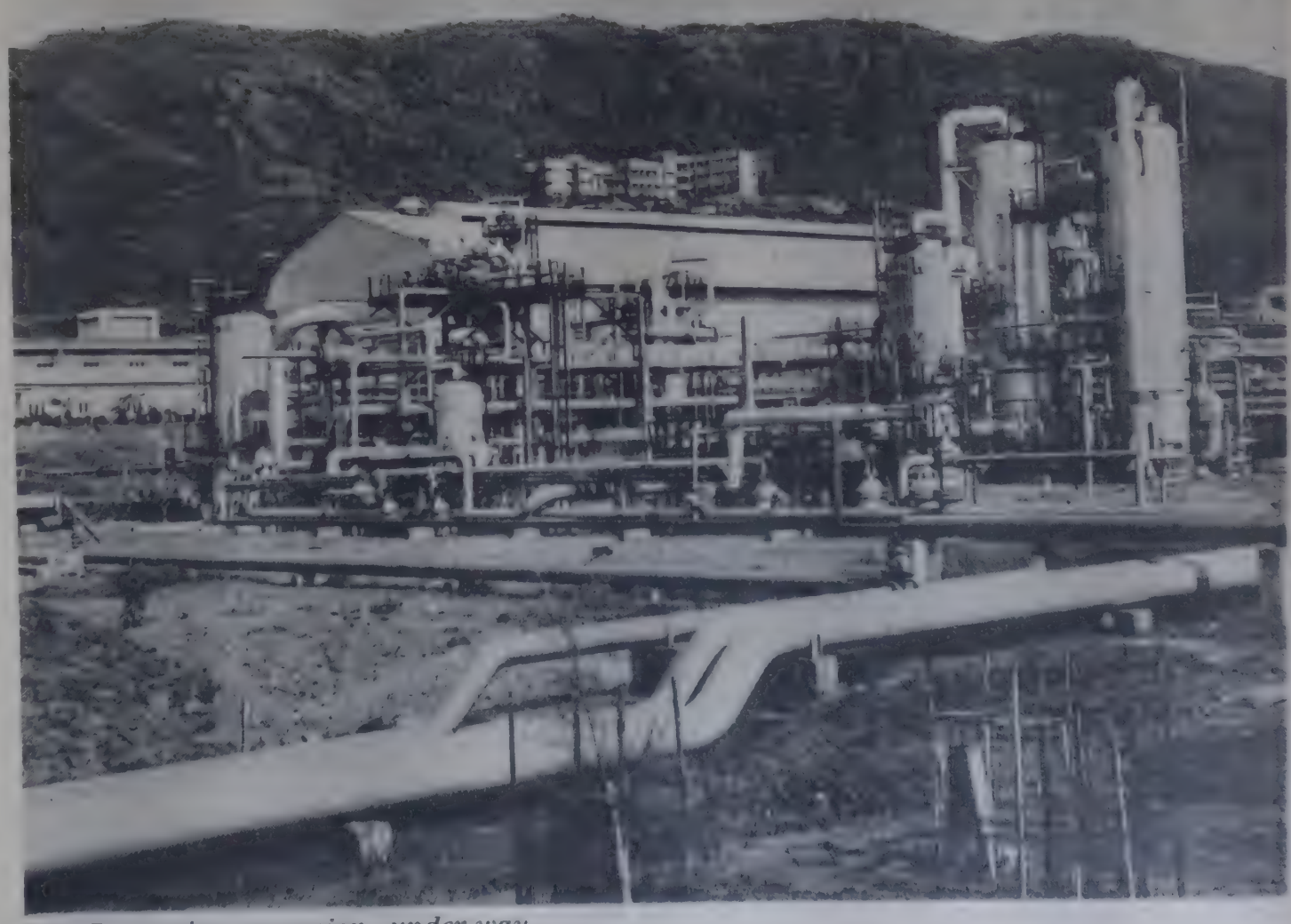
The mega Soviet credit covers six power projects with a total capacity of 6,000 MW. This includes a nuclear power station in the south (with two reactors of 1,000 MW each).

The USSR will provide concessional credit for the nuclear power station. It will supply enriched uranium fuel for the entire operational life of the nuclear power station. The nuclear power station, when completed will supply much needed electricity to the states in the southern region. This will be in addition to the country's indigenous programme of setting up 10,000 MW of nuclear power capacity.

CMC gets ordnance project

The Ordnance Factory Board (OFB) has dropped the idea of buying five mainframe computers for production planning in ordnance factories. Instead, it plans to buy minicomputers for each of the 35 factories. CMC Ltd has been entrusted with the entire computerisation project.

The OFB decision follows a long battle between the public sector Electronic Corporation of India (ECIL) and the private sector International Computers Indian Manufacture (ICIM). OFB had recommended purchase of the mainframes from



ONGC: massive expansion under way

ICIM last year. However, ECIL lobbied for the contract and the Department of Electronics (DoE) recommended to the defence ministry that it would be better not to involve private sector firms in the computerisation as it might endanger security.

OFB then asked CMC to take over maintenance and support of the mainframes. After a study of the project CMC recommended that separate minicomputers would be preferable to mainframes for the job.

NGE strike called off in Bihar

After six hours of discussions with the chief minister, Bhagwat Jha Azad, the non-gazetted employees of Bihar called off their 75-day-old strike. The 800,000 NGEs had almost paralysed the state government with their strike demanding wage parity with central government employees.

The payments as per central scales will commence from March 1989 and not with retrospective effect from January 1986 as demanded.

Damage repair equipment

Unipro Transport Equipment, a division of the Madras-based Union Motors Services Pvt Ltd, one of the oldest automobile dealership companies in Southern India, has introduced the 'Dataliner 800 repair equipment' to rectify accident damages. The measuring and aligning system is designed and manufactured by the company's principal, Nicator AB, Sweden. Run on a laser measuring system, it is suitable for all types of cars, Indian and imported. The equipment is capable of achieving 100 per cent accuracy of chassis alignment.

The damage rectifier

GSFC: developing bioweapons against pests

Bio-insecticides from GSFC

Scientists at the joint sector Gujarat State Fertilisers Company (GSFC) have isolated strains of bacteria which can eliminate certain pests. Strains of a bacteria called bacillus thuringiensis (BT) can control the population of about 500 insect pests. BT has been found to be effective against a wide variety of crop diseases including those affecting cotton, tobacco, sugarcane, vegetables, groundnut, pulses and other oilseeds. Biopesticides are developed using genetic engineering techniques.

Qantas flights

Qantas has introduced a twice-weekly service to Bombay in order to increase the traffic capacity between Australia and India. Qantas intends to aggressively market the Indian sub-continent to Australian holiday-makers.

The new Boeing 767 flights depart from Australia on Thursdays and Saturdays and reach Bombay via Singapore. The Thursday flight departs from Sydney and Adelaide and the Saturday flight from Townsville and Darwin; flights from Bombay to Australia depart on Friday and Sunday.

State Bank of Indore is top performer

An analysis of the performance in 1987 of all the 28 public sector banks has revealed that the State Bank of Indore (291 offices) recorded the highest growth in deposits — its deposit growth at 42 per cent was far above the average growth of 15 per cent of all the banks. In advances too, it achieved t highest growth of 28 per ce which was twice the avera growth recorded by all t banks. The analysis furth shows that per employee bus ness of the bank also record the highest growth of 36.56 p cent in 1987 against an averag of 12.62 per cent for all the pu lic sector banks.

The profit performance of th bank was also very laudable whereas the net profit of all th banks increased by 36 per cen in 1987, that of State Bank o Indore increased by 104 pe cent.

GE wins judgement in Bombay

The Bombay High Court has upheld an $ 13 million arbitration award in favour of General Electric Co against Renusagar Power Co Ltd, a wholly-owned subsidiary of Hindustan Aluminium Corporation Ltd (Hindalco).

The dispute involved a 1964 agreement between GE and Renusagar, in which GE sold power generation equipment to Renusagar on deferred credit terms. GE claimed that Renusagar was paying only 27 per cent of its interest payments to the company. Renusagar claimed that it was required to hold the remaining 73 per cent in reserve for Indian taxes, although the disputed money was never paid to the Indian government.

MAA's success

MAA Communication notched up a significant success recently, when it scored over agencies like Mudra, Trikaya and Speer to win the Asea-HBB merger communication account. Considering that it is the first merger of this magnitude in India and the diversity of the target audience, it may well prove to be a major communication challenge.

Agency sources attribute MAA's success to the fact that it is the only agency offering total communication capabilities in

Ever since Vedic times, colour has held a very special place in India.

Scholars and sages studied the psychological and physiological effects of colour on human life. Recent scientific findings indicate a closeness in thought to the colour symbolism studies of the great rishis.

Blue.

Look around you for blue.
You'll see it sparkling.
You'll see it stormy.
You'll see it peaceful.
You'll see in it the cosmos.
And you'll sometimes see it sad and melancholic.
Dark-blue for meditation.
Calm.

Blue is tranquility.
Contentment.
The Vedas speak of blue representing creation and spirituality.
But simultaneously muddy shades are greed and covetousness.
And so undoubtedly, the changing moods of blue make it the most mystic of all colours.

Colour-Chem **Where chemistry takes many hues.**

Colour-Chem Limited, 194, Churchgate Reclamation, Bombay-400 020.

CCL 1514

THE PCL SERVIC

48 OFFICE

In a country as vast as ours, can a service oriented company be true to itself and its customers if it controls its operations from just a few offices or through a network of dealers and retailers?

At PCL, we believe not.

That's why our own network is so widespread. And manned by 800 experts to effectively service and support each of our clients locally.

Whether they are large national companies with branches all over the country, medium-sized organisations planning to spread their wings, or small units in anv small town!

Networking the PCL Service Plus

Yes, the PCL service offices, do in fact, work like a perfectly synchronised configuration. Offering manifold advantages to you, our customer.

You can start by centralising your decision to computerise all your offices, without any worries about the quality of the service and maintenance facilities your small town branches will receive.

Then, since you will be installing similar systems all over, you can hold collective training programmes for all your teams at a central location.

Another time and expense saving advantage of acquiring similar or compatible systems from a company like PCL is on the software front – you don't need to buy different software packages for each system, o make a large investment while converting or modifying these packages

And, we're sure you'll agree that uniform upgradation (made on the basic system by the manufacturer himself) also leads to greater system compatibility and reliability.

everest/d88/PCL/259

Pertech Computers

CONFIGURATION

NATIONWIDE

Now, for a look at the day-to-day benefits of being serviced by PCL:

Our service personnel are absolutely tuned up to meet your every need.

To ensure that their service is prompt, each of our offices is equipped with a special communication channel that swiftly puts you in touch with our engineers. And, they are guaranteed to see you in less than two hours! So, whether it is new consumables you want, or a service or repair that your system needs, remember, PCL service is just a phone call away from you!

The proof is in the performance

Yes, PCL's exemplary service and support, and revolutionary hardware range have come together to establish a virtually unbelievable track record. The fastest growth rate with 3000 installations in just a year. A record uptime of 99.8%. And a repeat order track of almost 70%!

That's the kind of performance that few can hope to match, leave alone beat!

PCL

India's fastest growing computer company.

Corporate Office: E-46/10, Okhla Phase-II, New Delhi-110 020. Tel:6837379, 6841860, 6841864, 6846472. Tlx:031-75163 PCL IN

APRIL. AND IT'S SNOWING! WHY DOES THE FREAK WEATHER ALWAYS ARRIVE WHEN I DO? AT LEAST THERE'S A WARM FRONT APPROACHING — SINGAPORE AIRLINES BUSINESS CLASS. ALL THE WAY HOME.

...as of advertising, issue ...t, public relations, direct ...ting, video production ...ducational software.

...L registers ...er cent growth

...tate-owned Bharat Heavy ...ricals Limited (BHEL) has ...to the government of India ...idend of Rs.24.5 crores for ...ear 1987-88. The dividend ...ue was presented to J. Ven... Rao, union minister for in... ...ry by P.S. Gupta, chairman ...managing director, BHEL. ...e company contributed ...85 crores to the national ...equer in 1987-88 by way of ...s, duties, interests on gov... ...ment loans and dividend. ...L has been earning profits ...tinuously since 1971-72 and ...paid dividends for the last ...ears.

...he company registered a re... ...d turnover of Rs.2,318 crores ...1987-88, a growth of 16 per ...t over the previous year. The pretax profit was Rs.189 crores, an increase of 23 per cent over the previous year despite increased input costs and unfavourable exchange rate variations.

BHEL invested a total of Rs.254 crores in capital schemes in the first three years of the Seventh Plan period. A total investment of Rs.500 crores has been planned for the Seventh Plan period and is being funded from company's internal resources; 40 per cent of this would be spent on modernisation of facilities and 30 per cent in new growth areas.

For the year 1988-89, BHEL has planned for a turnover of Rs.2,600 crores.

Memory's CASTLE

Memory Banks, a Bangalore-based computer company has developed a software package called CASTLE (computer aided selective teaching and learning experience).

The system has a massive data bank of questions and knowledge modules in physics, chemistry, maths and biology. CASTLE will first spend about 12-14 hours over 5-6 days with a student and create a 'map' of a student's mind on a floppy diskette. The map indicates the areas of his weakness and strength in each subject. It will then proceed to coach the student by asking him over 35,000 questions spanned over several months at the rate of two hours per session with it. At the end of each two hours it will produce a progress report.

CASTLE is not on sale. Instead Memory Banks has decided to open about 100 centres in 68 cities to cater to about 6,000 students who can spend about 168 hours over several months till the eve of the exams.

Company sources expect that by June 1989 CASTLE will be running on computer terminals in thousands of homes in the US, Australia, Germany and France.

Memory Banks & Computers (P) Ltd is scheduled to go public in July-August 1989.

Electronics export opportunity

The Electronic Component Industries Association (ELCINA) has called for steps to attract Japanese electronics companies seeking expansion of their production facilities to invest in India. This is one of the suggestions made by ELCINA based on the report submitted by its delegation which visited Japan, Taiwan, South Korea and Singapore last month.

The delegation found that the hardening exchange rate is forcing Japanese units to look for production facilities outside the country. Certain Taiwanese companies were also keen to transfer technology and some of them were interested in setting up joint venture projects in India.

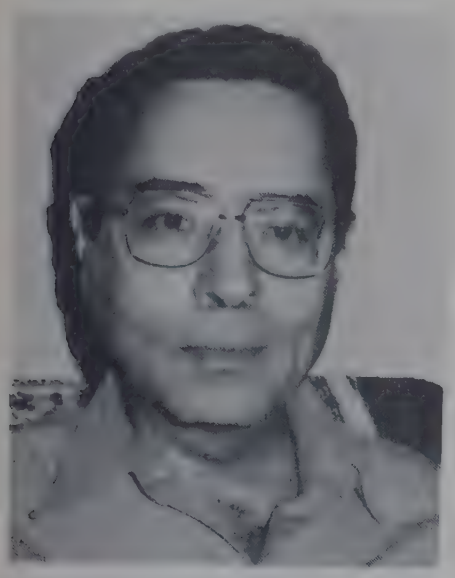
DIARY

DATES	SUBJECT	ORGANISER	VENUE
28 Nov-2 Dec	**Workshop on Managerial Effectiveness and Value Systems: Indian Insights**	Indian Institute of Management, Post Box No. 16757, D.H. Road, Joka, Calcutta-700 027	IIM-C Campus, Calcutta
28 Nov-1 Dec	**Course on Management of Technology**	Administrative Staff College of India, Bella Vista, Hyderabad-500 049	Bella Vista, Hyderabad
28 Nov-1 Dec	**Technical Convention and Exhibition**	South East Asia Regional Computer Confederation, C/o Tata Consultancy Services, Air India Building, Nariman Point, Bombay-400 021	Taj Palace, New Delhi
28 Nov-10 Dec	**Programme on Management for Command Area Development**	Administrative Staff College of India, Bella Vista, Hyderabad-500 049	Bella Vista, Hyderabad
29 Nov-30 Nov	**Seminar on Advanced Technology Programme**	National Institute of Information Technology, B-61, Mittal Court, Nariman Point, Bombay-400 021	Hotel Oberoi Towers, Bombay
29 Nov-2 Dec	**Workshops on Value Analysis/ Value Engineering**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay-400 023	Claridges Hotel, New Delhi
3 Dec-21 Dec	**Management Development Course**	Calcutta Management Association, 1 Shakespeare Sarani, Calcutta-700 071	Bluestar Hotel, Kathmandu, Nepal
6 Dec-7 Dec	**Programme on Managing Your Sales Force**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay-400 023	Taj Mahal Hotel, Bombay

ROHINTON D. AGA

Rohinton D. Aga, chairman and managing director of the Pune-based Thermax Pvt Ltd (sales: Rs.108 crores in 1986-87), makers of industrial boilers, water treatment plants and pollution control equipment, has now decided to manufacture state-of-the-art spray painting guns and equipment. Thermax is setting up a new company at Pune with DeVilbis of USA, one of the world leaders in the field. The new company is named Thermax DeVilbis Pvt Ltd.

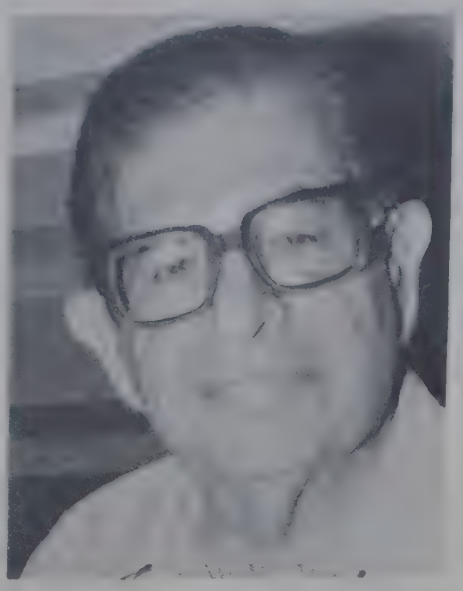
According to Aga, the products of his new company, although more expensive than those now manufactured in the



country, will ultimately be cheaper because they will consume 30 per cent less paint by reducing wastage. And Aga does not foresee any problem in selling his product. "By the time our plant comes up in 1989, the demand for spray painting equipment in the country will be double the domestic production and we will meet a large part of the shortfall," explains Aga.

T. RAMESH U. PAI

According to a recent survey conducted by a Delhi-based company, there is a growing tendency in Bangalore and Hyderabad to go in for three-and two-star hotels as they would be in demand.



Recently, the Taj group took over a sick two-star hotel in Bangalore called East-West, with the intention of catering to middle-class tourists. Now here comes another, a 3-star, to be promoted by the successors to Syndicate Bank — the Industrial Credit & Development Syndicate (ICDS) of Manipal.

Says T. Ramesh U. Pai, chairman of ICDS, "The hotel, which will be located behind Manipal Centre, under construction at Dickenson Road, will cost Rs.7.50 crores. It will be centrally air-conditioned and have 144 rooms." The Manipal Centre, which is designed to be a shopping complex, and the hotel are expected to be ready by the end of 1989.

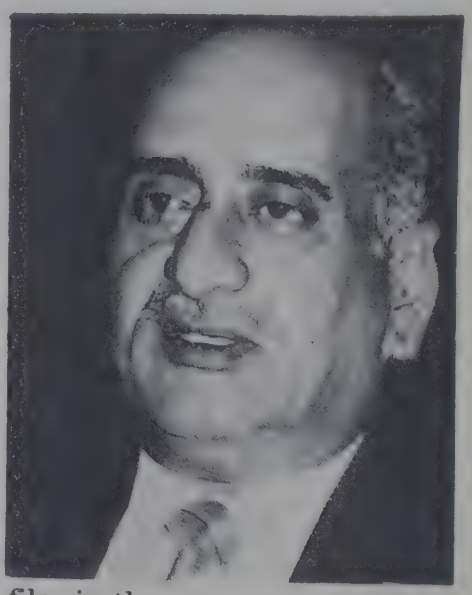
ICDS also plans to construct apartments for high-income and middle-income groups in the city. "The proceeds of these apartments will be utilised to put up a hospital on the airport road, already under construction," says Pai.

RAMACHANDRA RAJU

"We talk of food, clothing and shelter as every human being's basic needs, but I think we should change that order," says Ramachandra Raju, managing director of the Hyderabad-based NCL Industries Ltd. "The right order should be food, shelter and clothing." Raju was explaining his group's resolve to stay in housing and related industries

Five projects on Raju's drawing boards are evidence of this resolve. A Rs.7.5-crore project to double cement manufacturing capacity to 600 tonnes per day at NCL Industries is likely to be completed by March 1989. The second is a Rs.24-crore project to manufacture cement-bonded wood particle boards with know-how from Bison Werke of West Germany. "These boards retain the best qualities of both cement and wood," claims Raju, who hopes to find a good market for this fire-proof, water resistant and termite-proof product.

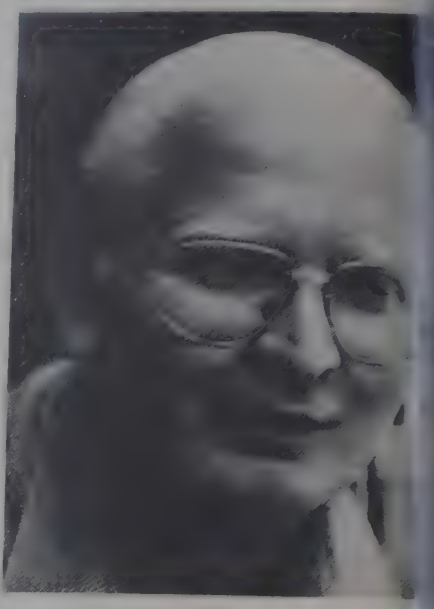
NCL Seccolor Ltd, a new company, will introduce pre-painted cold rolled steel pro-



files in the country, in a Rs.11.1-crore project with technical collaboration from the Italian Industrie Secco. NCL Finance & Leasing will diversify into surface coating materials in a Rs.2-crore project with Swedish knowhow. NCL Nirmans Ltd, which will build houses using products manufactured within the group, is the high point of Raju's grand scheme. "We will show people how to build decent, affordable and strong houses," he says.

N.K. BANGUR

For N.K. Bangur, fourth-generation member of the Calcutta-based industrial house of Bangurs, the last phase of the year-long Festival of the USSR in India offered a useful opportunity to acquire a high profile. "We have always been a low-profile group," says Bangur,

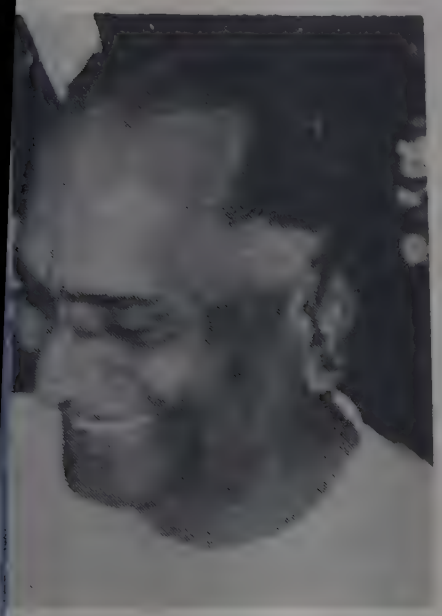


president of Shree Digvijay ment Co Ltd, "and we wante shed that image." Digvij along with the manufacturer Rilaxon mattresses and t Indian Council for Cultural lations, sponsored five ma events of the festival, includ the Kirov ballet of Leningr the Moscow state ballet on i and the Moscow state circus

The Bangurs will foot a h upwards of Rs.2 crores for t image-building exercise. For group that has strong trad links with the USSR, the return will undoubtedly be more tha a public image that will attem to cover up the infighting with the Bangur family. One grou company, Fort Gloster Indus tries Ltd, alone, exported cable worth Rs.8 crores to the USS last year. Says Bangur, howeve "We have not sponsored thes events with any business mo tives."

M. H. PRASAD

Mullapudi Harishchandra Prasad, the 67-year-old chair man and managing director o the Rs.75-crore Andhra Sugar Ltd, is now diversifying into petrochemicals. In a joint venture with APIDC, Andhra Sugars (the flagship company of the Rs.140-crore group headed by Prasad) is setting up a new company named Andhra Petrochemicals Ltd at Visakhapatnam to manufacture 2-ethyl hexanol and butanols. "These two chemicals have a wide range of uses in plastics, paints, cosmetics and pesticides and

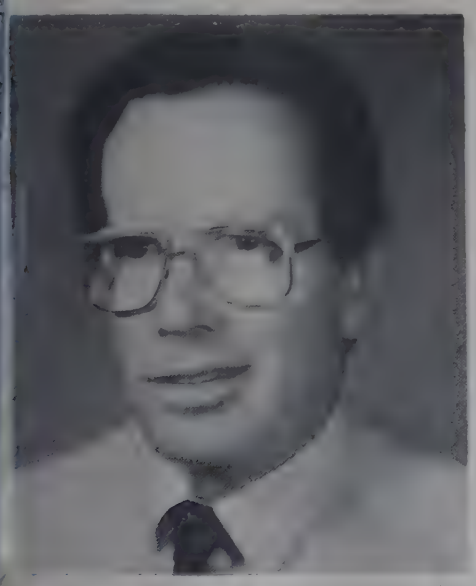


e country's needs are largely et through imports," says asad.

The Rs.120-crore project is pected to commence produc- on in the middle of 1990 and, cording to Prasad, will have output worth Rs.70 crores r annum at full capacity. For e first time in the country the sian Development Bank and ie Commonwealth Develop- ent Corporation are partici- ating in the equity of a new ompany. They are together tak- ig up shares worth Rs.7.43 rores (21 per cent of the total).

RONALD PURSSEY

Ronald Purssey, technical director of Allan International Manufacturing Private Limited, a



leading firm of architects in Australia, feels he has the solution to India's housing problem.

Purssey's firm has devised a "remarkable construction system" which, he says, could "dramatically affect the lives and living standards of the Indian people". Called the Lincrete construction system, it is the latest development in the successful construction of pre-cast concrete elements. Material for an entire three bed-room house can be easily packed in a truck and the construction finished in a week.

Purssey had extensive talks with the Housing Urban Development Corporation (HUDCO).

Allan International has patents for the Lincrete system in about 100 countries and hopes to license parties in India. As a matter of policy, the Australian firm does not participate either in equity or undertake any production. "We only develop and sell technology but don't do any building ourselves," says Purssey.

GEROLD R. GUT

The newest, ultra-short, desk-to-desk delivery system from Bombay to 87 destinations worldwide, is the Swissair Parcel Express (SPEX), according to Gerold R. Gut, the Zurich-based manager (creative selling cargo) of the company. The airline has tied up with Express Kargo Forwarders Pvt Ltd, an air cargo agency.

What sets SPEX apart from other courier services, says Gut, is that each consignment is not just consolidated but "treated on an individual basis". And it's super-fast. For example, a parcel of spares, samples or documents picked up today will reach Geneva tomorrow. In case the delivery schedule is overshot, a rare occurrence, Gut says their commitment to customers extends to paying a refund of the charges. In his view, "It's not just speed, but also reliability that counts."

For the last six years SPEX has been growing 20 per cent annually but Gut is typically Swiss about revealing turnover figures: most secretive.

TIM HARTFORD

Tim Hartford, director of Hertz Asia Pacific Ltd, was in Bombay recently to announce that 'Wheels Rent A Car', a division of the Transport Corporation of India, was becoming a Hertz franchisee. Hertz operates in 120 countries, 4,700 locations and uses 350,000 cars. Wheels' operations in Bombay, Delhi, Hyderabad, Pune and Panjim will utilise 300 cars.

"Markets feed on one another," says Hartford. Travellers from the US or Britain, who are used to Hertz services, are only too ready to use Hertz cars in other countries. Hertz has an exclusive marketing agreement with British Airways so that a traveller can book a car at his destination at the

same time that he books his ticket.

Hertz's relationship with Wheels involves insisting on certain standards of service. The franchisee has also to accept reservations made for its cars by any other part of the Hertz chain. According to Hartford, Hertz see its relationship with India as an investment in the future. "When we first went into Europe in 1955, people thought we were crazy," says Hartford. Today Europe is one of Hertz's largest markets. With the Indian economy opening up, Hartford sees the possibility of a large market for rental cars.

DORON TAMIR

Political differences need not come in the way of trade relations, according to Doron Tamir, head of an Israeli delegation of businessmen that was in Bombay last fortnight to attend the 19th General Assembly of the US-based World Trade Centre Association. Tamir, who is also managing director of the Tel Aviv-based HMM (Conducting Wires) Ltd, invited Indian cable manufacturers and importers of non-insulated conductors to do business with Israeli companies.

For a war-ravaged nation that is not well-endowed with natural resources and suffers a 90 per cent annual inflation rate, Israel has done remarkably well. The average Israeli takes home a monthly salary of US $ 1,000, Tamir points out. "We may be lacking in resources, but we have the brains," he says immodestly.

A Saving Of Rs. 4 Million From Year 1 – That's What Hindustan Motors Has Achieved

Juran on Quality Improvement

This is the programme that the Earth Moving Division of Hindustan Motors is successfully implementing. With results that are truly astounding. A saving of about Rs. Four million, with a promise of more to come.

What is this programme?

Most organisations are unaware of the extent to which chronic problems of poor quality can erode profits. These problems add to cost, constrain pricing and slice off market share. Tackling these hidden chronic levels of poor quality and permanently reducing them is the Juran definition of quality improvement.

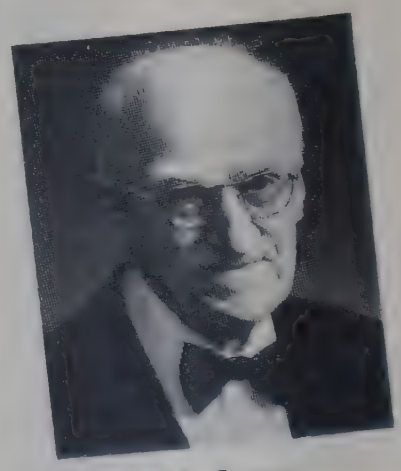
Through his video series, Juran on Quality Improvement, Dr. J. M. Juran gives managers a structured and proven process to carry out quality improvement projects. The programme is usable by service organisations and manufacturing industries. It assures immediate and continuing results.

The Key Elements of the Programme

Sixteen videotaped sessions guide managers through actual company improvement projects. A comprehensive array of user guides and a Quality Improvement Reference Library provide support. In addition, the Juran Institute offers the assistance of its affiliates.

Let Juran Work for You

Fourteen international affiliates form the global network of the Juran Institute. Qimpro Consultants Private Limited, Bombay, is part of this network which provides access to Dr. Juran's programmes, including Quality Improvement.



Dr. J. M. Juran
The man who taught Japan how to manage for Quality

Make Quality Improvement A Way Of Life

Qimpro Consultants Pvt Ltd

(Indian affiliate of the Juran Institute, Inc.)
1-C Sindhu House
Nanabhai Lane, Bombay 400 001
Tel: 204 4421 • 202 3753

Dazzal/QC/03

RIFAMPICIN

Looming shortage

Suddenly rifampicin, the vital ingredient in mass-selling anti-tuberculosis and anti-leprosy drugs like R-cin, Tibirin, Montonex and Rifamycid, is disappearing from the market. The six manufacturers of the bulk drug in the country have stopped selling after the government last month slashed its price from Rs.3,000 to Rs.2,500 a kilo. Says a leading rifampicin manufacturer, "It is not economical any more to manufacture this product in the country, so we have stopped selling it at the new price. How can we sell a product at a cash loss?"

Many advantages. Rifampicin is the most advanced anti-TB drug available in the market today. It has eliminated the need for patients to take drugs intravenously. Rifampicin formulations are administered orally, have no side-effects and the patient can continue with his normal routine while under therapy.

Since it is used in the national programmes for the eradication of TB and leprosy, rifampicin is categorised under the Drug Price Control Order of the union ministry for chemicals and fertilisers. That is to say, its sale price is fixed by the government from time to time. Till January 1987, for example, the price was Rs.3,098 a kilo, which was then reduced to Rs.3,000 a kilo. This price prevailed till the recent reduction.

The annual consumption of rifampicin in the country is estimated to be around 110 tonnes while the production capacity is over 200 tonnes. Till 1986, the entire requirement of the drug was met through imports. Then Lupin set up a manufacturing facility to produce it indigenously. Since then five other small bulk manufacturers have set up similar plants. But the intermediate that is used in the manufacture of the drug — 3-formyl rifamycin — continues to be totally imported from companies like Dow Leppit of Italy.

Higher costs. The intermediate contributes nearly 80 per cent to the cost of rifampicin manufacture. And though its international price has remained fairly constant in the last two years, the hardening of the dollar in the same period has increased the Indian manufacturers' cost. The dollar has appreciated by nearly 13 to 15 per cent against the rupee in the last two years. Says P.V. Wandrekar, managing director of Gebco, after Lupin the second largest manufacturer of the drug in the country, "It was a fit case for revision of the price upwards."

The government has not given any clear explanation for its action. Wandrekar feels that it has something to do with a recent import of a few tonnes of rifampicin by the state-owned IDPL from a Chinese manufacturer. (Why IDPL should import the drug when there is surplus capacity available in the country is itself a mystery.) The Chinese use a cheaper but cruder method for the manufacture of the drug and hence have been able to sell at a price that is about 15 to 20 per cent lower than that of their counterparts in Korea and Europe.

The quality of the Chinese product is suspect, though. Says Jasu Shah, managing director of Bio-Chem, the formulator of such popular rifampicin-based anti-TB drugs as Rifamycid and Isorifam, "Even in the days when we used to import our entire requirement of this bulk drug, we never bought the Chinese product. Though cheaper it is of a very poor quality." Adds a rifampicin manufacturer, "The government, however, may not be aware of this difference in quality and probably wonders why, since the Chinese can make it at such a cheap price, our manufacturers can't also do it. But the fact is that we use some of the most advanced technology in the world and so our price will naturally be slightly higher."

Lupin, Gebco and the other makers of rifampicin stopped selling the drug as soon as the government announced the price reduction last month and have since then petitioned the union chemicals ministry for a review of the decision. Last fortnight they met the industry minister, Vengal Rao, to seek redressal of their grievances. Rao said he could refer the matter to the Bureau of Industrial Costs and Prices.

Alternative plans. Nothing much has happened since then and these companies are already considering other products which they can manufacture in case the government does not meet with their demands. Says Wandrekar, "We have two new products in mind which can be manufactured in the same plant. And if the price is not reduced by the government we'll have no option but to change our product line."

According to Bio-Chem's Shah, there is already a shortage of the drug in the market although manufacturers of the

Tablets being manufactured from rifampicin at Lupin Labs

ABU DHABI · AL-FUJAIRAH · AMMAN · ATHENS · BAHRAIN · BANGKOK · BOMBAY · CAIRO · COLOMBO · DAMASCUS · DAR ES SALAAM · DELHI · DHAHRAN · DHAKA · DOHA · DUBAI · FRANKFURT · HONG KONG · ISTANBUL · JEDDAH · KARACHI · KHARTOUM · KUWAIT ·

IT'S NOT JUST THE UNIFORM WE MEASURE OUR STAFF FOR.

Our in-flight crew members are hand-picked from all over the world for their attitude, competence and dedication.

Then follows one of the most intensive training courses existing, turning talent into polished professionalism.

Exams are taken not once at Gulf Air but once a year, every year.

Because we make sure that the pleasure of serving you as a Gulf Air passenger is an exclusive privilege, reserved only to a few deserving individuals.

daCunha/GA/7/88

طيران الخليج
GULF AIR

A TRULY CIVILISED WAY TO FLY.

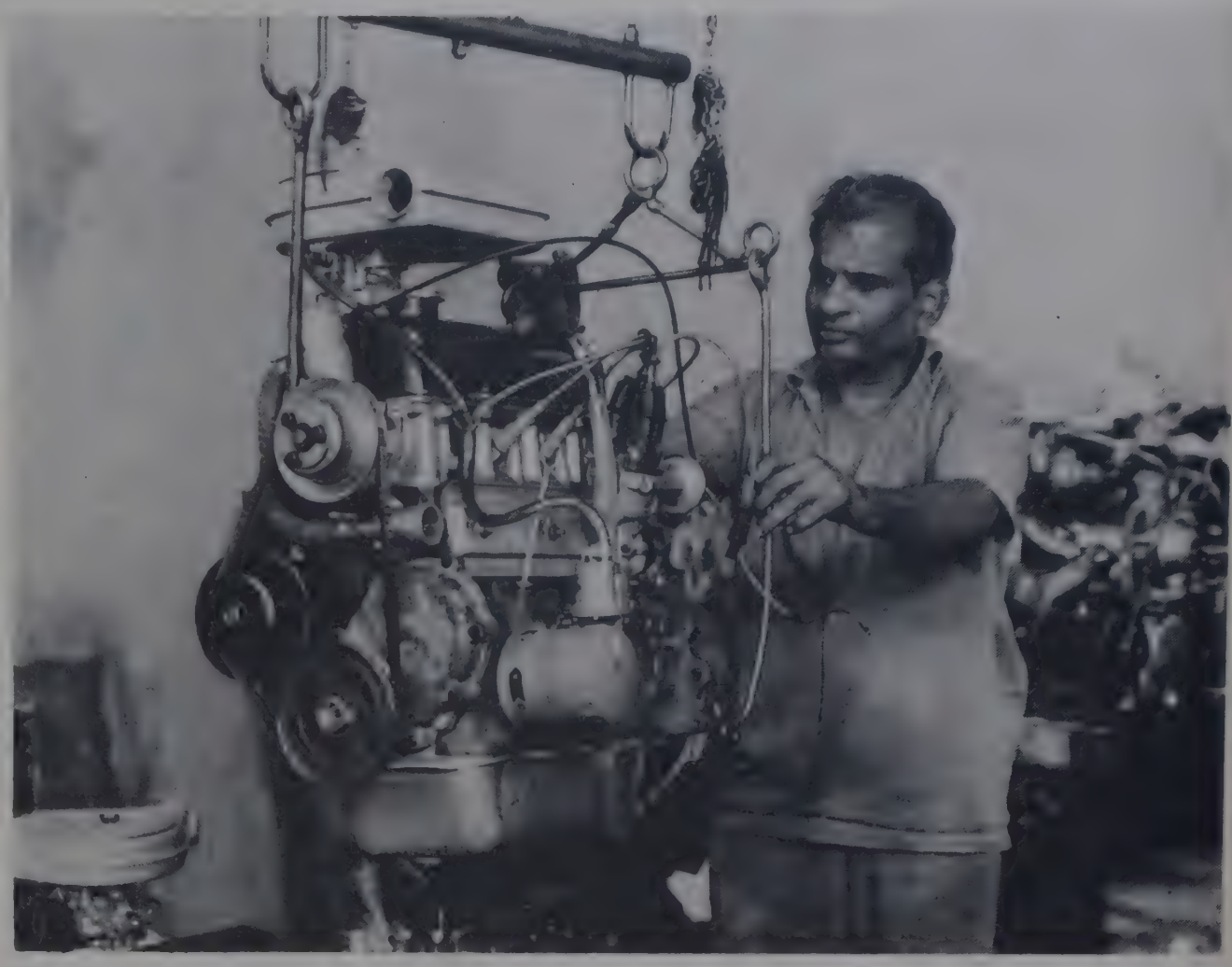
SHARJAH · SANAA · SALALAH · RIYADH · RAS AL KHAIMAH · PARIS · NAIROBI · MUSCAT · MANILA · LONDON · LARNACA

formulations won't feel the pinch for four to six weeks; most of them have enough stocks to last till then. After that, the formulations too will perhaps start disappearing from the market.

What will happen in a worst-case scenario, if the government does not raise the price? According to Shah, formulators like him will have to import the drug. The imports attract no duty and the international price currently is very nearly equal to the domestic price. "The only problem," Shah says, "is that the moment we stop manufacture of the bulk drug in the country and decide to buy from the international market in a big way, the rifampicin cartel might hike their prices. The use of rifampicin is restricted to the tropical countries since diseases like TB and leprosy prevail only here, and hence it is easy for them to manipulate prices." Besides, the government runs the risk of all the local manufacturers shutting down their plants. Such a move would be disastrous.

It was after years of persuasion that these rifampicin manufacturers set up plants to make the drug from the intermediate stage. And now when companies like Lupin are moving ahead and trying to manufacture the drug from the basic stage itself, they ironically have to face the spectre of the whole operation suddenly becoming uneconomical overnight.

■ N. RADHAKRISHNAN



The upgraded engine

PREMIER PADMINI

A thorough overhaul

The old, familiar Premier Padmini is getting a thorough overhaul. Premier's R&D department has been doing extensive work on the car and the engine has been upgraded to give 17 km per litre under test conditions, instead of 12 km. The 30-year old model might also be getting a sleeker body.

According to Vinod Doshi, chairman of Premier Automobiles Ltd (PAL), the company had been looking at the possibility of phasing out production of the car because the dies, which had been bought from Fiat in the mid-fifties, were reaching the end of their life-span by the eighties. Premier was planning to shift the focus on their Nissan-Fiat hybrid car, the 118 NE. But, when they found that the dies could be rehabilitated and that, in spite of Maruti's arrival on the scene, there was still a demand for the car, it became apparent that the old Padmini was still a going proposition.

Relief rejected. The R&D department's first step was to work on the fuel efficiency of the engine. Premier hoped to take advantage of the fuel efficiency incentive scheme announced in 1983 — 5 per cent relief on excise duty for cars achieving the required fuel efficiency. However, the government has refused to give the excise relief on the grounds that the incentive scheme was meant to motivate indigenisation of imported technology and hence, not applicable to cars not following the phased manufacturing programme (PMP).

The norm for 1000 cc engines was 17 km per litre under test conditions, and after three years of work, the R&D department was able to achieve this. They claim the car gives 11 to 12 km per litre even in heavy traffic conditions.

Fuel efficiency depends on a large number of factors and changing one component involves redesigning the whole system — starting from the carburettor which feeds the right mixture of fuel and air required for burning, the combustion chamber where the fuel is ignited to form gases, the ignition system which controls the spark necessary for ignition and the lubrication and cooling systems.

The R&D department's main thrust was on reducing the fuel consumed when the engine is idling, ie, when the car is held up at traffic lights or in a traffic jam. An engine requires different amounts of fuel depending on the running condition of the car. When the engine is idling or at cruising speeds, a leaner mixture — ie, low fuel to air ratio — is acceptable but when the car is accelerating, more fuel is required and a richer mixture has to be fed into the engine.

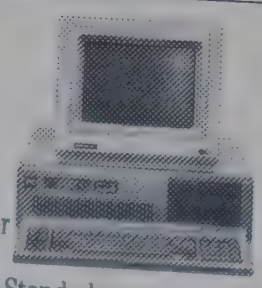
Premier also increased the compression ratio to 8.3:1. Unfortunately, increasing the compression ratio involves a trade-off between power and pollution. More mechanical energy is available to the engine but the exhaust gases will include higher levels of nitrogen oxides and hydrocarbons. Premier, however, says that the emission levels have not increased significantly.

Premier has more plans for the Padmini. Disc brakes and a diaphragm type clutch will be introduced within a year. The R&D department is already working on improving the suspension and steering systems and the car is scheduled to have a more streamlined look within 24 months.

The Padmini is still selling steadily, and Doshi says he is planning to increase production from 100 cars per day to 150 cars.

■ GAYATRI BHANDARKAR

"HOW STRANGE. IT DOESN'T LOOK LIKE A NELCO COMPUTER."



Just because we're big in minicomputers, people tend to forget that we make anything else. So here's a gentle reminder.

Nelco also make PCs.

For use as network solutions. Stand-alone systems. Terminals for minis and mainframes. Data entry systems. And as CAD work stations.

They get the same quality of support that our minis do. And they have as outstanding a reliability record as our minis. So if you're in the market for a PC, take a look at the Nelco range.

Matrix PC. Matrix XT. Matrix AT. Matrix 386.

You'll find just what you're looking for. And more.

NELCO MATRIX

For more information please call or write to our Regional Manager/Area Manager at:

☐ **BOMBAY** 4 Jaral House Annexe 2nd Floor, 31 C Shahid Bhagat Singh Marg Bombay 400 023 Phones 221 3687, 221 1429 ☐ **PUNE** Dev's Heights 408 Flour, Shanivar Peth, Pune Phone 44 4209 ☐ **AHMEDABAD** 35 Sarjana Co-operative Housing Society Near Memnagar Fire Station Navrangpura Ahmedabad 380 009 Phones 46 9125, 46 9230 ☐ **INDORE** 5/1 Race Course Road, Indore 452 003 Phone 7288 ☐ **DELHI** Deep Place Building 3rd Floor, 1-E Rani Jhansi Road, New Delhi 110 055 Phones: 77 9656, 51 9431, 73 9701. ☐ **CALCUTTA** Trust House, 1st Floor, 33-A Chittaranjan Avenue, Calcutta 700 013 Phone 27 2961 ☐ **JAMSHEDPUR** Flat 3, Kasi Road No 2, Contractors Area, Bistipur, Jamshedpur Phone 29468 ☐ **BANGALORE** Shri Lakshmi Complex, 2nd Floor, 73 & 75, St Mark's Road, Bangalore 560 001, Phone 86 9127, 86 9138, 86 9029 ☐ **SECUNDERABAD** Flat No 4, Sarvar Patel Road, Secunderabad 500 003 Phones 72441 ☐ **MADRAS** 29 Mahatma Road, Egmore, Madras 600 008 Phones

INDUSTRIAL SAFETY

Fire-fighting the MAS away

On the night of 9 November, millions of television viewers across the country watched six naphtha tanks of the Bharat Petroleum Corporation Ltd (BPCL) Mahul plant in Bombay blazing. The conflagration had begun little before noon that day. The Bombay Fire Brigade was alerted at 12 noon and in nine minutes 23 fire engines and ancilliary equipment constituting a "brigade call" were at the BPCL refinery. However, first on the scene apart from the BPCL's own fire-fighting force, were members of the mutual aid scheme (MAS) — and the containment of the fire was under way. Many of the fire engines of the Bombay Fire Brigade had to park out in the street.

Commonsense approach. The MAS was started in 1969 by the BPCL and the Hindustan Petroleum Corporation (HPC). This scheme soon spread to other industries in the area and currently the MAS has 12 organisations as its members, including the Indian Oil Corporation (IOC), BARC, the Tata Thermal and the Naval Armament Depot, Mankhurd. Under an agreement, each member of the scheme is to provide one fire engine and the requisite manpower in the eventuality of a disaster such as the one at the BPCL refinery. K.R.S. Narayan, director (refineries) at BPCL, says, "It is a commonsense approach to pool our resources to combat major fires in our area."

N.A. Khatib, chief fire oficer of the Bombay Fire Brigade, appreciates the role played by the MAS. "Fires such as petroleum fires require specialised equipment and sophisticated extinguishing media — we are better equipped to handle more general types of fires." Apart from sophisticated equipment and fire-fighting media, a very well planned strategy is essential. "It is like fighting a war," says G.R. Raote, director (production) at HPC and chairman of the MAS. "When a fire like the one at BPCL erupts, effective and strategic containment is very important. The volatile liquids stored in tanks which are on fire should not be allowed to escape or leak out. Nor should water be allowed to enter the tanks as it allows oxygen to enter and fuel the fire. Foam is applied from the top to cut the air supply and a water jet applied from the outside to control the temperature. For this we need people with considerable experience in fighting such fires."

Each member of the scheme has one fire warden who is an expert in combating industrial fires and is usually an ex-serviceman or from the civil defence force. Raote adds, "This is the most important feature of the scheme. Apart from the equipment and support we get from the Bombay Fire Brigade and the other members, it is these men who are instrumental in containing the fires on all fronts."

Constant monitoring. During "times of peace", the MAS and representatives of the Bombay Fire Brigade meet once a month and discuss various problems that may arise in maintaining safety standards. Also, resources in terms of men and equipment are constantly evaluated and monitored. The other issues taken up at these meetings include having updated information on the establishment of positive communication links, and the results that come out of mock exercises.

Some years ago a plan was mooted to have a dedicated fire station at Mahul with all the sophistication and skills necessary to combat such industrial fires. But the plan did not fructify, because of a disagreement among MAS members about its funding. Khatib feels that by the time the Bombay Fire Brigade got to the site, most of the damage was done; a well-equipped fire station in the vicinity may have helped. Raote on the other hand feels that the advantages of having a fire station in close proximity would be "psychological" at best. "Ideally no fires should occur and the maximum effort should be applied for maintenance and safety. In the event of a fire occurring, what is necessary is effective containment of the fire and for that good co-ordination is important — and at the MAS that is our endeavour."

■ SHIV TANEJA

Industrial fires need for specialiseed containment techniques

WASHING MACHINES

On a growth spin

Going by market estimates, this year alone around 100,000 Indians will either throw away their dhobi lists or sack their cantankerous maids. They will simply go out and buy themselves a washing machine.

With a turnover of Rs.7 crores in 1987, the washing machine industry is considered a high growth area, as the refrigerator market was in the sixties. A study commissioned by the National Council for Applied Economic Research (NCAER) estimates that there are a whopping 650,000 washing machines in India, and the number is growing at a rate of 20 to 30 per cent annually.

This year, four large manufacturers have put their machines on the market.

and yet demand has far outstripped supply. Says Rajkumar Dhoot, managing director, Videocon International Ltd (VIL), a new entrant into the market, "We are carrying almost no inventory. Everything we manufacture is being sold."

Organised interest. Till 1986, washing machines in India were primarily made by the unorganised sector — low on technology and crude in design. The only sophisticated machines available in India were either imported or smuggled. All that has changed now. Girish Rao, product officer at Batliboi & Co, which manufactures Trak washing machines, offers three reasons for the sudden interest of the organised sector. "In 1986, the government delicensed the manufacture of washing machines with a wash load of over 3.3 kg (which were being manufactured only by the small-scale sector). At the same time, it scaled down excise duty from 30 to 20 per cent. And finally, the attitudes and lifestyles of urban households are changing."

Thanks to government liberalisation, various components can now be imported under OGL. So the top end of the market can boast of state-of-the-art technology that till a few years ago could only be had from imported washing machines. Sources in the trade estimate that the share of smuggled machines in the market has fallen from 10 per cent in 1987 to about 5 per cent in 1988, in spite of the fact that they are cheaper. Consumers, they say, are willing to pay more for Indian products because they are assured of after-sales service and repairs, a great uncertainty with foreign brands. Notes one industry source, "With Indian manufacturers tying up with well-known foreign companies, the Indian consumer has the best of both — sophisticated technology and no problems of repairs and spares." Racold has a tie-up with Philco of Italy, Batliboi with Siltal Casa, also of Italy, and Videocon has collaborated with Matsushita of Japan, manufacturers of National brand of products.

The washing machine industry is divided into three segments — fully-automatic, semi-automatic and manual. The upmarket fully-automatic machines cost between Rs.12,000 and Rs.16,000. Sumeet, with its totally indigenous washing machine (only the timer and door lock are imported), Racold, and Batliboi are the principal competitors in this segment of the market. With its machine priced at Rs.12,000, Sumeet is the cheapest. But Rao of Batliboi is confident that despite

Becoming part of the urban household

the higher price of his company's machine (Rs.14,500) it will find a market. TVS has just negotiated with Whirlpool Corp of the US (manufacturers of various laundering devices) to manufacture an automatic, single-tub washing machine.

At the lower end of the market, as many as 35 of the 65 brands in India compete for a share. Most of the manufacturers are in the unorganised sector, though there are a few big names too — Bajaj, Voltas, and Usha which has a 10 per cent share of the non-automatic machine market. These machines are very crude and lack most of the feature of the more advanced machines. What makes them attractive is their price — ranging from Rs.1,700 to Rs.3,500.

Fastest growing. Between these two segments lies the fastest growing segment of the industry — the semi-automatic machines. With an annual growth rate of about 30 per cent, this segment occupies about 35 per cent of the market. Surprisingly, there are only a few manufacturers in this range, the most prominent being Videocon, with two models priced between Rs.6,000 and Rs.8,000. Bajaj is another manufacturer, but its sales are restricted to south India. There are reliable reports that Crompton Greaves plans to enter this market soon, with a machine very similar to the Videocon one.

Predictably, 95 per cent of all the washing machines manufactured in India are sold in the urban areas, with Delhi, Maharashtra, Kerala and Andhra Pradesh accounting for 65 per cent of the sales. Most manufacturers are clocking up s of 200 to 400 pieces per month in automatic machine category and as m as 2,000 to 3,000 machines in the se automatic and non-automatic categ Dhoot says that even in the smaller to sales are as high as 300 to 500 wash machines a month.

Sources in the trade are confident total industry sales touching 100,000 t year. But not all share the upbeat mo currently prevailing. The government n raise excise duties on consumer durab to encourage savings and curb expen ture. In that eventuality washi machines will go back on to the luxu shelves," says one observer. But rig now, the rush for washing machines is

■ SHIV TANE

PVC PRICES

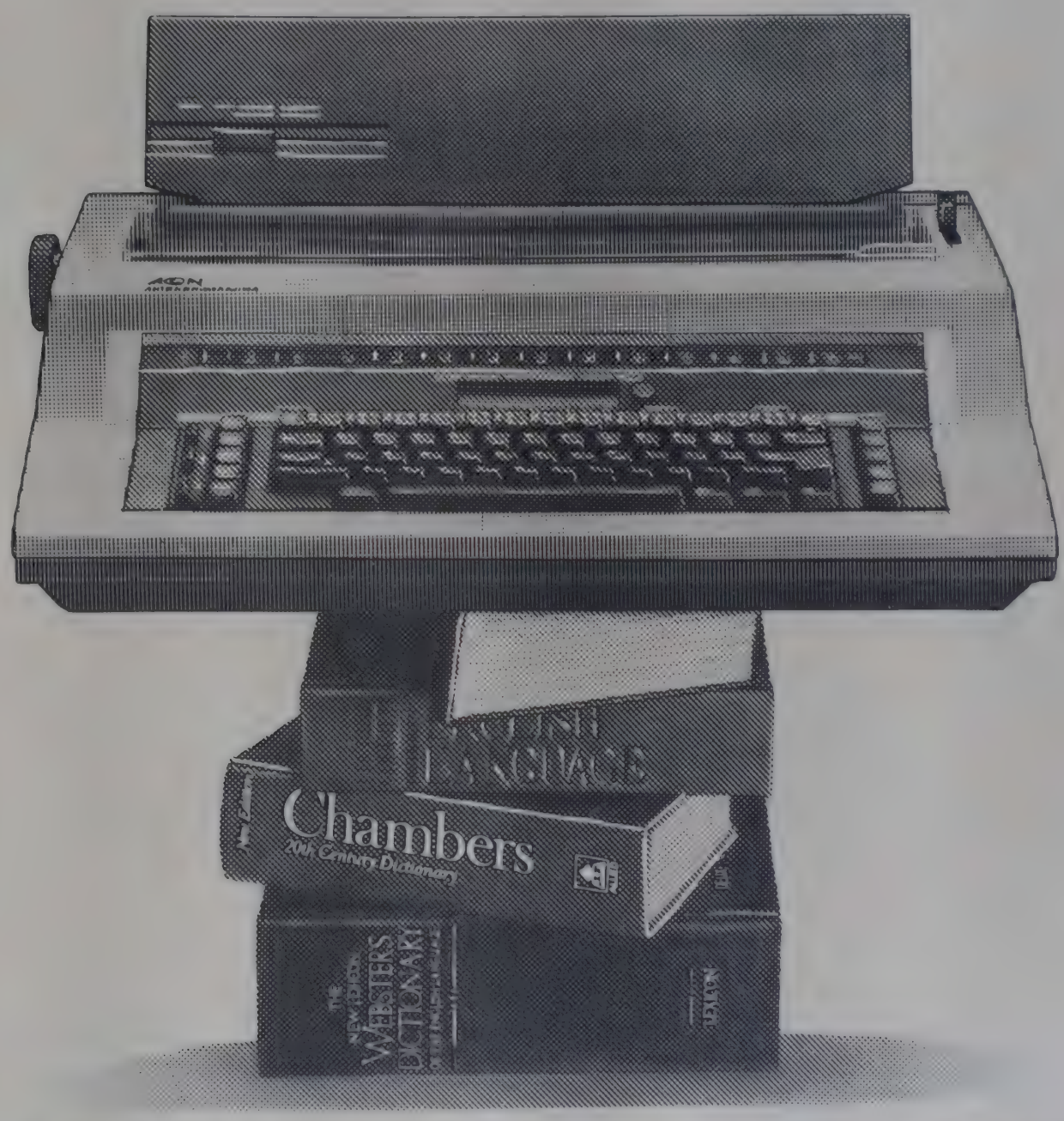
A sobering effect

After witnessing an upward trend f months, prices of polyvinyl chlorid (PVC), an important plastic raw mat rial, have recently seen a reversal, muc to the relief of hundreds of units makin pipes, footwear, and household product out of PVC. After reaching a peak o $1,300 per tonne in August this year, th price of imported PVC has on an averag come down to around $1,050 per tonne This in turn has forced at least two of th five domestic PVC producers to roll back their prices by at least 10 per cent or Rs.3,000 a tonne, to Rs.27,000 a tonne.

These producers attribute their present plight to the government's recent liberalisation of imports. With the good demand, prices of PVC, like those of all other plastic raw materials, have been going up worldwide since the beginning of this year. India is a large importer of PVC, as its domestic production of 130,000 tonnes a year meets only 60 per cent of the demand. This year, imports were even higher, as duties were lowered and imports for stocks and sales were allowed.

Speculative purchases. "As the prices were moving up large quantities from abroad were booked by traders for speculative gain," points out Vivek Jain, executive vice-president, DCW Ltd, which produces about 21,000 tonnes of PVC every year. "Between January and September this year 80,000 tonnes of PVC have been imported, which is double the quan-

AN ELECTRONIC TYPEWRITER SO ADVANCED, IT CAN EVEN CHECK YOUR SPELLINGS.



ACN. INDIA'S ONLY ELECTRONIC TYPEWRITER WITH THE SPELL CHECK.

Buy an ACN Electronic Typewriter with Spell Check and you will never make a spelling mistake again. Because the moment you do, the ACN Spell Check will stop you. Then refer to its mammoth, over 80,000 word dictionary and, before you know it, correct the mistake.

Now imagine how it can improve the efficiency of your office. Give you clean, crisp, flawlessly typed documents. Even when you're rushed for time.

After all, it's technology from Nakajima All, Japan. The world's largest electronic typewriter manufacturer. The technology behind the success of best-sellers like Triumph Adler, Smith Corona, Sears, Olympia and now ACN.

ACN
FROM
NAKAJIMA ALL, JAPAN.

ANUTRON

INTERNATIONALLY, THE BEST.

For further information, contact: Auto Controls Pvt. Ltd., 414, New Delhi House, 27, Barakhamba Road, New Delhi – 110 001. Tel: 331 0137, 331 6464, 683 6001. ☐ Branch Office: No. 12, 10th Floor, Embassy Centre, Nariman Point, Bombay – 400 021. Tel: 23 3629, 23 4424. ☐ Sales Office 114, 1st Floor, A2 Building, Shah & Nahar Industrial Estate, Lower Parel, Bombay – 400 013. Tel: 492 0297, 492 7125. ☐ S-1, Stephen Court, Park Street, Calcutta – 700 016. Tel: 29 1755. ☐ 4, Parsan Menere, 602, Anna Salai, Madras – 600 006. Tel: 47 6723. ☐ Natraj Complex, 9, Residency Road, Bangalore – 560 025. Tel: 57 8846. ☐ 1108, Sector 33C, Chandigarh – 160 001.

Examiner: D.A.C. 154

MYSORE LAMPS

The Premier Lighting House.

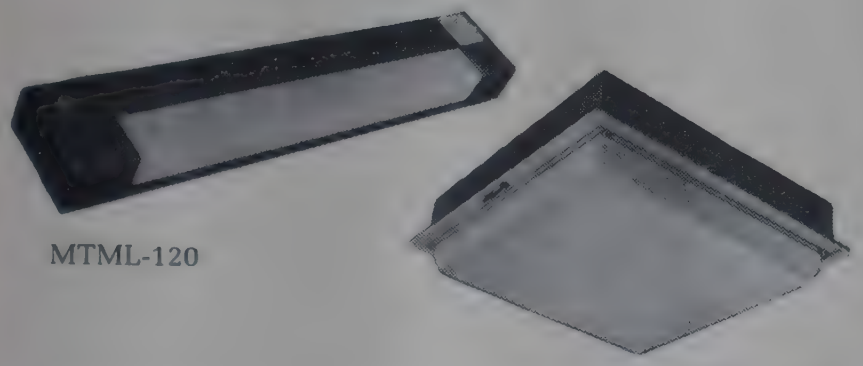
INDOOR LIGHTING LUMINAIRES

COMMERCIAL LIGHTING

MFP-120/140

MTB-120/220
140/240

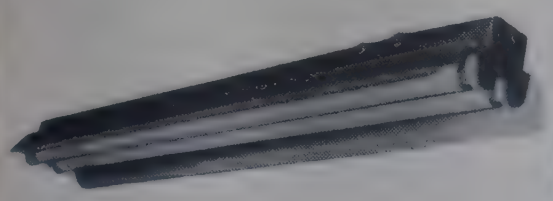
MTPC-240



MTML-120

MTPP-420 (D)

INDUSTRIAL LIGHTING



MTI-140/240
MTIV-140/240

MHBFI-250/400
MHBFIV-250/400
MSBFI-150/250
MSBFIV-150/250

OUTDOOR LIGHTING LUMINAIRES

STREET LIGHTING

MTS-140/240

MVLSI-80/125

MSLI-150/250 (C)

FLOOD LIGHTING

MAF-2

MHDF

MHFF-300/500
750/1000

THE MYSORE LAMP WORKS LIMITED
Post Box No. 5551, Malleswaram West, Bangalore – 560 055

• LAMPS • TUBES • LUMINAIRES • LIGHTING SYSTEMS

MYSORE Lamps

50 Light years ahead!

Sothagya/BNG/ML/88

tity imported during the same period last year."

Higher imports did not affect the domestic producers much, as the price of imported PVC was higher and the gap between demand and domestic supply was huge. In fact, the domestic manufacturers raised their prices. NOCIL, for example, raised its price of PVC four times during this year — from Rs.14,200 per tonne (basic price) in January to Rs.18,600 per tonne in October. "Manufacturers have always capitalised on the higher prices of imported stuff and raised their price," points out B.H. Jain, chairman of the Jain group of industries, the largest manufacturer of PVC pipes in the country and also the largest single consumer of PVC.

The trouble began when in September foreign suppliers lowered prices, as China, a large buyer of PVC, suddenly withdrew from the market. "Within two months price tumbled by $ 300, and today we cannot sell our stocks that we booked two months ago at a higher price," says a hard hit trader who had imported large quantities of PVC expecting good business. Panic striken importers, in a rush to off load their stocks quickly, dampened the price further.

Hard-hit. Consequently, two domestic manufacturers have been badly hit. DCW in Kerala and Shriram Chemicals in Delhi are the two manufacturers whose PVC was priced the highest; their cost of production is higher than that of the other three because of costlier inputs and processes. Both have had to cut prices recently. "We were forced to bring down price and incur loss because our unsold stocks of PVC have doubled recently," says Vivek Jain of DCW.

The other three manufacturers, whose prices were lower, have not been affected yet. IPCL, the largest manufacturer, has only marginally raised its price and it is still the cheapest. NOCIL, according to K. Dharam, managing director, had to raise its price only to offset the higher input costs. "But even today our PVC is Rs.1,000 cheaper per tonne than the imported material," claims Dharam. Chemplast, the fifth manufacturer, claims that it produces a special grade of PVC for which the demand is very good and does not anticipate any problem to sales.

The pertinent question here however is, if the present situation continues will it affect the entire industry? Both NOCIL and Chemplast do not think so. "It is only a temporary phenomenon and imports will even out in the long run in relation to demand," says Dharam. Chemplast officials echoes the same view. Besides, others point out, the government's intention to bring in a price discipline among the domestic manufacturers by liberalising imports has been fulfilled. "When the price of the imported material went up they quietly raised their price, now when it comes down, why should they (the domestic manufacturers) cry themselves hoarse?" asks a large consumer of PVC in Bombay.

■ DILIP MAITRA

ELECTRONIC CAB METERS

The government lowers the flag

The Maharashtra government recently decided to revoke its 30 May order making electronic fare meters compulsory for new taxis and autorickshaws in five districts — Bombay, Pune, Thane, Nashik and Kolhapur. Installation of the meters has now been made optional. Bombay's taximen and autorickshaw drivers kicked up a row over the order, which had also said that all existing meters should be replaced by electronic meters within a period of five years. They alleged that the electronic meters had been approved without adequate testing under road conditions. They also objected to the high price of the meters — Rs.1,900-2,500 compared with the Rs.1,100-1,900 for mechanical meters.

While trying to cope with the agitations launched by the drivers' unions, the government also came up against another problem — the electronic meter manufacturers ran out of stocks. The demand for the meters had been estimated at 50 meters per month as this was the number of taxi licences issued every month. However, the government order was interpreted to include old vehicles which were being replaced by new vehicles under existing licences. Taking these replacements into consideration, the demand for the meters went up to a 100 meters per day. Says A.V. Narurkar of Marshfield Electronics, "We tried to cope with the demand, but we just could not manage."

Left high and dry. When the government postponed the order to take effect six months later, ie, from 8 December 1988, the meter manufacturers got a brief respite. They have been building up stocks in the meanwhile, and hence the government's latest decision to make the electronic meters optional has come as a shock. They estimate that about Rs.25 lakhs has been tied up in this venture.

Old is not so bad

The electronic meter manufacturers are upset about the unions' power to decide which meter is to be installed. The government has tossed the ball up into the air and the manufacturers are left wondering what to do next. "We would like to have the option of selling the meters all over the state and not just in five districts," says Narurkar. If Maharashtra had made electronic meters compulsory, it is possible that other states would have followed suit.

The electronic meter is accurate and virtually tamper-proof. Changes in tariff can also be made easily whenever fuel prices go up. Expectedly, the manufacturers of the old mechanical meters have reservations. "The electronic meters are not rugged enough," says Uday Vaidya of Diamond Clock Manufacturing Co, although the meters have been approved after a battery of tests.

Bombay Taximen's Union general secretary, M.H. Baji, says, "We don't care which meter is chosen by the government as long as the taximen don't have to pay for it."

Amidst the lobbying by the unions, the electronic meter manufacturers and the mechanical meter manufacturers, the passenger will have to put up with the old meters and risk being taken for a ride.

■ GAYATRI BHANDARKAR

The *Lipi* factor

in computer printers

R

RELIABILITY

- Reliability makes Lipi the largest selling line printer.
- Performance parameters include the 3100-hour MTBF (Mean Time Between Failure).
- Has continuous 96-hour print capability.
- Built for high duty cycles in any work environment (installed in NIC, Banks, Reliance, Telco, HMT, and other giant corporations).
- World-wide an installed base of 250,000 line printers with Dataproducts' (U.S.A.) technology – collaborators with Lipi.

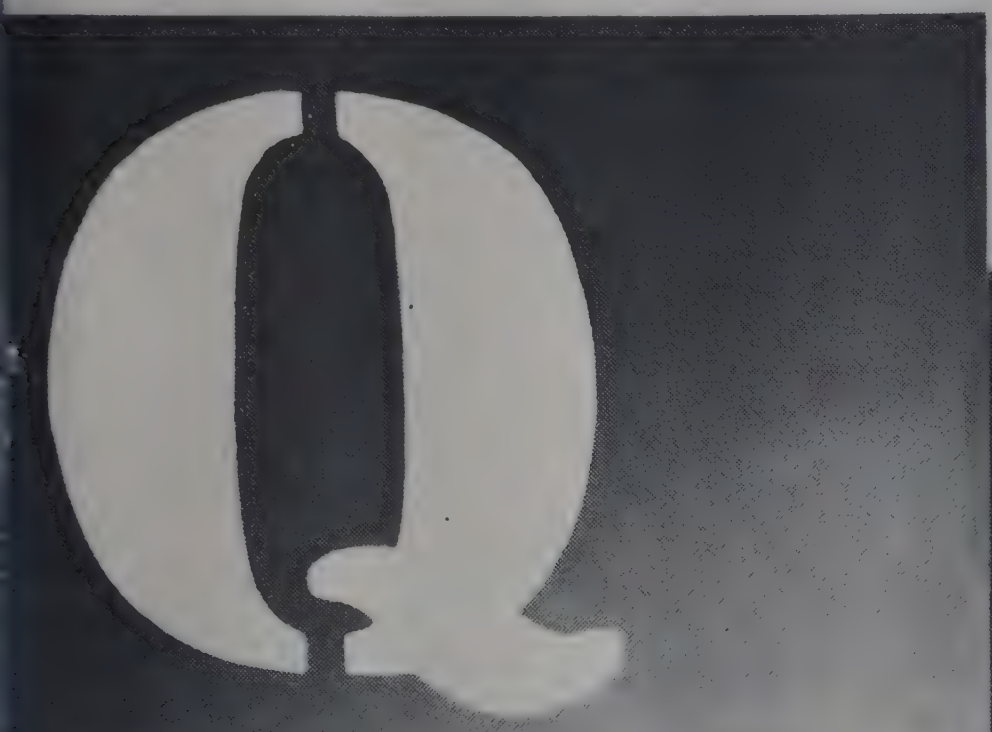
V

VERSATILITY

- The Lipi line printer is the most versatile and cos effective computer printer.
- Can be interfaced with most imported computer systems, and all computer systems manufacture in India.
- Ideal for main-frames, super-minis, minis, and ev PC's requiring high-volume and high speed. (OE users include CMC, DCM, ECIL, ESPL, HCL, HINDITRON, IDM, INDCHEM, KELTRON, NELCO, NORSK DATA, OMC, ORG, PCS, PSI, TATA UNIS UPTRON, WIPRO, ZENITH, etc.).
- Volume-friendly. Can hammer out between 300 t 1000 lines per minute, depending on print requirer and time schedule.

The performance of the Lipi line printer is quantifiable. Our R V Q T factor is your guarantee of performance both in output and in operating cost. That is why Lipi is superior to any other line printer. Now consider our maintenance support and long-lasting consumables – and you have an efficiency and economy package hard to beat.

So whether you are buying a new system, or upgrading your present one, choose the best computer printer. Choose Lipi.



QUALITY

- At the Lipi plant in Udaipur, quality control and auditing meet the highest international standards set by Dataproducts Corpn., U.S.A.
- Quality begins as a design concept and governs the entire manufacturing operation.
- The entire production undergoes extensive reliability tests.
- Sophisticated DEFTs are used to test Hammerbanks, CCAs, Power supplies, etc.

Lipi

LIPI DATA SYSTEMS
(Div. Chemicals International Pvt. Ltd.)

Bombay :
1, Mittal Chambers, Nariman Point, Bombay-400 021.
Phone: 2026860/2020741 Telex: 011-4635/4415 COMP IN.

Delhi :
16, Ring Road, Lajpat Nagar-IV, New Delhi-110 024.
Phone: 6437641/6430546
Telex: 3161211/3163300 COMP IN.

Branches: Calcutta, Madras.

TECHNOLOGY

Lipi's computer printer technology comes from Dataproducts Corpn. (U.S.A.), world leaders in new generation computer printers.

- Precision control electronics synchronize at less than 10^{-6} secs. – permitting higher print speeds.
- Permanent Magnet Hammerbank Technology (PMT) cuts power consumption by 80%, increases reliability.
- Microprocessors operating at 20 MHz allow faster throughput.
- Statistically analysed print bands permit higher speeds, with dimensional stability.
- Constant Voltage Transformer (CVT) tolerates ± 50 volts fluctuation without a stabilizer.
- On/off current early warning – thermal and current protection circuitry.
- Wide ranging Interface Protocol ensures system compatibility.

FERREIRA ASSOC LDS 4R0 98

David Brown's 'H' Series.
A wide range of fully metric helical gearboxes.
Engineered for efficiency, economy and versatility.

'H' Series – your industry's power-savers

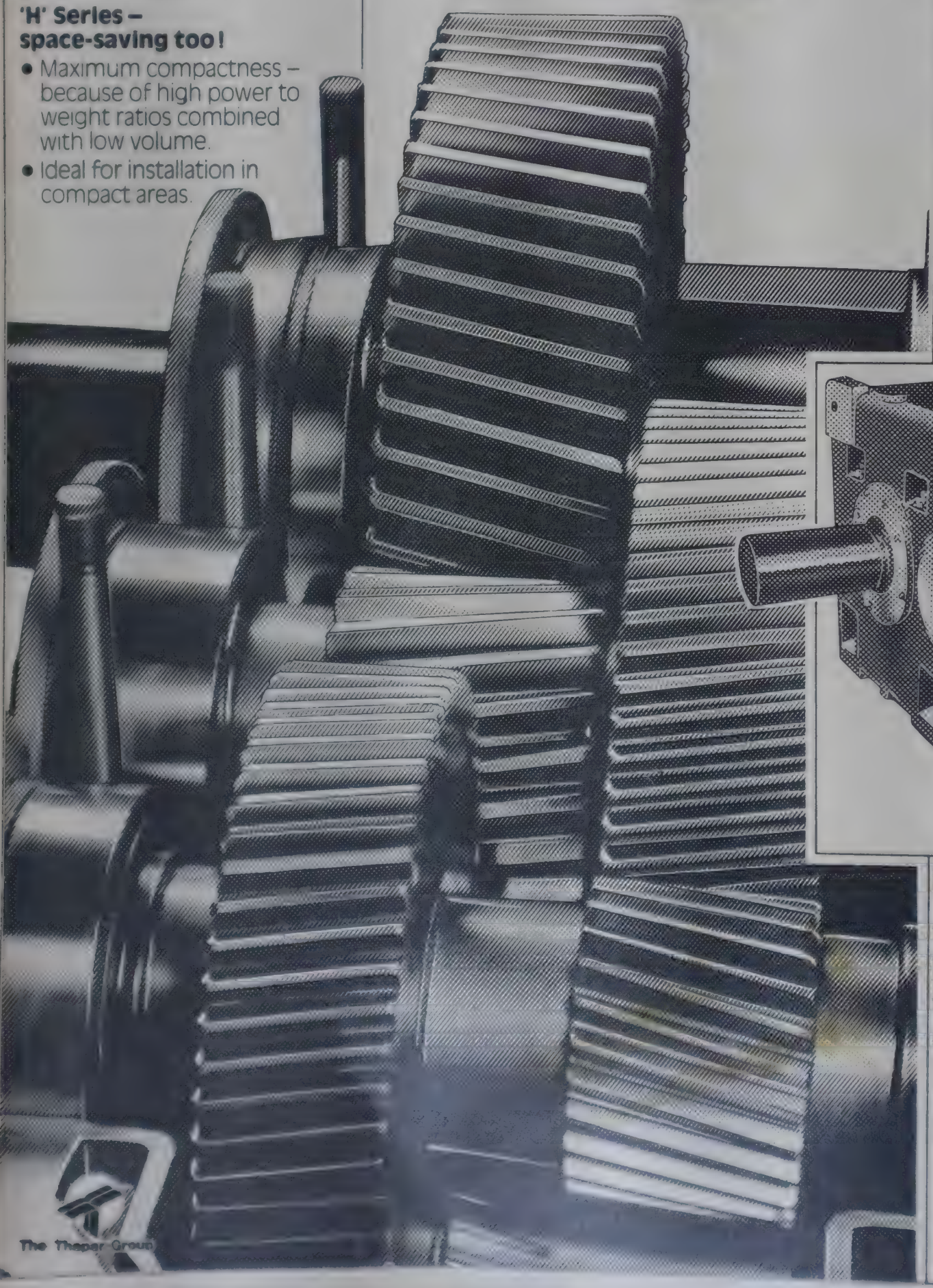
- Very high efficiencies (97-98.5%) – because of perfectly matched and aligned components
- Greater load-carrying capacity – due to highly optimised gear geometry.
- Long life and operational reliability – because of high quality materials.

'H' Series – space-saving too!

- Maximum compactness – because of high power to weight ratios combined with low volume.
- Ideal for installation in compact areas.

David Brown 'H' Series Helical Gearboxes.

Helping you save energy and space.. in many more ways than one.



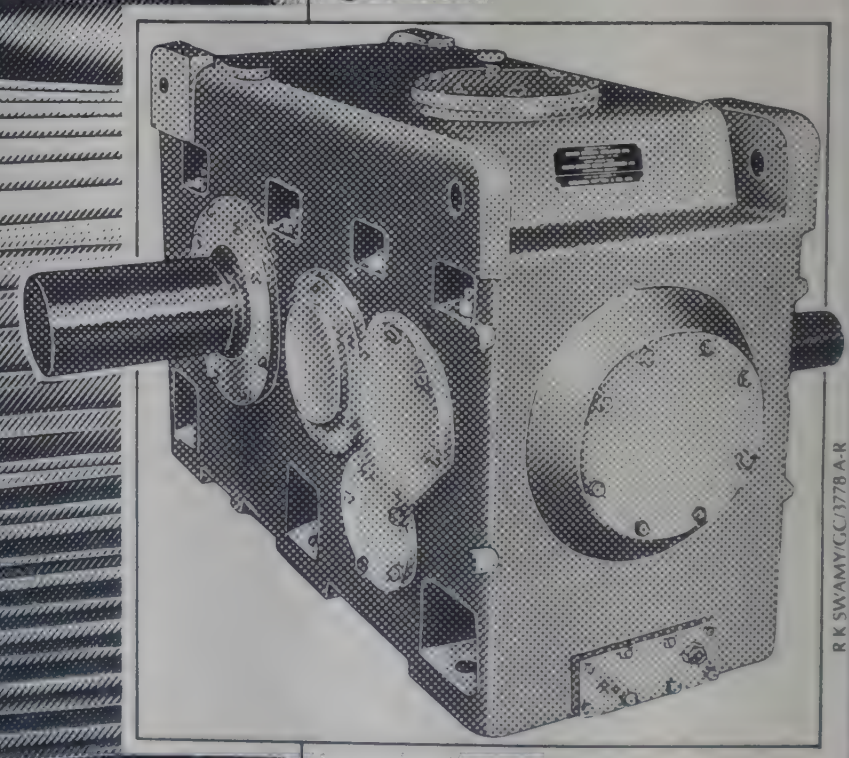
'H' Series – amazingly versatile

- Highly interchangeable parts and sub-assemblies – because of modular design and construction.
- Suitable for both horizontal and vertical drives – with right angled (Spiral Bevel) and parallel shafts.
- Choice of foot/shaft mounting with optional right/left hand shaft arrangements.
- Answers every need – available in extensive close ratio ranges (AGMA) with additional half-ratio steps.

Nationwide sales and service

David Brown 'H' Series Helical Gearboxes are sold and serviced by Greaves Cotton, leaders in power transmission equipment.

Greaves' countrywide network of 21 Sales and Service Centres, manned by qualified and experienced engineers, can help you select the right helical gearbox.



R K SWAMY/CC/1778 A-R

Contact

GREAVES COTTON & CO. LTD.
David Brown Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023.
- Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, NEW DELHI 110 002.
- Thapar House, 25, Brabourne Road, CALCUTTA 700 001.
- 13, Second Line Beach, MADRAS 600 001.

Manufactured by

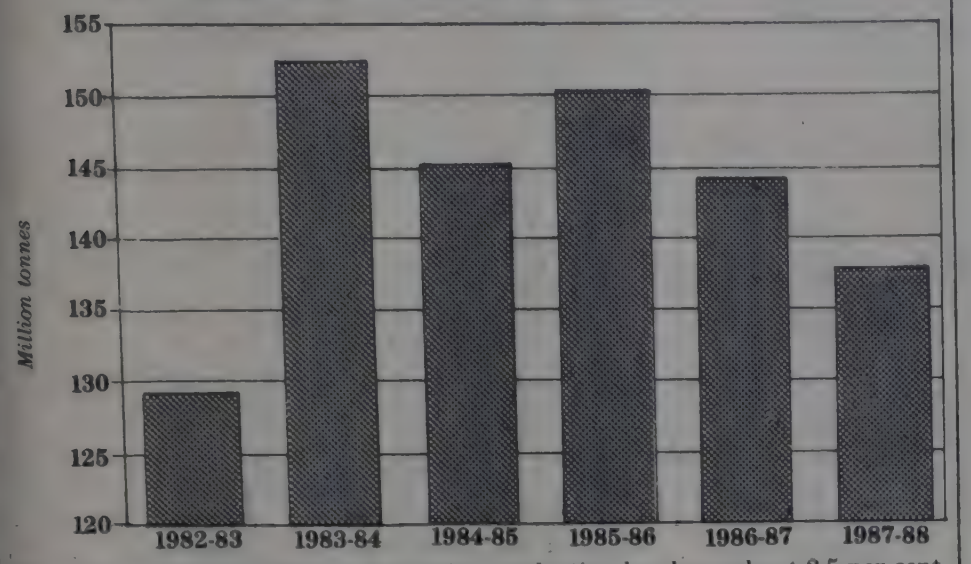
DAVID BROWN GREAVES LTD.
Chinchwad, Pune 411 019

Under Technical and Financial Collaboration with

DAVID BROWN GEAR INDUSTRIES LTD.
Huddersfield, England.

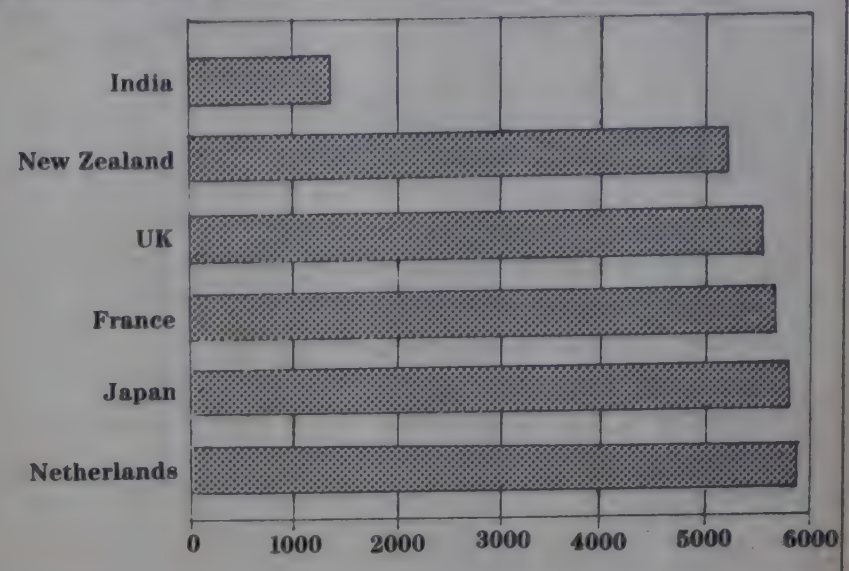
David Brown – mastery in gears

Foodgrains production in India



The average rate of growth in foodgrains production has been about 2.5 per cent between 1949-50 and 1986-87. There was a quantum jump in foodgrains production by 17.7 per cent to 152.4 million tonnes in 1983-84. But since then production has declined and due to drought has touched a low of 138 million tonnes in 1987-88. However, due to a good monsoon foodgrains production in 1988-89 is expected to touch an all time high of 175 million tonnes.

Per hectare yield of foodgrains (kg): 1985



The per hectare yield in foodgrains production has increased from 566 kg in 1949-50 to 1,377 kg in 1985. Even though this is more than 100 per cent increase, Indian yield rates are low by world standards. There are also glaring disparities in yield rates within India. Punjab has a yield of about 3,000 kg, while Rajasthan has only about 650 kg.

Money and banking (scheduled commercial banks): During the month under review M3 has increased by Rs.2,077 crores. For the first time in recent months, food credit has increased by 3.71 per cent, but it is 66.3 per cent less than a year ago.

(Rs. crores)

	4 Nov 1988	7 Oct 1988	6 Nov 1987	% change over month	% change over year
Broad Money (M3)	177,899	175,822	153,370	1.18	16.00
Agg deposits	131,090	130,194	111,156	0.68	17.93
Bank credit	76,310	75,058	65,815	1.67	15.94
Food credit	1,146	1,105	3,401	3.71	−66.3
Credit/dep. ratio	58.21	58.04	59.21		

Wholesale price index: The WPI-all commodities has increased by 1.47 per cent during the month to 22 October 1988. The primary articles index has increased sharply by 4.02 per cent, mainly due to the increase in the prices of pulses by 14.2 per cent. The manufacturing products index dropped by 0.16 per cent. The price index of jute, hemp and mesta textiles dropped by 5 per cent.

(1970-71=100)

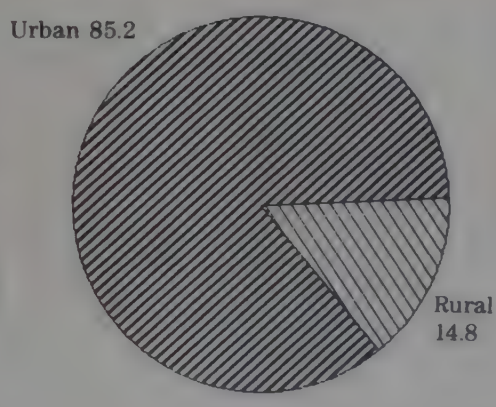
	22 Oct 1988	24 Sept 1988	24 Oct 1987	% change over month	% change over year
All commodities	441.6	435.2	410.3	1.47	7.63
Primary articles	421.6	405.3	390.8	4.02	7.88
Mfg products	419.4	420.1	388.4	−0.16	7.98

Bullion prices and stock market index: The price of gold and silver in the domestic market is up by Rs.70 and Rs.51 respectively in the month under review. While the price difference (between London and Bombay) in gold has narrowed to Rs.1,199 (a year ago it was Rs.1,543), in the case of silver the difference is about the same. The Bombay stock exchange index has risen to 719.07 due to good institutional and investor support.

	18 Nov 1988	18 Oct 1988	18 Nov 1987	% change over month	% change over year
Gold (Bombay)	3,220	3,150	3,490	2.22	−7.73
Gold (London)	2,021	1,948	1,947	3.75	3.80
Silver (Bombay)	6,503	6,452	6,248	0.79	4.08
Silver (London)	3,004	3,038	2,798	−1.10	7.36
Bombay stock exchange index (1978-79=100)	719.07	678.67	421.74	5.95	70.50

The price of gold is in rupees per 10 gms and that of silver in rupees per kg.

Market for cough lozenges — 1987

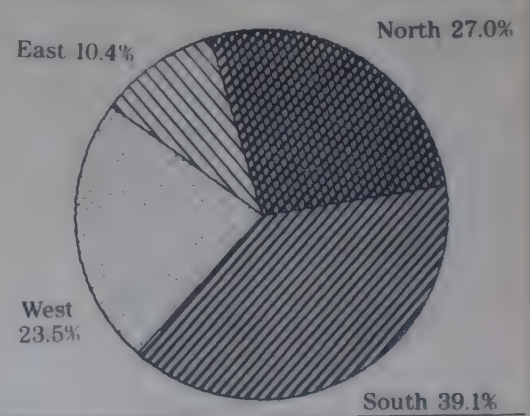


The cough lozenges market is dominated by the urban sector (85.2 per cent share) but the rural sector is also not insignificant, accounting for 14.8 per cent of the market.

All India = Rs.17.2 crores

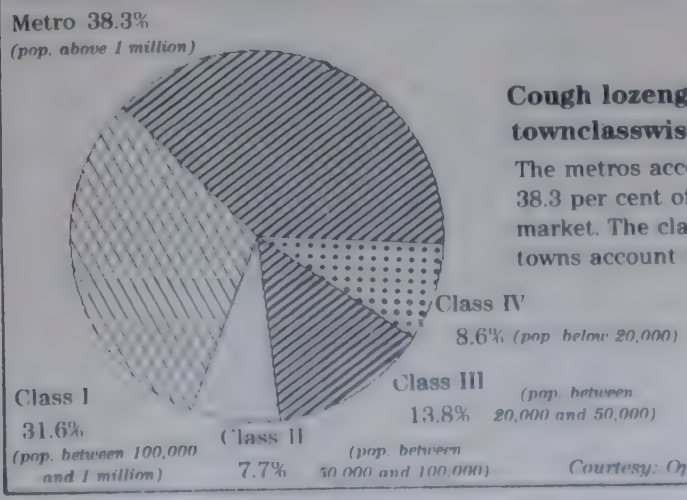
Cough lozenges zonewise market — 1987

The south has the largest share of the all-India market (39.1 per cent) followed by the north (27.0 per cent). The east has the lowest share of 10.4 per cent.



Cough lozenges townclasswise market — 1987

The metros account for a hefty 38.3 per cent of the urban market. The class II, III and IV towns account for 30.1 per cent.



Courtesy: Operations Research Group

MOULDS

We have been designing and manufacturing moulds and dies since 1970 and have 250 employees including engineers, designers, machinists, tool makers and moulders. Our engineers have been trained in the best tool rooms in the U.S.A. and are fully conversant with the latest techniques of precision mould manufacture.

We have a fully air-conditioned computer controlled tool room which is equipped with the best EDM's from Switzerland, three dimensional die sinkers from W. Germany, inspection and quality control machines from Japan and all other precision back-up machines.

We hold large stocks of the best imported alloy steels which are heat treated in our modern heat treatment plant. We can case-harden, harden, nitride and stress relieve all steels.

We are specialists in moulding the whole range of thermo-plastics and can ensure supply of moulded components to your requirements. Our moulding shop is equipped with ten Toshiba 150 ton fully automatic moulding machines, a Kautex blow moulding machine and a team of experts to run them.

Contact us for further information.

- High quality moulds for plastics and die casting industries.
- Moulded plastic components for general purpose and engineering plastics.
- Precision and electric discharge machining (spark erosion).
- Complex jigs and fixtures.
- Heat treatment of steels.

PMD

PRECISION MOULDS AND DIES ®

8/4C, Industrial Area No. 4, Sahibabad-201 010,
Ghaziabad (U.P.). Phones Delhi: 869357, 866523, 869226.

Pavitra

ARE YOUR JOINTS GIVING YOU TROUBLE?

HOLDTITE

Liquid Sealant

Puts the seal on your jointing problems

Holdtite

* Dries quickly
* Remains stable under severe working conditions
* Offers a choice of grades for your specific applications
* Ideal for pipe jointing, drum sealing, car underbody, engine assembly and various pumps
* Mineral Oil Resistant

HAWCO

Metal Process Division

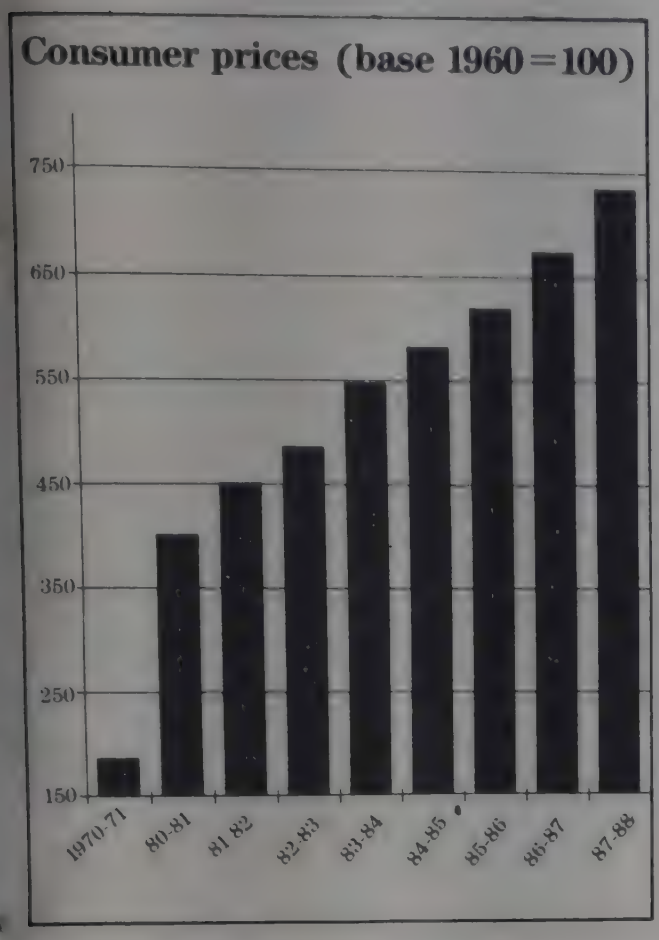
Hardcastle & Waud Manufacturing Co. Ltd.

Head Office: Brabourne Stadium, 87 Veer Nariman Road, Bombay-400 020
Tel: 222114 Tlx: 011-2972 HWCO

Branches:
Madras: 64, Moore Street,
Tel: 511937 Tlx: 041-7767 HWCO
New Delhi: E-376, Greater Kailash II Tel: 646 1479
Calcutta: 17, Biplabi Trailokya Maharaj Sarani
Tel: 268850/262024 Tlx: 021-4325 HWCA

HOLDTITE–The sealant you can rely on.

CHAITRA-B HAWCO 25 R



No respite from inflation

For the seventh month in succession, the consumer price index for industrial workers (CPI-IW) has risen. At 806 in September 1988, the index was up by 7 per cent over March 1988. The comparable rise last year was 59 points or 8.6 per cent. Even though the index has been rising steadily, the price situation is certainly not out of control as feared earlier. This is because the government took prompt action to import essential commodities like wheat, edible oils, rice etc to avoid shortages.

Wholesale prices have also increased and for the six months to September 1988, the all-commodities index was up by 5.3 per cent, as against 6.8 per cent in the corresponding period of the previous year. However, in spite of this rather modest increase in the first six months of the current year, there has been a substantial rise in the prices of certain commodities. For instance, the index for potatoes has risen by a whopping 57 per cent (July 1988) since March 1988 Pulses is up by 19.8 per cent. However, the index for rice increased by 8 per cent while that for wheat actually declined by 6 per cent.

In manufactured products, the wholesale price index during the six months to September 1988 was up by 5.6 per cent. Commodities that have risen significantly in this period are sugar, khandsari and gur (32.3 per cent) and jute, hemp and mesta textiles (19.7 per cent). On the other hand, tyres and tubes, paper, tobacco manufactures, cotton textiles, non-electrical and electrical machinery have hardly recorded any increase in price. But this does not mean that prices of the above mentioned commodities have been stable over the year. For instance, electrical machinery on a year to year basis has notched up an increase of nearly 12 per cent.

The increase in the consumer price index or the inflation rate as it is generally called has not been consistent over the major towns and cities in India. The consumer price index at 889 (1960=100) was the highest at Varanasi and Srinagar. But it was Monghyr in Bihar that has the dubious distinction of having the highest inflation (17.5 per cent) during the year to July. In fact, 22 major cities in India registered double digit inflation. Nevertheless, there were certain cities like Bhavnagar in Gujarat, Mundakajam in Kerala, Indore in Madhya Pradesh, Coonoor in Tamil Nadu, Varanasi in Uttar Pradesh and Raniganj in West Bengal that have registered single digit inflation of about 5 per cent. The range therefore was quite wide. Considering the geographical diversity of the country, this is not at all surprising.

Be that as it may, the consumer price index which has a base year of 1960 has become dated. A new more effective and comprehensive index is definitely called for. In principle it has been accepted that a new CPI with a base year of 1982 is needed. It has been reported that the new series will cover a wider span of 78 centres as against the earlier 58. The number of items in the basket of consumption has also increased from 175 to 268. Also the weightages given to the different commodities have been rationalised. For instance, the weightage given to food has been reduced from 75 to 60.92 which is more in tune with reality because expenditure on food as a percentage of total household expenditure is about 60 percent for the bulk of the working class. The trade unions have not yet fully accepted the new index. Apart from a host of grievances on technicalities their grouse is that after the linkage is made the dearness allowance payable to the workers would be a bit less.

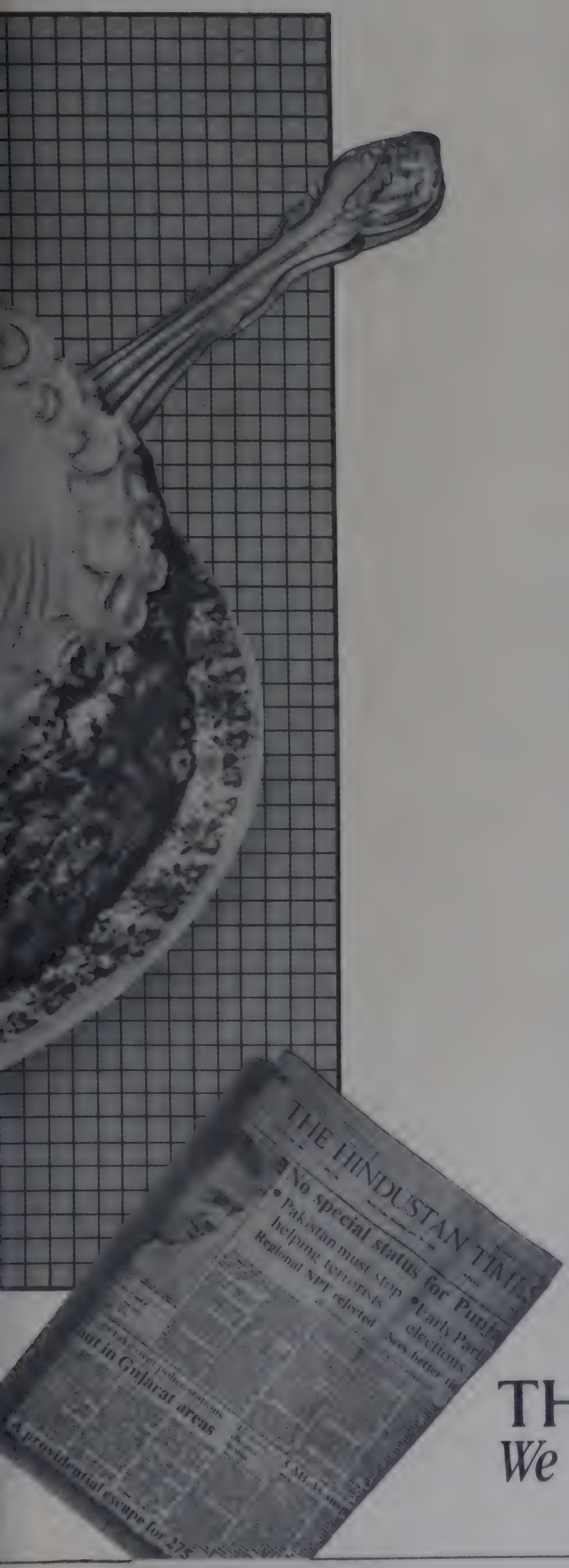
Tinkering with an index does not solve the problem of the inexorable rise in prices which has continued year after year. The average annual rate of the increase in consumer prices has been 8.4 per cent, between 1970-71 and 1987-88. In good years, the increase has been around 6.5 per cent, and in bad years around 12.5 per cent.

Even though prices of essential commodities were contained last year (in spite of the severe drought) the overall policy on inflation has been lackadaisical, to say the least. The general expectation is that prices in the medium long term (about five years) will increase at the same rate.

■

ASPI CONTRACTOR

The Hindustan Times gives its
advertisers the largest sha
of the market cake.

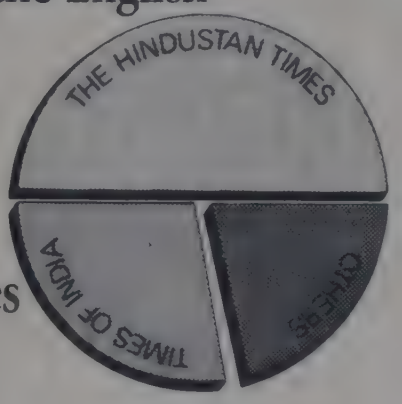


The H.T. doesn't believe in bluffing or making tall claims. Nor do its readers.

They would rather let the facts speak for themselves. Facts compiled by the ABC and NRS — the most authoritative circulation and readership figure sources in the country.

In more ways than one, The Hindustan Times emerges as the undisputed market leader of Delhi:

- with over **68%** of all the English newspaper readers,
- with **67%** of the professional/executive readers,
- with **67%** of graduates & those with a higher education,
- with **78%** of the student readers,
- with **71%** of the adult readers having a monthly income of Rs. 2501/- and above.



That's why advertisers use the HT more than any other newspaper in Delhi. They like the taste of success that the HT shares with them.

THE HINDUSTAN TIMES

No. 1

THE HINDUSTAN TIMES

We sell more. Because we tell more.

Technical know-how from Armstrong, U.K.

Your ticket to prosperity. NATIONAL AUTO ACCESSORIES LIMITED An investment in the booming auto-component industry.

Now is the time to invest in the auto-component industry, whose fortunes are closely linked to the auto industry, its main customer.

The auto industry is basking in the sunshine of boom conditions. The production of cars, jeeps, trucks and tractors is steeply on the rise, as reflected in the high prices quoted for auto shares on the stock markets.

With the on-going boom in the auto sector, there is a paucity of supply of high quality critical components. The organised sector today can only meet 40% of the requirements.

Not only is the investment climate right for the auto-component industry, but National Auto brings many more strengths:

1. the promoters, the House of Dempo with a track record of success in Goa Carbon Limited.
2. proven technology from Armstrong, U.K.

The Company's plant which is already in commercial production in Margao, Goa, will manufacture safety critical components such as complete Steering Linkages, Tie Rod Ends, Suspension Joints etc. for cars, jeeps, trucks and tractors.

With the growing demand, latest technology and professional management, NAAL will soon be a name to reckon with in the field of auto components.

HIGHLIGHTS

- Promoted by renowned Dempo Group of Goa.
- No gestation – Production already started in September 1988.
- Manufacture of components for booming Auto Industry.
- Technological excellence from Armstrong Patents Co. Ltd. of U.K.
- Assured market for product – only 40% of the demand met by organised sector.
- Experienced professional management and technicians.
- Tax benefit to investors including 80CC, 80L, 80M & Wealth Tax benefits.
- Easy Liquidity – Listing at Bombay and Ahmedabad.

ISSUE OF 9,60,000 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT PAR.

NAAL

NATIONAL AUTO ACCESSORIES LTD.

Regd. Office: Dempo House, Campal, Panaji, Goa-403001

Lead Managers to the Issue:

Bank of India
Merchant Banking Department,
New Stock Exchange Bldg.

Managers to the Issue:

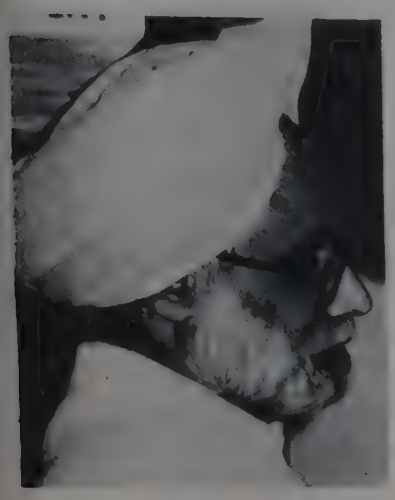
CANBANK
Canbank Financial Services Ltd.

Co-Managers to the Issue:

Union Bank of India
Merchant Banking Division,

Allahabad Bank
99 C, Rasewood Chambers

88/8 Sakaldas



MANMOHAN SINGH

NORTH-SOUTH TRADE

A two-way affair now

International trade is sometimes described as the engine of economic growth. Economists continue to differ about the validity of this statement. Nevertheless, it is generally agreed that an expanding volume of international trade can make an important contribution to the growth of output, employment and improvement in living standards.

Very few countries are so richly endowed as to produce domestically everything they need. A policy of autarky even if physically feasible can be economically a very wasteful proposition. The opportunity to trade enables a country to take advantage of economies of specialisation and of scale to a much greater extent than is possible within the framework of domestic markets. Also, international trade provides a powerful stimulus to innovation, technical progress and productivity growth, which play an increasingly important role in growth processes of the modern world.

This does not mean that free trade is always an optimum policy. Certainly, developing countries need a period of protection to develop their infant industries in which they may have a long-term comparative advantage. But protection also has its costs and indiscriminate prolonged protection can greatly stifle growth of productivity and cost consciousness.

DELICATE BALANCE

It is the experience of most developing countries that import needs inevitably rise in the process of development. In a country like India with a broad-based resources endowment, experience has shown that imports rise at least as fast as national income. In smaller countries with more limited resource endowment, import growth is likely to be faster than national income. This means that unless exports increase fast enough, the country will be faced with a severe balance-of-payments constraint, which may affect the overall rate of economic growth. Of course, in the short run imports can be financed by foreign credit. However, this credit has to be serviced and if exports do not grow fast enough, the country will face a crisis of creditworthiness.

For all these reasons, developing countries need a favourable international trading environment in which their trade can grow. Nearly 70 per cent of developing countries' exports go to developed countries. Thus, import regimes of developed countries exercise a powerful influence on the export outlook for developing countries. Developing countries' exports to developed countries depend on growth of income in developed countries and income elasticity of demand for the type of goods exported by developing countries; competition from developed countries; import policies of developed countries.

In all these areas, recent developments are a cause of legitimate concern. First of all, the rate of growth of the economies of major developed countries has considerably slowed down since the early 1970s. Whereas the OECD countries' economies grew at an average rate of 5 per cent per annum from 1950 to 1973, currently their growth rate is in the range of 2.5 to 30 per cent.

While important structural factors are at work in contributing to a slow-down of growth in the developed countries, similar structural factors are also at work in reducing these countries' demand for the type of goods typically supplied by developing countries. Many of these products have a low elasticity of demand and in addition they face competition from synthetic substitutes.

Tariff negotiations under the auspices of GATT have led to a significant reduction in tariffs on manufactured goods. This liberalisation has stimulated world trade, and several developing countries have taken advantage of the more favourable international environment to expand their exports of manufactures. However, the tariff structures of developed countries still discriminate against manufactures from the developing countries.

Furthermore, the liberalisation of trade among the regional groupings of developed countries and the enlargement of a group like the European Community have also placed exporters of developing countries at a disadvantage compared with exporters from countries which are members of the regional groupings.

UNFAIR PROTECTIONISM

Finally, the last 15 years have seen a significant increase in protectionism in the developed countries, often directed specifically at products in which developing countries have a significant comparative advantage. Exports of textiles, footwear, steel and several other product groups fall in this category. Very often, this discriminatory protectionism, of which the Multi-Fibre Agreement is a classic example, violates GATT rules and principles. Yet, because of the weak bargaining position of developing countries in international negotiations, the tide of discriminatory protectionism has not abated.

In addition to factors affecting longer-term growth of trade, the export trade of developing countries, dominated as it is by primary products, is characterised by considerable instability.

The author is secretary-general of the South Commission

The Kirloskar Electric Challenge Series

Everybody, well almost everybody, knows that Kirloskar Electric makes a range and variety of DC motors that's virtually unparalleled in the country.

But did you know that Kirloskar Electric designed and developed a replacement for one of the world's finest and most proven DC traction motors–with hardly any specs–for the first time in India?

There are over 200 superb American shunting locomotives working in the country, moving materials in steel and cement plants and generating stations. These traction motors had worked continually for more than 12 years without a hitch, many a time under abuse conditions. After such remarkable service, they were running into problems.

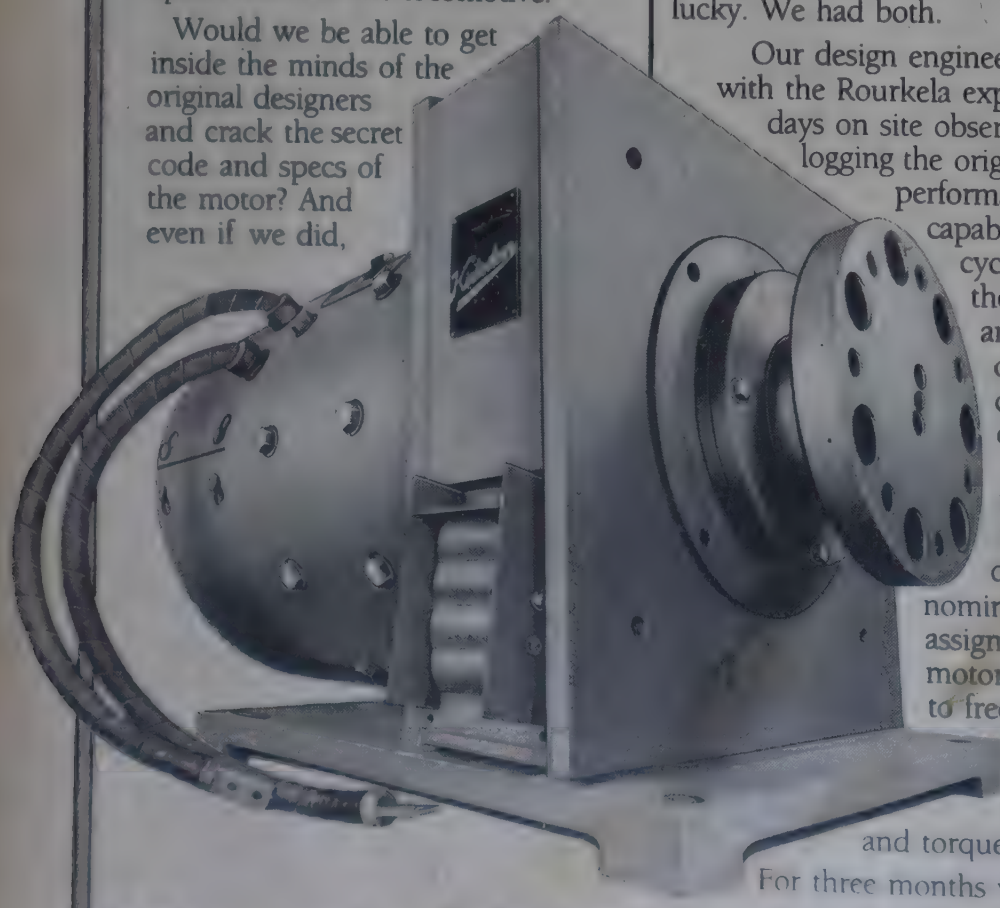
The Rourkela Steel Plant asked us to develop DC traction motors as replacements. The client's instruetions were short: "Your motors must perform like the originals. And they must be mechanically and electrically interchangeable". There was just one catch. There were hardly any specs barring the tractive effort versus the speed curve of the locomotive.

Would we be able to get inside the minds of the original designers and crack the secret code and specs of the motor? And even if we did, could we attain the technological level of the Americans? And could we improvise and invent since we couldn't possibly have access to the materials they used?

Hardly anyone in the industry was willing to take on the job. Were we then rushing in where angels fear to tread? Quite likely. But, we decided, nothing ventured, nothing gained. We said yes.

The whole essence of import substitution is a strong and experienced engineering team with the patience and the commitment to work for years till it designs and manufactures an identical replacement for the original. Plus one other critical factor: the total involvement and continuous guidance of the customer. We were lucky. We had both.

Our design engineers along with the Rourkela experts, spent days on site observing and logging the original motor's performance, capabilities, duty cycle loadings, the frequency and duration of the currents drawn, etc. They realized that irrespective of the nominal ratings assigned to these motors, they had to frequently deliver thrice the power and torque expected. For three months we studied the motor in our factory. We took it apart, grasped its design philosophy, then finalized kilowatt, torque, speed and overload parameters. We got down to the drawing board. The designing objective was to pack as much power as possible into a small frame and to maintain sufficient reserves to meet the demands of traction duty.



Within 8 months, we delivered the prototype motors. They were almost identical with the original in performance. In fact, the identity was so close, not only could the motors be interchanged but the entire rotors and stators could also be interchanged. All ten motors have now been delivered to the Rourkela plant and are working extremely well.

What, you may well ask, makes us take on such challenging jobs that others won't touch? The truth is standard motors — small, medium and large — are our bread and butter. We make them with an enormous amount of care because our livelihood depends on them. But it's the really tough jobs that give us our kicks. We don't just thrive on them, we need them to feel alive. What we are doing is developing technological muscle and invaluable expertise and experience. It saves the country crores in foreign exchange. And it does wonders to our self-confidence and the confidence our customers have in us. They know that when nobody else can do the job, Kirloskar Electric will.

KIRLOSKAR ELECTRIC COMPANY LTD

Regd Office Industrial Suburb, Rajajinagar, Bangalore 560 010.

When nobody else can do the job, Kirloskar Electric will.

Pratibha /KEC/26/88

Prices of primary commodities in the 1980s have on the whole declined to their lowest level in real terms since the Great Depression of the 1930s. Yet this steep decline has not led to any international attempt to stabilise commodity prices. No new international commodity agreements have been negotiated in this decade and those that were in operation have faced great difficulties.

In the late 1960s, developed countries had agreed to institute a Generalised System of Trade Preferences in favour of developing countries to promote the growth of their manufactured exports. However, the system is riddled with so many exceptions and qualifications that it has had only a marginal impact on the growth of manufactured exports of developing countries. Developed countries have resorted to unilateral actions to graduate some developing countries out of the purview of GSP. As a result, the GSP system does not provide a secure basis for planning of export growth.

In the 1980s, the debt crisis has severely affected the import capacity of a large number of developing countries in Latin America and Africa. The diversion of resources for servicing of external debt has also led to a squeeze on investment in capacity expansion. This has also affected growth of export capacity expansion.

For some of these problems, no effective solutions are in sight. For example, the deceleration of growth in the developed countries and volatility of exchange rates do not lend themselves to readymade solutions. Some of the other problems are being dealt with in the course of the Uruguay Round of Trade Negotiations. For example, the Punta del Este Declaration of September 1986, which launched the Uruguay Round, commits the GATT Contracting Parties to a stand-still and roll-back of protectionism inconsistent with the objectives of GATT. The contracting parties have also promised to pay special attention to problems faced by developing countries namely, liberalisation of trade in tropical products and return of trade in textiles to the normal disciplines of GATT.

At this stage one can only hope that these commitments will be fully honoured. Nevertheless, it has to be admitted that protectionist forces are pretty strong, both in the US and the European Community. The latest US Trade Act has strong protectionist overtones even though much will depend on the manner in which the US Administration might choose to apply its various provisions. There is a danger that bilateral approaches for dealing with trade issues, such as through the recently concluded US-Canada Free Trade Agreement, may be used more aggressively to include countries such as Japan and Mexico. In Europe, the sentiment of building "a fortress Europe" has considerable appeal and its temptation may increase as the Community approaches 1992 when all the remaining intra-EC barriers to the movement of goods and factors of production will be removed.

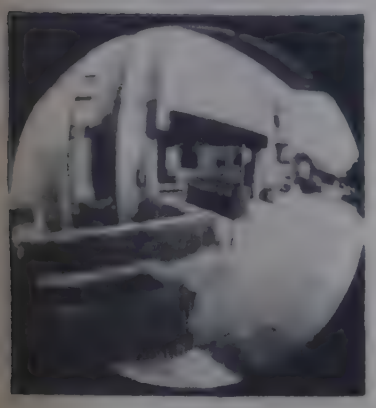
FRAGMENTATION

If these trends gain importance, there will be fragmentation of the world trading system. Developing countries, having a weak bargaining power in relation to major trading blocs, will be major sufferers unless they develop some countervailing power through increased South-South co-operation.

Developing countries' share in the developed world's consumption of most traded products is still very small. As such, developed countries cannot justify their import restrictions in the name of avoiding market disruption or injury to essential domestic interests. Indeed, a period of slow overall growth of world trade which is now on the horizon makes it all the more necessary that every possible opportunity should be provided to developing countries to increase their share of trade where they have a competitive edge.

Helping developing countries export is of course not an act of pure charity on the part of developed countries. Since developing countries normally cannot afford to accumulate large reserves of foreign exchange, an increase in exports will invariably lead to increased imports from developed countries. Moreover, the slowdown of the engine of economic growth in the developed countries can be avoided, if somehow the vast latent purchasing power of the economies of the Third World can be activated. In this context, it is worth noting that the four Asian economies of Hong Kong, South Korea, Singapore and Taiwan are now significant buyers of manufactures on world markets.

A well-functioning trading system backed by an efficient system governing capital flows can make a major contribution to the acceleration of growth, both in developing and developed countries. Currently both these systems are not functioning properly. The open trading system is now threatened by the use of protectionism in major developed countries. Capital flows, which normally ought to move from rich to poor countries, are going in the opposite direction. Surplus savings of Japan and West Germany are being invested in the world's richest country rather than being used to help the poor countries of the world. Here then is both a challenge as well as an opportunity. What the world needs is a new global vision and strategy for promoting economic growth in the world, of which the core element is the promotion of sustained growth of the Third World. The development of the Third World could provide a powerful stimulus to revitalise growth processes all over the world.



HCL

Riding the technology tiger

HCL's bash on 4 October 1988 at the Taj Palace, New Delhi, was a celebration of two things: first, it had in the previous financial year achieved a turnover of over Rs.100 crores and second, its US operations had taken off. HCL America Inc will be manufacturing and marketing its super mini-computer, the Magnum, in the US. HCL has also, during the last year, become the largest computer manufacturer in the country

In many ways, the HCL's party was a recognition of the fact that dreams can be made to come true. What had started as something of an adventure for Shiv Nadar, now chairman of HCL, and five of his colleagues, who left DCM Data Products together to set up their own company in 1975, has become a reality. Nadar, an electrical engineer from PSG College of Engineering, Coimbatore, joined DCM as a management trainee in 1968. He was in charge of the marketing division of DCM Data Products when he and his colleagues, Arjun Malhotra, Y.C. Vaidya, D.S. Purie and Subash Arora left the company. Today, with the exception of Subash Arora, they are all involved in the day-to-day functioning of the company and are on the board.

UNSTABLE ENVIRONMENT

HCL's success is a tribute to its ability to manage in an environment wherein technology is proliferating exponentially. Uncertainty — often due to the proclivity of the government to change rules of the game in mid stream — is high, and the competition is cut-throat.

HCL Ltd, as a company, is new. It was formed in April 1986 through the amalgamation of four companies set up in the late seventies and early eighties. These include Hindustan Computers Ltd, Hindustan Instruments Ltd, Indian Software Co Ltd and Indian Reprographics Ltd. HCL today has a share capital of Rs.14.83 crores and reserves of Rs.11.11 crores. It is still a closely held company with 90 per cent of its share capital held by the original promoters of the company and its employees. It has an affiliate company in Singapore, Far East Computers Pte Ltd, in which it has a 43.75 per cent shareholding.

The company has seven divisions: computers, CAD/CAM, reprographics, communications, instruments, customer support and peripherals. In the last financial year from June 1987 to June 1988, the computer division provided approximately 70 per cent of turnover, CAD/CAM 5 per cent, and reprographics 14 per cent. The reprographics manufacturing facilities are in Dehradun while the telecom and computer plants are in Noida, UP. Since Noida was designated a backward area when the plant was set up, HCL is exempted from paying the UP sales tax currently in force at 12 per cent. The company has a peripherals manufacturing facility in Madras and the instruments factory is in Gurgaon.

HCL's strengths have always been its marketing savvy and quickness of response, and its ability to forecast technological trends fairly successfully. As Arjun Malhotra, vice-chairman of HCL puts it, "We want to ride the next tiger — but its damn difficult to tell which one its going to be." Says Ajit Balakrishnan, chairman of PSI, "HCL's speed is an extension of Shiv Nadar's own quick responses. Where others take one-and-a-half years to react, Shiv reacts in four-and-a-half months."

AGILITY

This agility is something that has characterised HCL from its inception. HCL's first major opportunity was the withdrawal of IBM from India in June 1978. Though the American giant began winding down operations only in September 1977, Nadar and his colleagues had learnt of IBM's intention to withdraw as early as July 1977.

They seized the opportunity and HCL announced the launch of its 8C and 8CR microcomputers. Full page ads announced the machines as the first microcomputers for the commercial user. Nadar remembers that DCM came out with ads saying, "Wait for a better product." Finally, both companies held product demonstrations in December 1977. In the head-on clash that ensued for the first-time user segment, HCL was faster and more aggressive. Most computer companies, such as ICIM, ORG Systems and ECIL, didn't want to sell to widely diversified locations because they were not confident of being able to support their products.

HCL, however was willing to take the risk of selling first and bothering about maintenance

NAME
HCL Limited

YEAR OF INCORPORATION
1986

REGISTERED OFFICE
806-808, Siddarth
96, Nehru Place
New Delhi

CHAIRMAN
Shiv Nadar

MANUFACTURING LOCATION
Noida, Dehradun,
Gurgaon, Madras

ITEM MANUFACTURED
Computers, Copiers,
EPABX, Instruments

RECENT SHARE PRICE
Rs. 37

later. This caused its reputation for after-sales service to suffer but the risk-taking paid off. Contrary to the fears of other companies, customers were willing to accept less than top class service initially. As technology progressed and HCL offered an upgrade path, it was able to 'lock' in customers to its products. Today 65 per cent of HCL's orders come from old customers.

The ability to respond innovatively is also evident in HCL's launch of its Workhorse I in Feburary 1983 as a computer-cum-super electronic typewriter. In September 1981, HCL launched the System 2. The computer was well received and almost 600 orders were booked by the end of 1982. At that time, the company was offering two or three pieces of application software with each computer but could not, in practice, meet this commitment.

TIME TO CATCH UP

The System 2 was repackaged with basic software packages like word processing, and renamed the Workhorse I. The company launched a high powered ad campaign, backed by direct mailers and road shows. By April 1984 the system was the largest selling micro computer in the country. Because it used only standard packages, the Workhorse gave HCL time to catch up on its other commitments.

During the early years, especially from 1981 to 1984, HCL's revenue was largely stagnant. Nadar explains that many of the company's problems came from having to re-invent the wheel. Due to government regulations, HCL and most other computer companies in operation at the time had to design computers and write their own operating systems and compilers. This was a disaster.

For example, HCL designed one of its products, the System 4, as a mini computer. It drew its inspiration from Digital Electronic Corporation's PDP-II. Though HCL wrote the operating system and compilers after a tremendous effort, the system never worked successfully.

Salvation came in November 1984 when the government announced the new computer policy which allowed the free import of PC kits. According to Nadar, HCL had already decided to scrap attempts to create operating systems for mini computers and decided to use UNIX, a system that even then showed promise of becoming an industry standard. The operating system was independent of hardware and easily portable. After the announcement of the computer policy HCL decided on PC-compatibility for micro-systems as well.

According to Ajit Balakrishnan, HCL was the first Indian company to see the possibility of adapting to world standards. Companies such as WIPRO and PSI followed quickly while others, like ORG and DCM Data Products, were slower. ORG continued to attempt to develop its own computers while DCM Data Products failed to capitalise on the opportunities that the government's more liberal policy provided.

MANAGEMENT-INTENSIVE BUSINESS

"Companies with traditional businesses too, where change is slow, have been unable to react to the computer industry where product cycles are short — typically two to two-and-a-half years. It is a management-intensive business," says Ashok Soota, president of WIPRO Information Technology Ltd (WITL). But, being in a traditional business is not necessarily a disqualification; WITL's parent company is in traditional areas like the manufacture of vanaspati, but it has been run very successfully and is today the

HCL vis a vis the industry

	HCL's turnover*	Industry Turnover
1982-83	14.60	95
1983-84	14.50	125
1984-85	18.50	138
1985-86	25.89	234
1986-87	45.54	347
1987-88	60.24	510

Source: Dataquest.
** Includes only HCL's computer related turnover.*

The factory telecom at Noida

ORGANISE YOUR LIFE

FLEXIBLE, PRACTICAL, RELIABLE, much more than just a diary
– a whole new approach to organise your life.

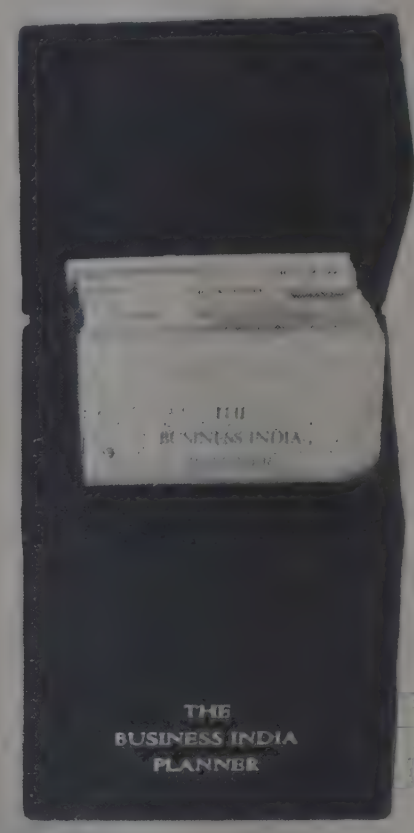
THE BUSINESS INDIA PLANNER 1·9·8·9

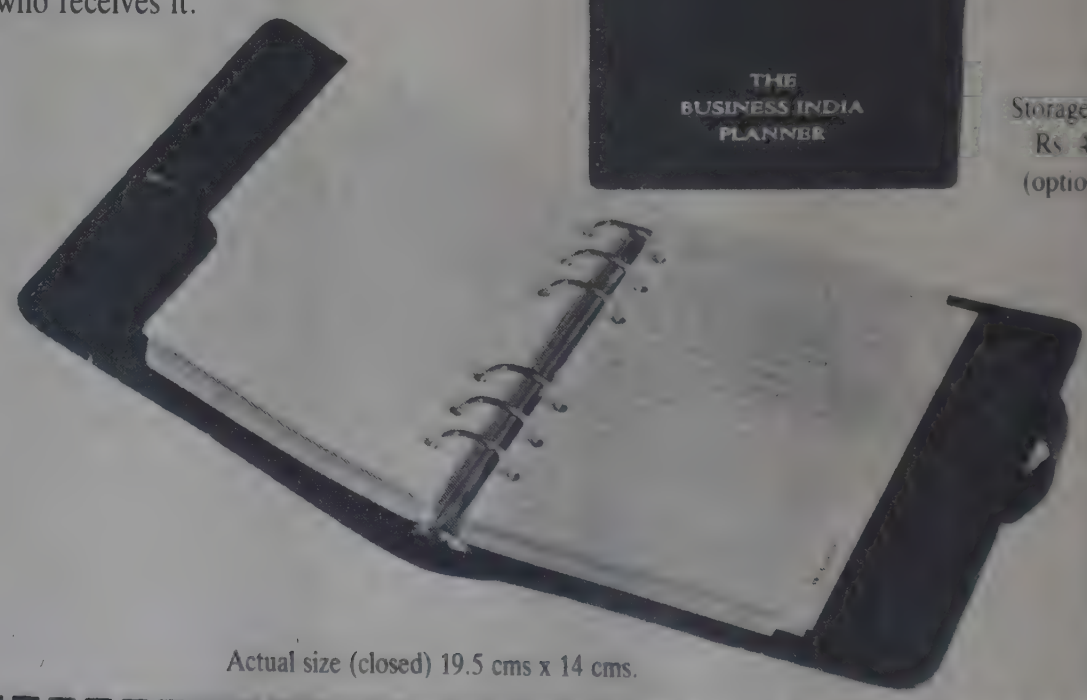
With its unique trigger operated ring binder system, The Business India Planner can be organised to suit individual requirements and style. Add, subtract and relocate pages from numerous features and options available including an optional storage box which is ideal to store alternative or spare pages. And next year, all that needs replacing is the diary section.

Leather bound in black, grey or burgundy, with its easy to use design format, The Business India Planner 1989 has a new expanded Information Section, a versatile Diary Section, a handy Network Section, and an indispensable Organiser Section.

Select between the two versions of the Planner: the Day Plan and the Week-at-a-glance. The diary section of the Day Plan devotes a page a day whilst that of the Week-at-a-glance views a week on a spread.

Meticulously designed to suit varied lifestyles –The Business India Planner 1989 is also a perfect gift idea that will be appreciated by anyone who receives it.





Storage B
Rs. 40/-
(optional

Available at selected outlets in major cities.

Actual size (closed) 19.5 cms x 14 cms.

RATE PER PLANNER:

Quantity ordered	Week-at-a-glance	Day Plan
1 – 9 Planners*	Rs. 395*	Rs. 425*
10 – 25 Planners	Rs. 370	Rs. 400
26 – 50 Planners	Rs. 360	Rs. 390
51 – 150 Planners	Rs. 350	Rs. 380
151 – 200 Planners	Rs. 340	Rs. 370

* an additional special discount of Rs. 25/- is available for Business India Subscribers.

+ Rs. 20/- for postage and handling charges for each Planner.

For a modest additional cost of Rs. 5/- per Planner, your Company's name can be embossed, in a standard typeface, on the leather Folder.

Number Ordered: _____

☐ Week-at-a-glance: _____ ☐ Day Plan: _____

Please indicate colour in order of preference. (Colour subject to availability):

☐ Black _____ ☐ Burgundy _____ ☐ Grey _____

Subscription No.: _____

Name _____

Address: _____

_____

My Cheque ☐ D.D. ☐ P.O. ☐ for Rs. _____ drawn in favour of the **Business India Services** + Rs. 5/- for cheques not drawn on a Bombay bank is enclosed. Please allow 28 days for delivery.

Mail the Coupon to: **Business India Services**, Nirmal, 18th Floor, Nariman Point, Bombay 400 021. Phone: 204 1974, 204 2253, 202 4422. Telex: 11 3557 BZIN IN or contact our Branch Office: Delhi: 350135, 350253 Madras: 474964 Calcutta: 448455 Bangalore: 74149

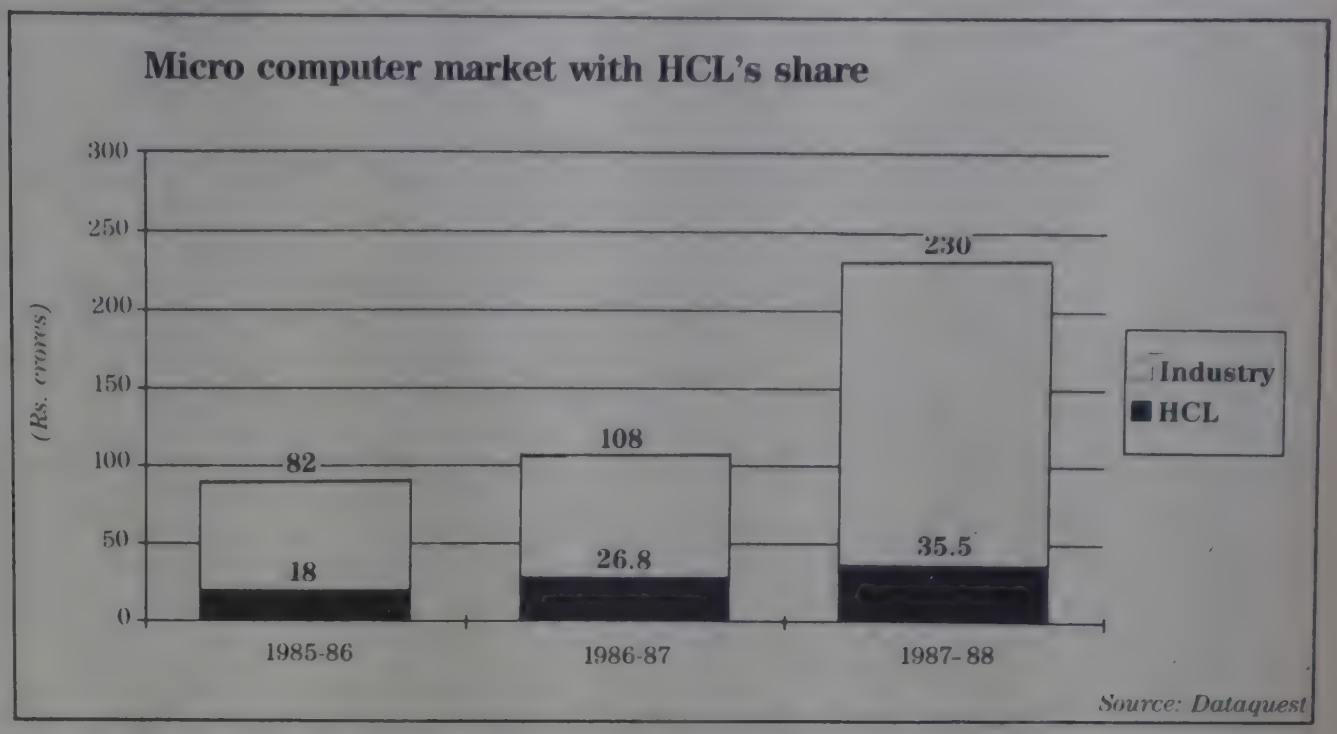
MDD

second largest computer company in the country. Started only in 1980, its growth rate over the last four years has been higher than that of HCL, even though the latter had a head start.

PSI Systems Ltd, according to observers, could have capitalised on the boom in the computer industry but chose not to. The company's focus has always been on the development of technology and has now moved into the technology-intensive mainframe market, after its tie-up with Groupe Bull of France. ICIM too did not pay the micro market much attention.

After 1984, the whole focus of the computer industry changed from attempting to develop technology indigenously to being able to spot technological trends abroad and find their applicability in India. Today HCL's product range includes IBM PC compatibles, minicomputer UNIX based systems and technical workstations.

HCL has helped open up the micro market in the country. When HCL launched its IBM PC compatible — the Busybee — in April 1985, most competitors were offering their products at Rs.80,000 to Rs.1,50,000. HCL priced the Busybee at only Rs.50,000. In September 1986, HCL once again slashed its prices for a basic configuration for a PC to as little as Rs.20,000 and for a PC XT with a disk for as little as Rs.35,000. HCL has, at least in the public perception, thus been the price leader. In reality, however, the total price of an HCL package including sales and service has been much higher than that of competitors.



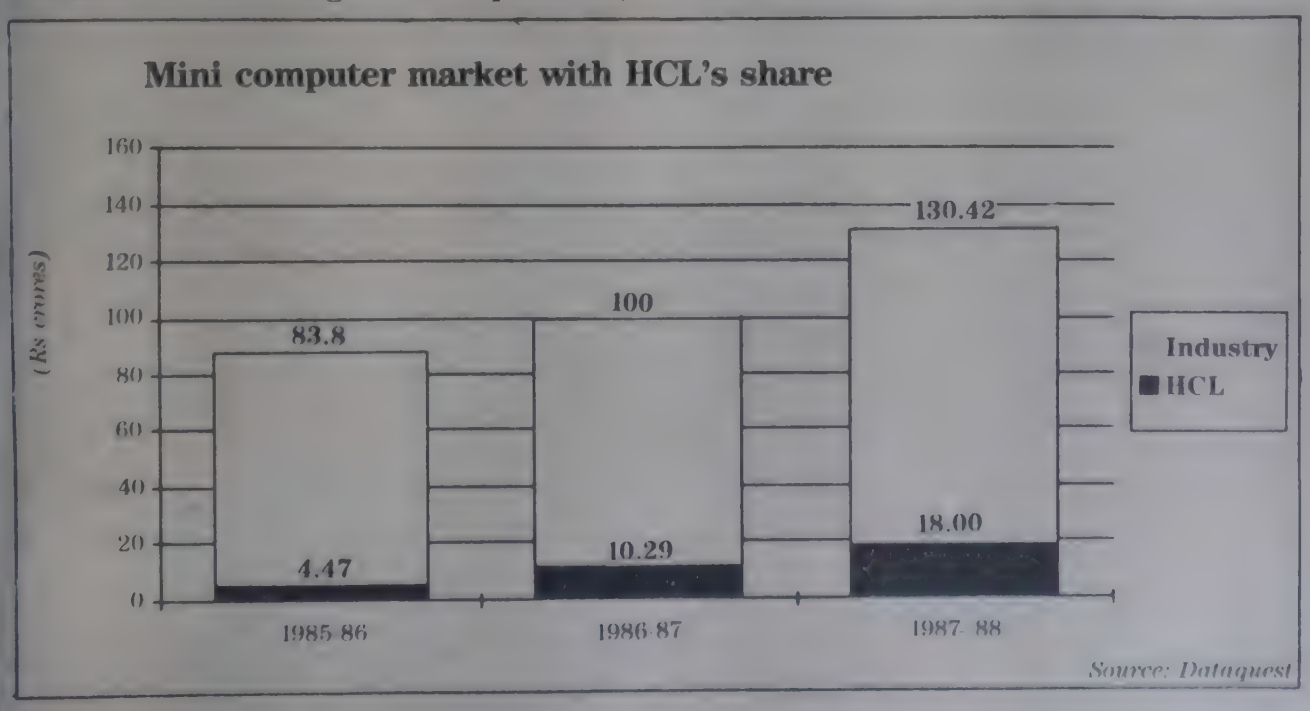
SLIPPING MARKET SHARE

Though HCL is said to have some special method of sourcing its components, which gives it an edge over its competitors, it has been unable to retain market share in an increasingly competitive and fast growing micro market. According to *Data Quest's* survey of the top 10 computer companies, HCL remains the largest seller of micro computers but its market share has slipped from 25 per cent in 1986-87 to 15.4 per cent in 1987-88. New startups are eating into the larger companies' market. Says S. Raman, director-in-charge of HCL computer division, "Machines are now being sold below the cost of production." The real winner in the micro market has been Sterling Electronics, of Madras, of Siva PC fame. C. Sivasankaran runs a lean organisation — provides no support and sells on price.

HCL has, in a flanking move, increased its share of the less competitive mini market, where its market share over the last year increased from approximately 10.52 to 13.8 per cent. Though WITL stays marginally ahead in market share, HCL sold 275 of its Horizon III mini computers, while the former sold 232; WITL had till last year been selling substantially more minis than HCL. HCL has been able to capitalise on its UNIX standardisation while WITL has been offering its own operating system, which was not very well received, and delayed its own UNIX offering.

HCL is also set to exploit the rapidly growing CAD/CAM market, expected to rise from Rs.35 crores in 1987-88 to Rs.83 crores in 1988-89 and Rs.137 crores in 1989-90. All the major international vendors in this market have marketing or technical tie-ups with some Indian company: Hewlett-Packard with Blue Star, Digital Electronics Corporation (DEC) with Hinditron and Sun Micro Systems with WITL.

As a result of its technical collaboration with Apollo Systems of the US, HCL will be the first company to manufacture engineering workstations in the country. The DEC-Hinditron tie-up, Digital Equipment India Ltd will first launch its computer, the MicroVAX II but has still to announce plans to make an engineering workstation. WITL — which represents Sun Micro Systems, the largest manufacturer of engineering workstations in the world — is expected to announce a technical collaboration shortly. But, HCL clearly has a head start.



"SOMETHING RIGHT"

According to Arjun Malhotra, even on a conservative estimate, HCL should sell CAD/CAM systems worth Rs.24 crores. HCL's strategy in the CAD/CAM market is illustrative of its ability to anticipate the opening up of new markets. Five years ago, HCL's affiliate, Far Eastern Computers Pte Ltd, became an agent for Apollo Systems. Today, Far Eastern has nstalled 300 workstations in Singapore,

The shed where HCL was started

Thailand and Malaysia. Ajay Chowdhry, director of Far Eastern Computers, will be returning to India to head HCL's CAD/CAM divisions. As a result of the relationship between Far Eastern and Apollo, HCL has managed to win the trust of the latter company. Apollo has no manufacturing plants outside the US; that it has agreed to transfer its technology and allow the manufacture of its computers in the country and lend its name too is noteworthy. "They must be doing something right," says Pravin Gandhi, executive director of Hinditron, who had his own share of troubles persuading DEC to enter into a manufacturing venture in the country.

HCL's American venture is a classic example of how the company is able to spot an opportunity and grab it. In the beginning of 1987, HCL sent a team to the US to see whether it could acquire technology other than what it already had in the super-micro area. It couldn't — so the company continued to work on its own design. When it developed the Magnum, a super-mini computer which uses multi processing and can have up to six processors, it searched all over and found that there wasn't any comparable product in the market. It then decided to launch the product in the US. Reportedly, orders worth $16.5 million have already been received in the first year of a five-year contract.

In the US, HCL will use contract manufacturers, do the system integration and then sell the machines to Fortune, a division of SCL, a multimillion dollar company in the US, which will resell them. According to Shiv Nadar, the product's strengths are its price:performance ratio and the fact that its operating system, UNIX, has special features which make it suitable for a commercial environment. In the rest of the world, UNIX has grown in largely technical environments. In India, however, substantial work has been done towards adapting the operating system to commercial applications. There is some scepticism about how HCL's product will fare in the US market. Nadar concedes that failure could mean wastage of the Rs 7.5 crores that HCL has spent on the product. "But," he says, "if the project proves itself, the avenues that could open up after that are very vast. It could be the difference between a multi-million dollar company and multi-hundred dollar one."

UNIQUE SELLING STRATEGY

HCL reinforces its ability to capitalise on emerging technological trends with a unique selling strategy. It manages to stay in the limelight by launching innovative marketing schemes which it pushes with the help of a hard selling sales force. It is not unusual for Shiv Nadar or Arjun Malhotra to make a sales call, if requested by the frontline sales force, on a client who has been designated as 'key account' by the company.

Unlike WITL, HCL relies more on its sales force than distributors. It motivates its 177 sales force through a number of incentive schemes. Ashok Jain, executive director of the computer division, reveals that a recent scheme called 'PEP' (performance evaluation points), makes it possible for sales executives to win an airconditioned Maruti and, in some cases, upto Rs.1.5 lakhs in cash too.

With all its marketing savvy and its

hard selling sales force, one problem that HCL has faced time and again is after-sales service. To set things right, the company has poured resources into its customer support division which services products of all its divisions. Today, the division employs 945 people out of a total of 3,153 people in the organisation. Its service record ranks as among the best in the computer industry, though, as customers put it, there is still room for improvement.

Though HCL Ltd is predominantly perceived as a computer company, its officials prefer to say that it is in the electronics business, more specifically in the office automation business. All the technologies that HCL employs could eventually converge in a paperless office. "How that is going to take place, I don't know," says Malhotra.

FIGHTING BACK

Observers point out that HCL's strengths in the computer business do not necessarily translate to its other activities. HCL's reprographics division, for example, which make the Finesse range of plain paper copiers in technical collaboration with Toshiba of Japan, is an poor second to Modi Xerox. Modi Xerox's willingness to run up large losses while fighting for market share appears to have worked effectively as a strategy against HCL. In the last two financial years, the company's turnover from the division has dipped by Rs.18 crores to Rs.14.8 crores. HCL is attempting to fight back by expanding its range — a process which should be completed by 1989 — as well as its marketing operations.

One of the biggest challenges before HCL is coping with the impact of its rapid growth. The company, which has grown from Rs.64 crores to Rs.100 crores in 1987-88, has the declared objective of reaching a turnover of Rs.250 crores by 1990. Over the last year, the company has added 1,400 people to its rolls and has almost doubled in size.

Nadar and Malhotra: supreme team

The two people who, by all accounts, have been critical to the success of the company have been Shiv Nadar and Arjun Malhotra, the vice-chairman. Nadar is described as the visionary, who is quick to sense what the market needs and also to predict technological trends. He relies more on intuition than on "scientific reasoning". He sets much store on loyalty and his explanation for it is simple. In a market characterised by uncertainty and rapid change, commitment to the job at hand is critical. "Shiv is a natural leader," says Mahinder Pratap, executive director, R&D and CAD/CAM manufacturing, who joined the company soon after it was started. "He is good with people but is also a good taskmaster," he adds. Nadar comes across as a man who is emotionally restrained though those who know him well say that he cannot go to a funeral because he fears he will break down.

Malhotra appears to be almost the antithesis of Nadar; warm and friendly, he doesn't give the impression of being 'heavy' like Nadar does. He is described as an excellent strategist and day-to-day manager who fleshes out Nadar's intuition. Nadar and Malhotra work excellently as a team and, according to a friend, often take important strategic decisions at home over a drink. And, as an observer quips, their reputation in marketing confers on them the ability to sell

The Busybee has been the cornerstone of HCL's success

ice cream to Eskimos!

On a day-to-day level, there is considerable decentralisation of authority. Each division is typically headed by an executive director who reports to a member of the board. At the moment, S. Raman, a director, oversees the computers and communication divisions, Arjun Malhotra looks after CAD/CAM and reprographics while the peripherals and the instruments divisions reports to Nadar. Both at the board level and lower down in the organisation, there is a frequent reshuffling of responsibilities which, as Nadar explains, becomes necessary as the company grows and new opportunity areas open up. Observers of the company, however, point out that frequent changes in job responsibilities have been causing stress in employees.

A major challenge that the company now faces is the growing globalisation of the computer market. A number of tie-ups, which include equity participation between international computer companies and Indian companies, have materialised in the recent past, as in the case of PSI-Bull, Modi-Olivetti, or DEC-Hinditron. What this means for Indian computer companies, including HCL, is that they will have to compete not on their own terms but on standards established for product features, manufacture, support and research by international giants. Companies like DEC are acknowledged leaders in the mini market while Olivetti is an acknowledged leader in personal computers in Europe. B.K. Modi of Modi Olivetti says that his company will attempt to provide what no Indian company has provided before, ie, a total solution incorporating both hardware and software. While this makes the ballgame so much tougher for HCL, it is also true that the mere presence of foreign companies in the Indian market is no guarantee of their success; a lot will depend on their ability to adapt to their Indian counterparts and conditions.

Shiv Nadar acknowledges that DEC will be a tough customer but he welcomes the company as he feels that it would only sharpen HCL's competitive edge. HCL has also begun to gear up its production facilities. Over the last year, it has invested Rs 8.04 crores in its computer manufacturing facilities, which will not only help increase volumes of production but also the quality of manufacture.

Whether HCL will continue to be number one in a new and competitive milie remains open to question. Shiv Nadar major advantage, as he sees it, lies in tl slowness with which most of the ne ventures are being implemented. By th time they are on stream, HCL expects t be a better developed organisation, bot in structure and size, and in a strong position to face the challenge that the present.

■

EAPEN THOMA

Meditate on how world travellers seek bliss on their way westward or eastward.

The answer becomes obvious once you know the pulse of the world opinion on airlines. For six years in succession, business travellers everywhere have voted the same carrier as the best airline worldwide in the Business Traveller magazine's global survey. This airline flies to over 100 destinations, is universally admired for exceptional punctuality and hospitality and consistently offers a choice of three classes on all its aircraft.

swissair

For details call your IATA travel agent or the nearest Swissair office
AHMEDABAD 449149 • BANGALORE 571983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI [illegible] • HYDERABAD [illegible] • KATHMANDU [illegible] • MADRAS 861583

everest/88/SW/55 R

For those in high places, a fabric that goes beyond distinction.

Fabric Royal Gold **Blend** Super 80's extra fine Merino Wool **Season** Autumn, Winter

Occasions For strategic manoeuvres • Corporate boardroom meetings • Whenever you want to make the right move

Royal Gold from Raymond's Exotic Range

DCM

Accord or discord?

If somebody up there loves DCM and wants to help it, the heirs of the late Lala Shri Ram — founder of the group that bears his name — certainly seem to be doing their best to make things difficult for him. Even their grand trifurcation plan is in danger of falling apart because of ambition, greed and one-upmanship

Somebody up there must love DCM. Only that can explain the survival of this mess-ridden monster. The Rs.624-crore corporation, which recorded a gross loss of Rs.8.23 crores for the year ended 30 June 1988, has been on the brink of financial disaster for some years now. This year, for the second time in succession, DCM will skip dividends and DCM shareholders who have been watching the company's performance plummet cannot be looking forward to much cheer from their AGM scheduled for 23 December.

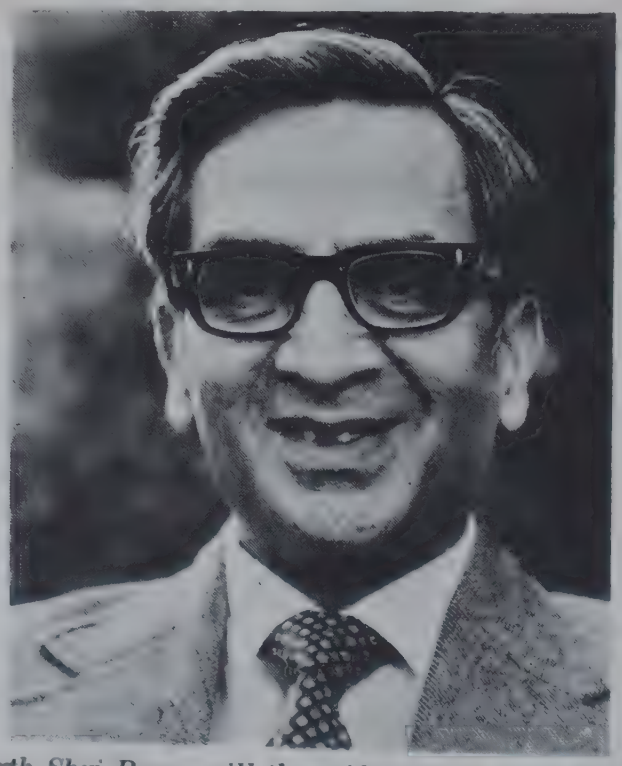
But the company's woes go much beyond strained finances. While most reports about the troubled behemoth have in recent times highlighted the details of a grand "trifurcation" plan agreed to by the warring brotherhood in the Shri Ram family, news from the cloisters of Sardar Patel Marg suggest that this dismemberment may not be as unanimous as it is made out to be. Though all three warring branches of the Shri Ram family had in the week just before Diwali put their weary signatures to a one-page memorandum on the asset splitting pattern, by Sunday, 20 November, barely a week after, the deal was getting rapidly unstuck.

On the morning of Monday, 21 November, two branches of the family met secretly at a safe house "somewhere in Delhi city" to chart out a strategy that may seek to block any hasty trifurcation. There are also plans to inform the financial institutions that the modalities of the division, as announced in the media, are in for a drastic revamp.

WIDE DISPARITIES

As we go to press, all three branches of the Shri Ram family were publicly refusing to discuss details of the hectic parleys going on within the corporation's Kanchenjunga building headquarters. However, *Business India* spoke to all three branches in "strictly off-the-record" conversations that revealed the wide disparity of private views even while public display of concurrence was at its peak. Though the dissenting members were keeping their doubts private for the moment, it became clear last week that the trifurcation accord was nowhere near ready and that the Augean stables stretching from Bara Hindu Rao, the original home of DCM, to the headquarters at Barakhamba Road were yet to be cleansed.

The latest crisis has been sparked o by news that the Bharat Ram family ha struck a deal with New Delhi's most a gressive builders — the Ansals. In a se cret arrangement that will allow th Ansals to develop part of the disputed 6 acre Bara Hindu Rao mill site, the Bhara Rams have reportedly amassed a wa chest of Rs.20 crores or more as "earne money". And, according to reliabl sources, this mass of money is being de ployed by the Bharat Rams in a secre outflanking move to acquire the DC shares (estimated to be 11 per cent of th total equity) that have been held b Swraj Paul and his stockbroker Haris Bhasin, ever since the famous Capar raids of 1983. These sources also revea that this acquisition of DCM stock by th Bharat Ram family is accompanied by a equally private and hush-hush dea whereby the Bharat Rams also hope t acquire majority control in MMLSR — private holding company that originall



Vinay Bharat Ram, Bansi Dhar and Siddharth Shri Ram: will the trifurcation plan hold

controlled the publicly held DCM corpo ration and its subsidiaries. While all thi is a closely guarded secret in stockmarke circles, Bharat Ram family sources re fused to comment.

Comment was of course unnecessary i some senses. Living up to the reputatio of the Bharat Ram impatience, Vina Bharat Ram, made an appearance a company headquarters on the morning o Monday, 21 November, despite a spell o hospitalisation necessitated by a mino stroke. Accompanied by his private atten dant, Vinay — who had to go home to res after barely two hours in office, accordin

IF YOU USE SEWING THREADS THIS WILL INTEREST YOU

At Madura Coats we don't just make the best threads. In fact, as the Thread Makers we also assist you in selecting the right thread for each application. To help you understand and overcome thread and associated problems, we've set up the COATS THREAD ADVISORY SERVICE.

Our panel of experts will answer all your thread queries, from routine sewing problems to complicated ones. In addition, the COATS THREAD ADVISORY SERVICE also publishes papers on sewing and thread related subjects such as seam pucker, seam stretch, etc.

When technologically superior products are introduced, bulletins are prepared assessing their relevance to your needs and mailed to you if you are on our mailing list. These will help you improve your product quality and productivity.

It's so easy to be a part of the COATS THREAD ADVISORY SERVICE. Just write in to be on the mailing list. You don't have to pay anything for this service. All this comes absolutely free to you from Madura Coats, the Thread Makers.

Fill in the coupon below and mail it to : Thread Advisory Service, Madura Coats Threads, 144 M.G. Road, Bangalore-560 001. Or dial the Madura Coats office nearest to you.

Madura Coats Threads

We don't just make good threads. We also give good advice.

Yes, please put me on the Thread Advisory Service mailing list.

Name: _____

Name of Organisation: _____

Designation: _____

Address. _____

_____ Pin ☐☐☐☐☐☐

Tel _____

Thread used for: _____

Ahmedabad 448169 • Bangalore 236561 • Bombay 265591 • Calcutta 447114 • Delhi 231022 • Ghaziabad 842077 • Goregaon 6887505 • Guwahati 24683 • Hyderabad 844474 • Indore 63263 • Jaipur 62238 • Kanpur 211610 • Koratti 2891 • Ludhiana 30182 • Madras 560616 • Patna 25618 • Pune 669034 • Tirupur 21730 • Vijayawada 76513

A question to the new breed of enthusiastic computer users...

Should your monitor leave you cross-eyed at the end of the day?

Yes, we are talking about the monitor, the face of your computer. The face you've got to communicate with for hours. And days on end.

And it's this face that can leave your face cross-eyed. And your head reeling. With its display of imprecise, grossly structured characters on a screen that glares at you. A drawback that most monitor users suffer in silence.

The time to make a noise, therefore, is now. When you're taking a critical look at the computer you're going to buy.

Insist on the BUSH Monochrome Monitor. NEC's favourite protege in the fiercely competitive international field of computers. And it's the apple of the user's eye wherever computers are a way of life.

The secret lies in BUSH's much better resolution than most other monitors. Resolution being the all-important quality that makes every displayed letter crisp and precise, inviting to be read.

Besides, unlike most other screens, the BUSH leaves no lingering after image to interfere with the next page, everytime you turn a new leaf.

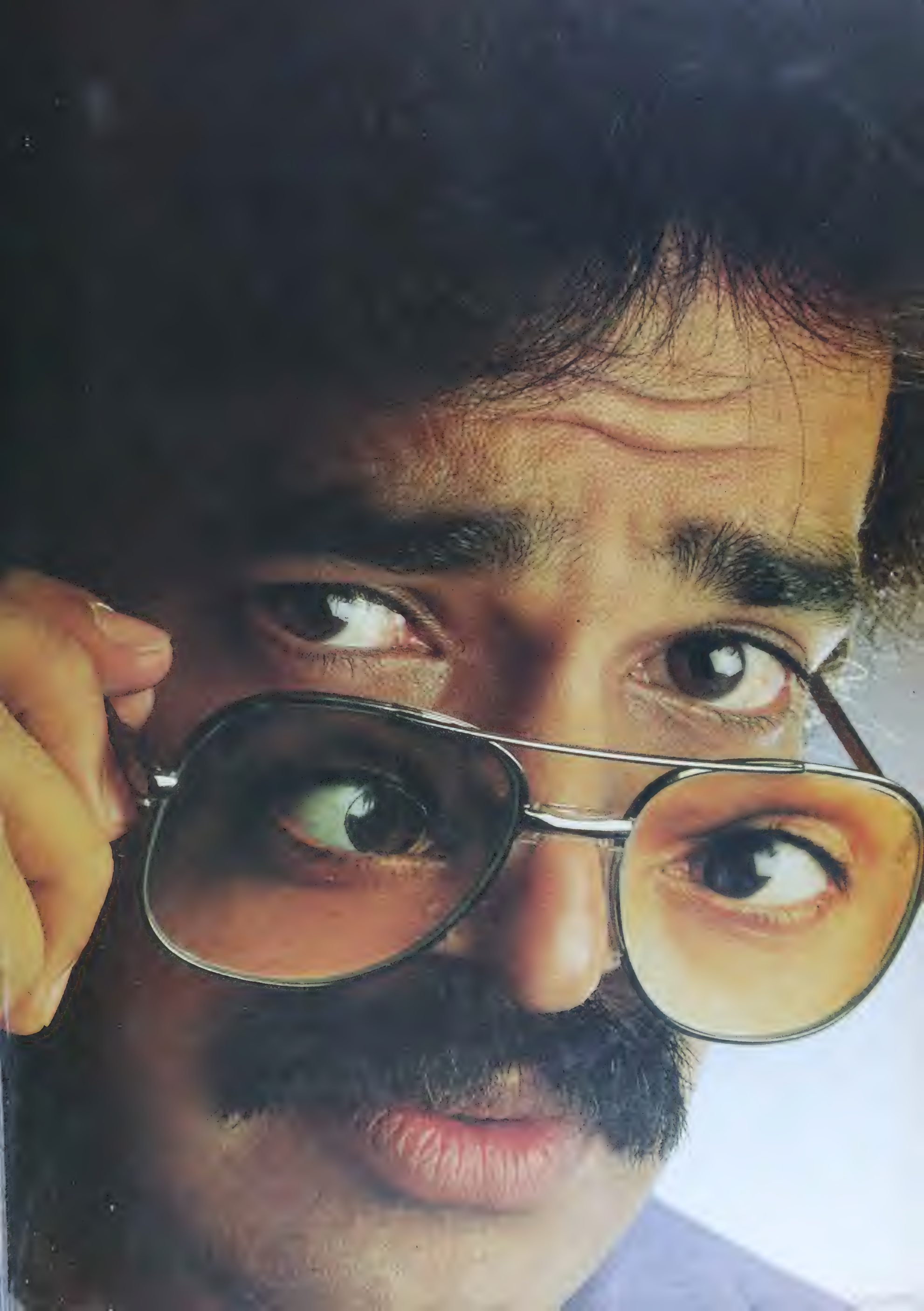
Moreover, the BUSH monitors have a unique, non-glare, reflectionless screen, and a thoughtful ergonomic design to harmonize with any system or environment.

So, go for the BUSH Monitor. It's just what the doctor ordered. Unless, of course, you prefer aspirin.

BUSH

IN TUNE WITH TOMORROW

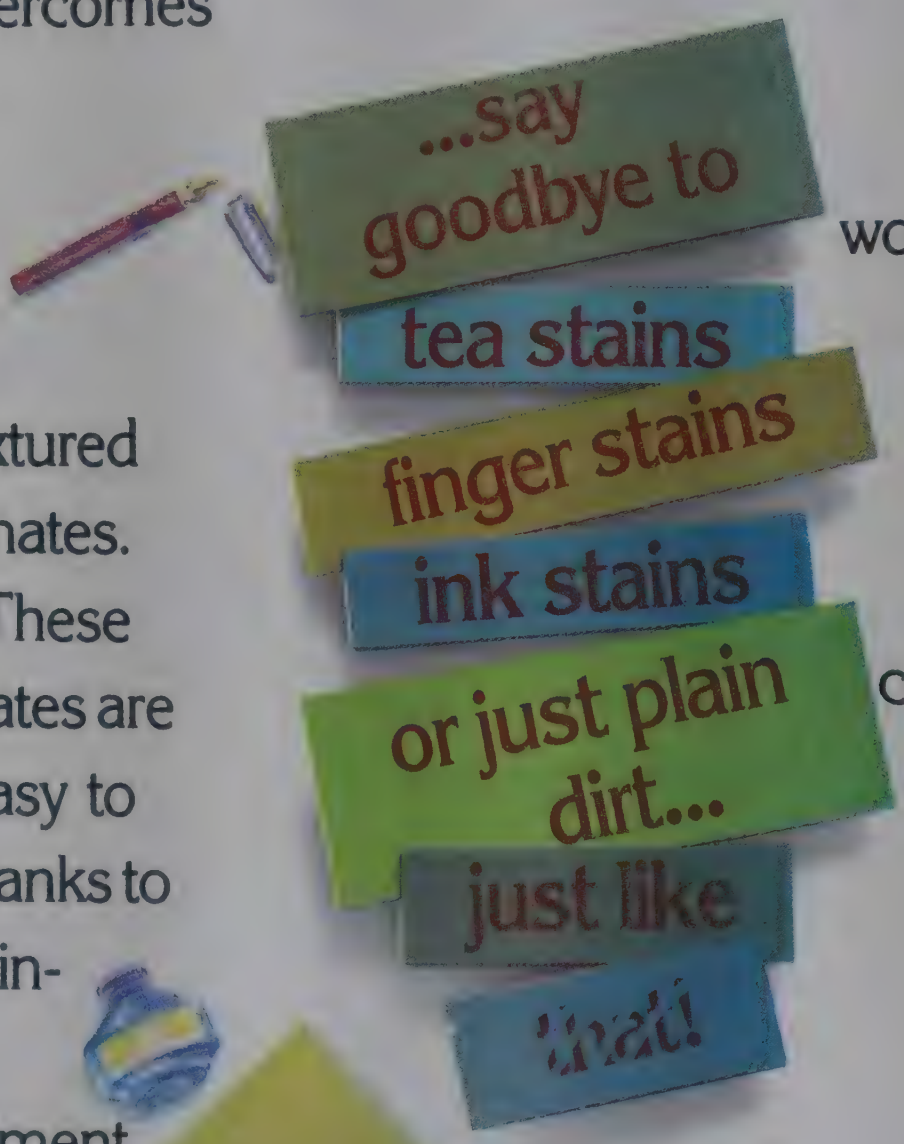
* Sukh Sagar, N.S. Patkar Marg, Bombay 400 007. Tel.: 8282940 942 943 & 4924451 Telex
* 36, Community Centre, Basant Lok, Vasant Vihar, New Delhi 110 057. Tel.: 6064811
* 26, Tarun Commercial Complex, J.C. Road, Bangalore 560 002. Tel.: 225771



Decolam's new Softclean textured laminates

Decolam overcomes yet another laminate limitation, with its new Softclean textured laminates.

These laminates are amazingly easy to maintain. Thanks to a special stain-resistant surface treatment that makes them suitable for high-traffic vertical surfaces.



You can even use them on horizontal surfaces – kitchen worktops, for instance.

The range? All your favourite Decolam colours and patterns, with an exquisite, grainy texture.

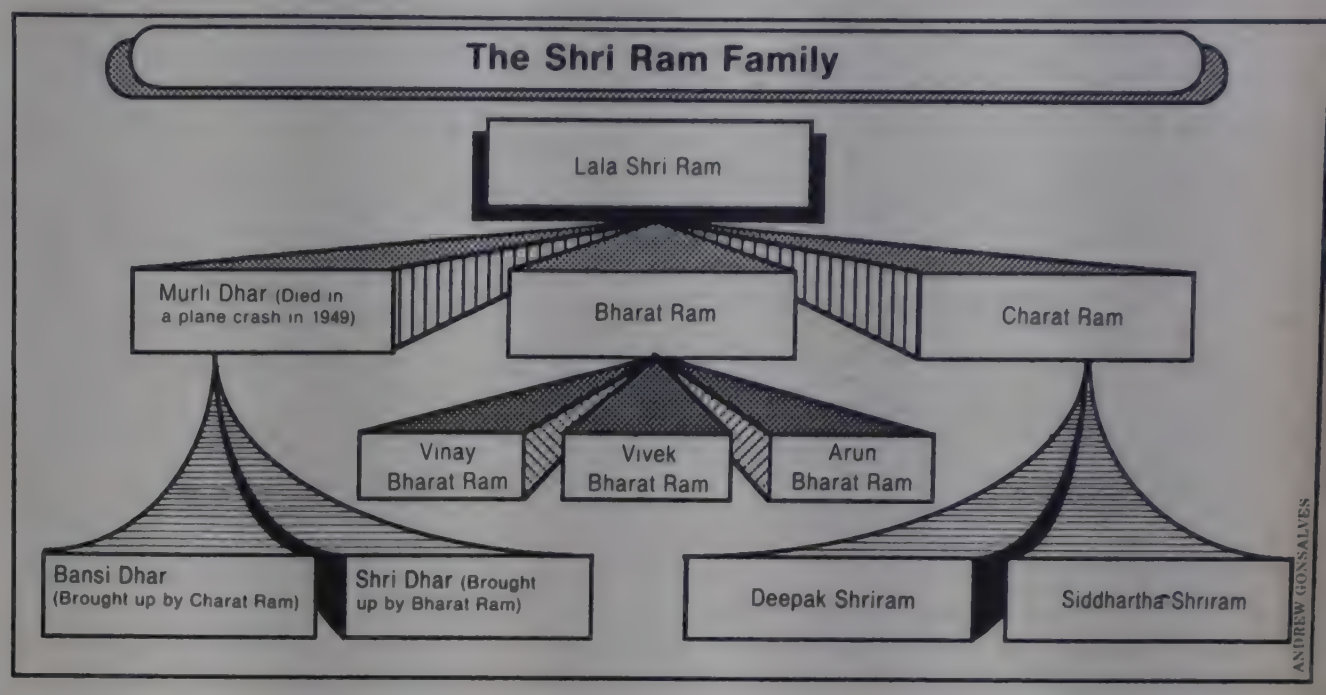
Minus, of course, those 'textured' problems.

decolam
The designer's laminate

Beautiful...forever

A quality product of Bakelite Hylam

to reports from his own office — was eager to complete some "paperwork on land matters". Land affairs are assigned to his direct control by the BMC (Board Management Committee) that has been overseeing the crippled giant's operations for almost 11 months now (since 27 January this year) Vinay's personal intervention was found necessary since another family member who was looking after the subject during Vinay's illness had refused to sign on the Ansals' dotted line.



TRICKY BUSINESS

Land development plans, specially when the prime 63-acre mid-city plot in question is in the limelight of public attention, are of course always a tricky business. Sources in the building industry say, however, that the DCM double deal to include the Ansals in a major way is still very secret. Originally, say DCM family sources, the builder Kailash Nath Associates had paid a huge advance (estimates put it at Rs.17 crores) for the main development project of flatted factories where the Bara Hindu Rao Mills stood. It is understood that the Ansal advance is for a smaller area to be developed within the same complex. Builders now say that, once the necessary permission is obtained — the chances are high now given the considerable clout that the Ansals have in Delhi — the deal will be bigger. Since the effective FAR will now be 2.5 rather than the existing 1.7 — an amendment to the law that insiders say was passed to accommodate only DCM (since only midtown land more than an acre in area benefits and nobody else has it now). With a DCM board meeting scheduled for the weekend, the Bharat Rams were clearly loathe to allow physical disability to stand in the way of their game plan.

Such games and such plans have landed DCM into the mess it currently is in. When the brothers, Bharat Ram and Charat Ram, after years of feuding handed over charge to a new generation in 1985, some hope of change had surfaced. But, pretty soon it became obvious that chairman Bansi Dhar, managing director Vinay Bharat Ram and deputy managing director Siddharth Shri Ram were all pulling in different directions (and not so coincidentally each belongs to a different one of the three branches of the original Shri Ram family). The battles between the three took their toll and the institutions (and family) finally agreed to a BMC packed with venerable outsiders to oversee and enforce battle lines.

The BMC, which met regularly, was rendered ineffectual by family squabbles. In sheer disgust, the three family branches decided that a legal parting of ways was desirable and drafted last fortnight's trifurcation package. The BMC had in the interim flirted with the idea of selling DCM's crown jewels — the Kota complex — a move opposed by Bansi Dhar and finally shot down by the financial institutions themselves. And even now, the committee is believed to be considering the prospect of selling DCM's data products division if a suitable price and buyer can be agreed upon.

The trifurcation solution reflected the combination of individual frustrations matching personal ambitions in a peculiarly satisfying manner. According to the agreed upon division, the Bharat Rams would get the prized Delhi land which only they believe they can turn into gold (real estate developers in Delhi put its official market value at Rs.500 crores and another Rs.200 crores as the unofficial value) and be satisfied with their computer and foundry division. This would be over and above the complete control of the profitable Shri Ram Fibres and DCM Toyota subsidiaries that they currently run anyway. The Charat Ram empire — including Jay Engineering and Shri Ram Refrigeration — would be left intact and, Siddharth would get a regular cash income from the profitable vanaspati and sugar operations. Bansi Dhar's desire for peace — away from his quarrelsome cousins — was fulfilled and made worthwhile by control of the company's prime assets at Kota, the Mawana Sugar Mill and a chunk of land.

As one highly placed insider in DCM remarked, "The trifurcation plan revealed an unhealthy balance of personal greed with little regard to the health of the company as a whole." It was so evenly balanced, say family sources that one faction confessed to *Business India* that "I would be willing to draw lots for any of the three chunks." Not quite, say others who believe that the factions had chosen only those shares which suited their individual temperaments. Which is not to say that the division, drawn up by the three cousins, was instantly acceptable. Lala Charat Ram for example delayed the pre-Diwali declaration by battling for three weeks to get the Mawana Sugar Mill moved from Bansi Dhar's share into that which his son Siddharth would control.

The trifurcation plan, despite its tenuous "balance of personal greed", suddenly seemed to have found favour with the institutions. One highly placed official in the finance ministry indicated clearly that the ministry's blessings were with the plan, "since the family was resolving its problem without exercising the option of selling the company in bits and pieces". The same official is understood to have issued "instructions" to the financial institutions to support any unanimous family solution which promised to put an end to the feuds that were crippling the corporation's everyday functioning during the last few months.

It became even more necessary to complete the trifurcation exercise speedily when the Delhi Administration refused to allow DCM to close its Bara Hindu Rao Mill as a prelude to the commercial development of the land on which it stood. The burden of 6,000 workers of the 100-year-old mill has cost DCM over Rs.45 crores in losses and the refusal to permit closure also seemed to put paid to the company's

Fertiliser plant at DCM's Kota complex: prime asset

modest expectation of Rs.190 crores in revenue on the books. So when the 28 October decision, to disallow closure was announced by Lt.-Gen. Romesh Bhandari the family conclave closed ranks to come up with new solutions to keep themselves going. The matter had already assumed urgency since D.N. Davar, chairman of IFCI, the lead institution, had cautioned chairman Bansi Dhar against failure to find a solution. That such a consensus solution was desirable was also made clear to Arun Bharat Ram and Vivek Bharat Ram who got the same message when they called on finance secretary S. Venkitaramanan.

ORDERS FROM ABOVE

While the finance secretary as well as family members refuse to confirm this, highly placed sources within the government indicate that orders from above were responsible for the trifurcation agreement being patched together so swiftly. While it is claimed that Vivek Bharat Ram's personal rapport with classmate and buddy Rajiv Gandhi alone ensured that orders were passed to aid and assist DCM, the latest twist in the land development plans suggest that bigger and murkier deals may underlie the government's acceptance of the family's trifurcation solution.

Government assistance to DCM in this their darkest hour, is substantial. It is understood that PNB chairman J.S. Varshneya has been "instructed" to fund DCM's working capital requirement to pay bonuses this year. In addition, government organisations may also step in to buy space in DCM's office building at fancy prices for a property that it has so far found difficult to market. And, to top it all, the institutions have been told, they say, to ensure that family management is not destabilised. As a senior executive of a financial institution admitted: "Ultimately, the politicians take the key decisions affecting the fate of large corporations. And the institutions just fall in line."

While the family's enthusiasm and efforts to reorganise management in the way they deem fit is understandable, only powerful pressure from above explains the pusillanimity of the institutions. The fact remains that two major constituencies of DCM confront disaster today — the employees and the small shareholders. While employee morale has taken a bashing, the interests of shareholders seem to have been completely ignored. In all the negotiations so far the institutions have rarely (if ever) raised the question of the price small shareholders are being forced to pay for petty family considerations.

It is against such a backdrop that ignores everybody else that the warring family factions decided to bury the hatchet and fashion a trifurcation that the institutions (with their 43 per cent equity holding) would quickly ratify. When chairman Bansi Dhar met finance secretary Venkitaramanan two weeks ago, both he and the Charat Ram faction had believed that the end to their battles was in sight. In fact, the trifurcation seemed so settled a fact that family members had scheduled a Saturday morning (19 November) meeting with a team of lawyers to decide what the best legal framework for such an operation would be.

Even on this Saturday, the glitches to trifurcation seemed procedural. In their undue haste to gratify their individual needs, family members had forgotten to do some calculations. They had convened the lawyers' meeting to find out ways which would convince their own finance men that a three-way division was possible. The number crunchers had already started asking the most obvious but unresolved questions about how liabilities would be apportioned, how investment allowance would be availed of and a host of other thorny queries. The Saturday meeting was expected to decide between the option of a holding company with three subsidiaries or three independent companies.

Indeed, as recently as 19 November, trifurcation seemed to be proceeding smoothly. And suddenly, though a tight cover is being kept on events at the moment, the entire exercise seems to be once more in jeopardy. Once again there are uncomfortable questions to face — why are the Ansals muscling in on a land development that the builder Kailash Nath has already staked his claim to and why are the Ansals so bullish when the mill closure refusal has just been issued. The news that the fresh Ansal advance is being used for some rather judicious purchase of control in a company where the pattern of trifurcation has been agreed upon is astonishing and intriguing, to say the least. Why have the institutions and the finance ministry been bending over backwards to allow trifurcation? Is the trifurcation exercise only a smokescreen to ensure that other family members do not question the Bharat Rams collecting advances on what would be their rightful share in the division of assets? If that is so, why do the Bharat Rams seem to be busy buying MMLSR and DCM shares that are available?

Suddenly, like flares in a still night, the pyrotechnics are back. Clearly the agreements hammered together before Diwali look like they are about to go up in smoke. And, as DCM watchers acknowledge rather wearily, it looks like this sorry show must go on and on.

■ DILIP CHERIAN

Personal Power

VIMAL

Premium Shirtings

Mode ARIL 4405A

GRASIM

a share with a spectacular annual average appreciation of 240% over last 30 years after a recent 3:4 bonus, now for just Rs. 35!

with Grasim Convertible Debentures

ISSUE HIGHLIGHTS

- **Face Value Rs. 70/- only.**
  By investing a small amount, you can acquire the blue-chip Grasim Share.
- **Early Conversion – 31.3.1989**
  Rs. 35/- to be converted into 1 Equity Share. Rest earns interest till redemption.
- **Easy Liquidity**
  Debentures will be listed on 8 stock exchanges.
- **Fully Secured**
  The debentures are fully secured.

FINANCIAL HIGHLIGHTS

	(Rs. in Crores)			
	1973-74	1979-80	1985-86	1987-88
• **Turnover**	101.87	247.35	471.77	675.67
• **Profit before depreciation**	18.14	21.42	34.19	61.00
• **Gross Fixed Assets** (excl. revaluation)	52.34	115.45	300.43	364.02

GRASIM TODAY

- **World leader in Viscose Staple Fibre Production and Technology.**
- **Leading producer of Rayon Grade Pulp, Caustic Soda, Textiles and Cement.**
- **World's leading manufacturer & exporter of specialised chemical plants & machinery and consultants for turnkey assignments.**

GRASIM TOMORROW

- **One of the largest producers of Cement and Caustic Soda from one single location**
- **Sponge Iron (Gas based)**
- **Hydrogen Peroxide**
- **T.V. Glass Shells**

There is an air of quiet confidence at Grasim – confidence born out of a fantastic track record: An investment of Rs. 1200 in 100 Equity Shares of Grasim made 30 years ago, is now worth Rs. 88,700/- on the basis of the ex-bonus quotation of Rs. 80 as on 3rd November '88.

This represents an annual average appreciation of 240%.

Grasim has on hand major plans for modernisation, expansion and diversification. This would substantially increase the Company's turnover, assets and profitability.

With its various manufacturing divisions spread all over the country, producing much needed products for the Indian economy, Grasim is setting new standards of excellence in the corporate world – excellence embodied in such popular brand leaders as **Gwalior Suiting** and **Vikram Cement.**

Grasim's solid performance and growth make these Convertible Debentures distinctly different.

Issue of 92,85,714 – 12.5% Secured, Redeemable, Partly Convertible Debentures of Rs. 70 each for cash at par aggregating Rs. 64,99,99,980

Issue Opens on: 12th December, 1988

A multi-dimensional, multi-locational megacorporation

GRASIM INDUSTRIES LIMITED
Birlagram (Nagda) 456 331 M.P.

Sobharya-B/GI/1/88

MANAGERS TO THE ISSUE

SBI CAPITAL MARKETS LTD.
Bombay 400 005

The Industrial Credit and Investment Corporation of India Limited
163 Backbay Reclamation, Bombay 400 020

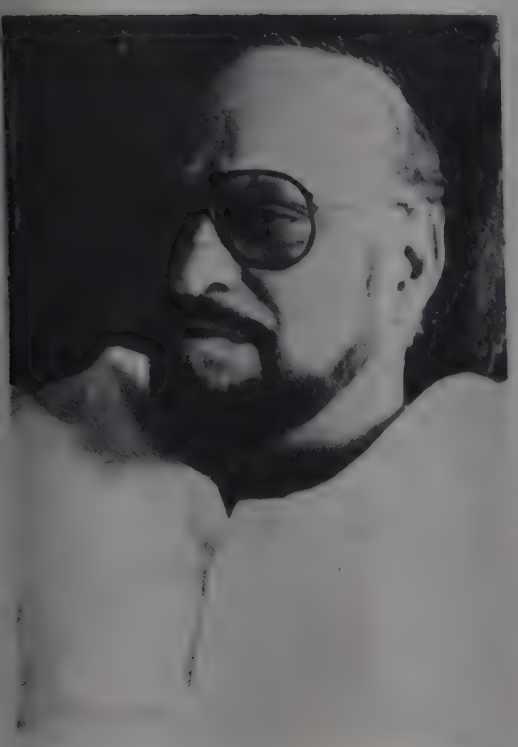
CHAMPAKLAL INVESTMENT & FINANCIAL CONSULTANCY LTD.
Regent Chambers, 208 Jamnalal Bajaj Marg, Nariman Point, Bombay 400 021

DSP Financial Consultants Ltd.
Bombay 400 021

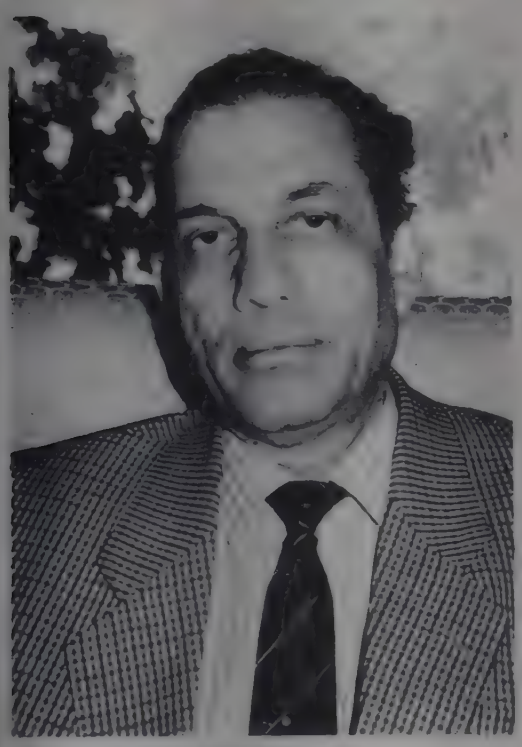
H.L. FINANCIAL CONSULTANTS & MANAGEMENT SERVICES PVT. LTD
Raja Bahadur Compound, 32, Bombay Samachar Marg, Opposite Bank of Maharashtra, Bombay 400 001

FINANCIAL ADVISERS TO THE ISSUE

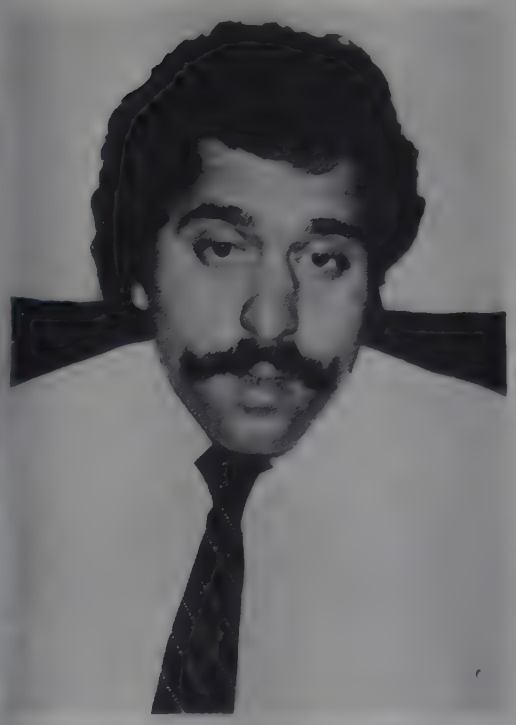
Lodha & Co.
14 Government Place (East) Calcutta 700 001



Wardekar: "good to leave at the pinnacle of one's career"



Soman: key negotiator



Mallya: a valuable acquisition

WIE

In the UB fold

The sale of Western India Enterprises to Vijay Mallya's United Breweries has surprised everyone. Why did A.S. Wardekar, the dynamic technocrat who built up the Rs.70-crore WIE from scratch, sell his consistently profitable company?

Last month's takeover of the Pune-based Western India Enterprises Ltd (WIE), along with WIE Engineering, by United Breweries Limited (UB) headed by Vijay Mallya came as a real surprise to corporate circles. No one seemed to have a clue as to why A.S. Wardekar, chairman of WIE, should choose to sell a profitable construction company that he has built up from scratch.

More surprising than the deal itself was the suddenness and secrecy with which it was concluded. Rumour has it that Wardekar had decided to quit the country and live abroad and also that he was paid abroad for the deal. Mallya's recent decision to turn NRI seemed to fuel such conjecture.

The deal was swift. The key negotiator was Madhav K. Soman, a director of WIE and, significantly, a cousin of Wardekar. Soman is also the chief of the liquor division at United Breweries. Wardekar, apparently, had mentioned his intention to sell WIE to Soman three to four months ago. Soman got interested and he placed a proposal to acquire a stake in WIE before the UB executive committee on 28 September. The committee decided in his favour. Later, Mallya and Wardekar met in London and the deal went through. "It was very amicable," Wardekar says, "we just met over drinks and struck a deal."

NO RETRENCHMENT

The foremost condition laid down by Wardekar was the proper utilisation of WIE's staff; he insisted that no worker at any level be retrenched or replaced. In fact, UB has requested Wardekar to continue as the chairman for the next three years. In an exclusive interview with *Business India*, Vijay Mallya confirmed this arrangement: "The present management will continue for three years."

On the part of UB, Soman will continue to play a key role in assimilating WIE into the UB fold. At the next board meeting of WIE, scheduled for 29 November, Soman will be inducted as vice-chairman. He will also head the newly created engineering division of UB and will soon shift from Bombay to Pune, where WIE is headquartered.

What surprised many, including Wardekar, was that despite the takeover, the WIE's share price did not change much — it moved within a narrow Rs 30 to 36 range. Wardekar ascribes this to the "Maharashtrian mentality of wait-and-see". He says, "Most of our minority shareholders are from traditional Maharashtrian families who have held our shares for years. Instead of reacting quickly, they would rather wait and see which way the tide turns."

Mallya bought 21 per cent of WIE's equity capital of Rs 4.81 crores at Rs.45 a share, at least Rs.10 more than the market price. So, Wardekar, who owns 16 per cent (the other 5 per cent is controlled by his brother-in-law, Nandan Gadgil, a passive partner who was unavailable for comment), will receive a payment of Rs.4.5 crores. Mallya claims that "it is all above board and there is no cash payment."

WARDEKAR'S BABY

WIE is virtually Wardekar's baby. Started in 1963 as Western India Erectors, this technocrat built it almost single handedly into a prime construction and erection company. It has executed several prestigious projects both in India and abroad. The forte of the company lies in construction and erection of turnkey projects in power, chemical, fertiliser, and other industrial plants. At present, the company has 45 domestic assignments on hand which includes conceptualisation of projects and their operation and maintenance.

Trudging through severe hardships — financial and operational — Wardekar had expanded the assets of WIE from less than Rs.1 lakh in 1963-64 to Rs.24.3 lakhs in 1968-69. In 1972, the firm went public and growth continued at a spectacular pace. Where WIE used to receive Rs.4 lakhs as project fees in the early sixties, it

"He who acts on his own behalf is the master of himself, and his environment."

Harry Levinson's description of the Corporate Chief is also a reflection of the self-made man.

Such people have developed the rare insight of selectivity; and to them, the Executive Club is a natural choice, when they fly out on business.

The exclusivity begins with a separate check-in; and continues to the well-appointed rooms with a host of add-ons—an elegant workable with an additional telephone extension; complimentary Continental breakfast; special toiletries; bathrobe and slippers....

A full-fledged Business Centre with its meeting rooms; and the Lounge Bar that offers just the right stimulus for work and ideation.

Undeniably, the accent is on comfort, luxury and convenience, set in very exclusive environs. A fitting tribute to the man who's master of it all.

EXECUTIVE CLUB

Welcomgroup's special privilege for the discerning business traveller.

WELCOMGROUP

Executive Club at Bangalore Windsor Manor Sheraton Baroda Vadodara. Bombay: SeaRock Sheraton. Delhi Maurya Sheraton Madras Chola Sheraton, Park Sheraton.

HTA 6155B

now earns Rs.22 crores and more for a single job. Last year, its turnover exceeded Rs.70 crores.

That WIE is a growing company with an enviable market credibility is indisputable. Why then did Wardekar, who turned 56 this year, decide to wash his hands of the company? Several factors played on Wardekar's mind. One was the failure of the company to successfully diversify into unrelated areas of business. First, the company's foray into the manufacture of dye intermediates for the textile industry in 1981 ended in failure. The textile strike of the time caused a huge loss of Rs.4 crores and it was ultimately sold off in 1987.

The second diversification into electronics also failed to do as well as expected. "This division is just about making ends meet, Sam Pitroda and the booming electronics industry notwithstanding," confesses Wardekar. "In fact, if these two ventures had proven viable and profitable, I may not have sold out now."

The construction and erection divisions, the main source of income for WIE, are faring reasonably well, despite ups and downs. The company's income increased from Rs.38.77 crores in 1984-85 to Rs.45.12 crores in 1985-86, but the operating profit spurted from Rs.99 lakhs to Rs.1.94 crores. In 1986-87, although the total income inched up to Rs.47.17 crores, the net profit declined sharply to Rs.62 lakhs. Wardekar ascribes this to the Rs.160-lakh loss incurred by the electronics division during the preceding 18 months.

CAD at WIE: valuable engineering expertise

NOT REASON ENOUGH

Sources in the construction business, however, maintain that the losses are transitory and absorbable. "Definitely no reason to give away a company," asserts one insider. Wardekar himself envisages a large part of the loss to be made up in the current year, the accounts for which are yet to be released.

So the Rs.4.5-crore question still nags: why did Wardekar sell out? "I am tired of running the company for the last 25 years," Wardekar candidly says. "Now I want to devote my time to the pursuit of other interests — sports, education and my greatest hobby, farming. Besides, I am not getting any younger ... it is good to leave at the pinnacle of one's career. I still have ten useful years to do the things I've always wanted to."

But the talk of being "tired" comes as a surprise from a man who looks as if he is in his forties, thanks to his passion for badminton which has kept him sprightly and fit. His love for sports and education has brought him many laurels. He has constantly been involved in various social and philanthropic activities in and around Pune. Fond of doing "unusual things", Wardekar says, "In reality, my decision to sell out should not have come as a big surprise. Perhaps, we in this country are not used to the idea of sparing time to enjoy the money one has earned during a lifetime."

People close to Wardekar understand. Says N.K. Prasad, vice-president for corporate resources at CEAT, "I don't think he should have sold out now, when the company is riding a crest. But knowing Avinash, he could chuck everything away to do what he has really decided to."

PRESSING NEED

From Mallya's point of view, the WIE acquisition makes eminent sense. Of late, UB has been diversifying in a big way. It is setting up four major petrochemical plants at Vizag and Madras at an approximate cost of Rs.600 crores. And, the polymers division in Andhra Pradesh is being expanded. UB also has 28 distilleries all over the country. Thus, the UB group has a pressing need for in-house engineering skills to operate and maintain existing plants as well as set up new ones. The presence of qualified and experienced WIE engineers within the group will be a valuable asset.

As Vijay Mallya explained to *Business India*, "Nine months ago, we constituted an engineering division. This will gain strength with the acquisition of WIE. We have also launched a new engineering company, called United Vanderhoost, with headquarters in Bombay. Moreover, erection is very vital for petrochemical plants and WIE's engineering skills will be very essential for fabrication work."

WIE would also complement UB's electronics division. Says M.K. Soman, UB's liquor chief, "We already have two companies in the electronics field — Unitel and United Telecom. Besides, we also plan to set up a new company in collaboration with Genecom of USA. WIE has a sophisticated electronics division; its expertise will be very useful to us."

Meanwhile, many WIE staffers appear to have been overtaken by events. While they swear by Wardekar, there is also a feeling of having being let down. Said one middle level executive, "We do not know how to react. It was all too sudden. We've worked for Wardekar *saab* for 20 years. I don't know how it will be like working for a new management." Senior managers, on the other hand, like G.S. Shukla, senior vice-president for corporate finance, and several directors, like M.R. Joglekar, refused to comment. In fact, many observers still wonder why Wardekar could not have handed over the running of the company to his professional colleagues.

Wardekar insists that WIE will carry on its activities as usual, United Breweries notwithstanding. "I will be heading the company for at least three more years," he says. Refuting rumours about his turning an NRI, he says, "I am very much here. After three years, when I will be able to encash Rs.4.5 crores from UTI capital gains bonds, I may take up consultancy work for small-scale industries and local entrepreneurs. With my experience of 25 years in this cut-throat industry, I may also set up partnerships with NRI ventures. Apart from farming, of course."

■ SHEKHAR GHOSH

WHAT DOES
IN COMMO

THE SCANNING ELECTRON MICROSCOPE.

The ultra sophisticated instrument that reveals structures at the molecular level. Whether they are viruses or carbide structures.

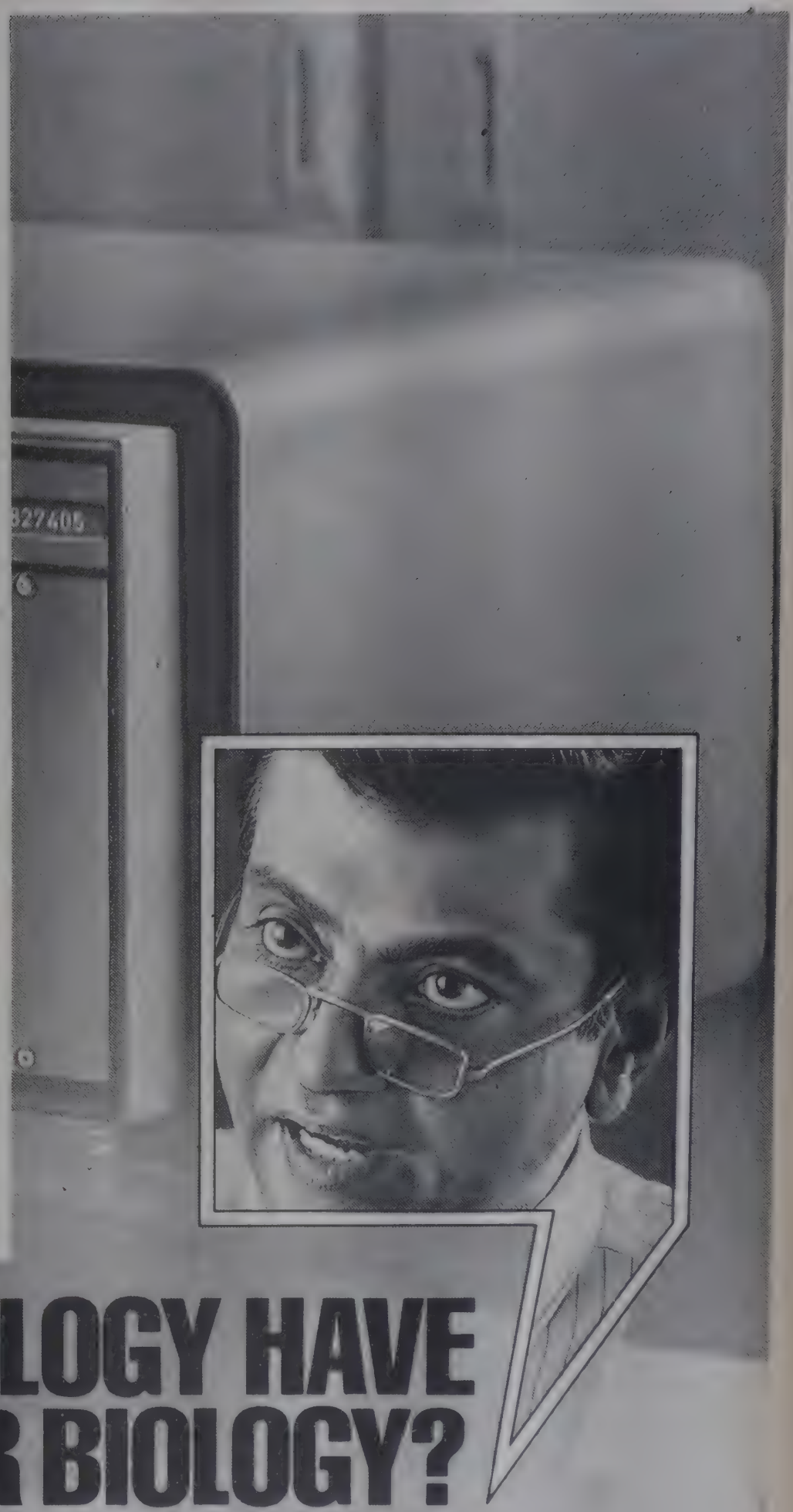
At Sandvik, we know that the fundamental working principles of our metal cutting, rock drilling or metal forming tools have their basis in what happens at the molecular level.

Just a few atom layers thick titanium carbide can make an enormous difference to the wear resistance of our cutting tools.

A controlled binder phase can substantially increase rock drilling performance.

Micronic accuracies of surface finish in our wear parts can considerably improve the quality of the formed product.

But our R&D is much more than microlevel. At Poona, we recover precious cobalt from



CARBIDE TECHNOLOGY HAVE WITH MOLECULAR BIOLOGY?

spent carbide and other secondary sources. We make products that save considerable foreign exchange. Entering new areas of technology. We are looking deep and finding answers.

That's right, this is applied science working at the frontier level. That's the level we're comfortable with at Sandvik Asia.

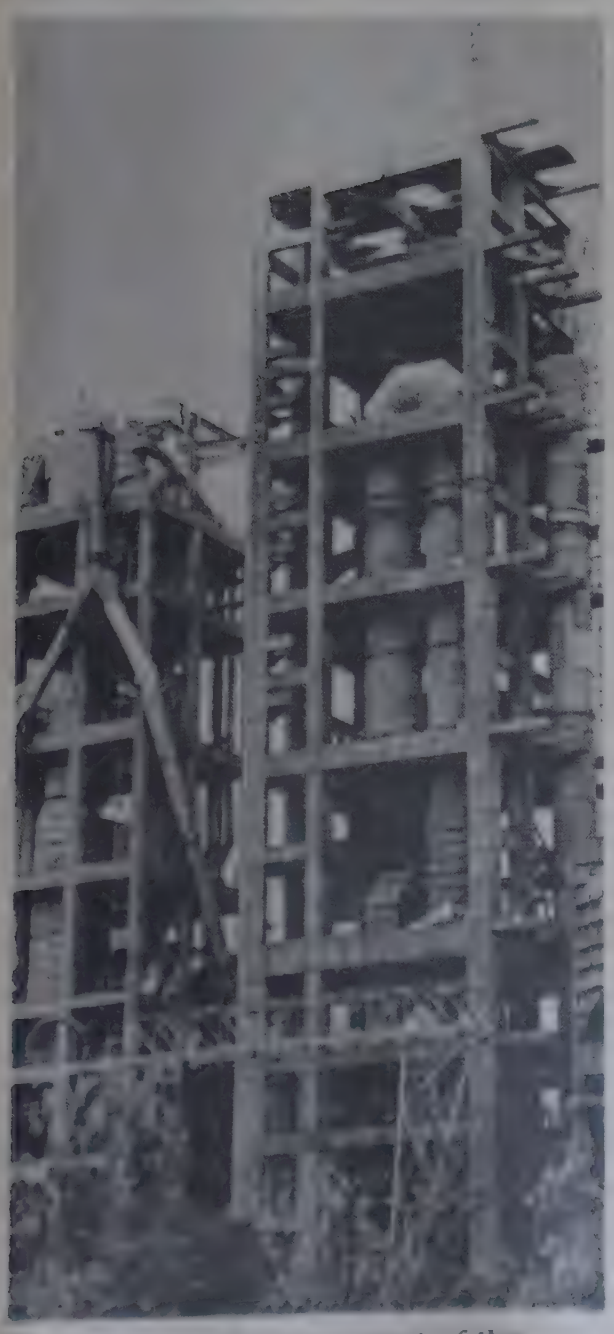
SANDVIK

SANDVIK ASIA LTD.

The Science.
The Technology. The Commitment.

Contract SA 56.88

Hamirwasia: on to bigger things next



The 6-stage preheater is part of the expansion at Damoh

MYSORE CEMENTS

Everything going for it

The last few years have been tough for the cement industry. But Mysore Cements has managed well, and now, with its Rs.150-crore modernisation and expansion scheme, is all set for a good season

Ever since cement was partially decontrolled in 1982, the product has attracted many large business houses. And thanks to the government's pragmatic attitude, the production has shot up from 18 million tonnes in 1981 to over 36 million tonnes in 1987. And this is likely to go up further once the modernisation in various plants is complete and power availability improves.

Mysore Cements Ltd, on its part, will soon complete its Rs.150-crore modernisation and expansion scheme. This will take its capacity from 1.03 million tonnes (mt) to 2.2 mt a year.

The last few years have been a trying period for most units, with costs of all major inputs going up. Levy realisations have stagnated; open market prices have not risen either. Yet, the S.K. Birla-managed Mysore Cements has consistently paid a dividend of 17.5 per cent, something that companies like ACC and Madras Cement have not been able to do. One of the largest cement producers in the country, with an annual turnover of Rs.91 crores, the company will be ready with peak production by the summer of 1989, when the market is expected to be very good. After the entire project is completed, the equity will be a modest Rs. 20 crores.

SIX-MONTH DELAY

The expansion-cum-modernisation was earlier expected to be completed by the third quarter of 1988. There has been a six-month delay and now the project cost has gone up by 50 per cent to Rs.150 crores. The programme was rescheduled twice. Funds were raised through several issues; non-convertible debentures, convertibles, and shares. A rights issue of 700,000 shares at a premium of Rs.5 per share was made as late as August this year.

The company's Ammassandra (Karnataka) plant has a licence to manufacture 700,000 tonnes per annum (tpa) though production was always lower. This plant had four kilns based on the dry process. Two of these, more than 20 years old, have been scrapped. The remainir two have been upgraded. In one kiln, th company introduced a pre-calcinat (along with one additional stream of fo stage pre-heater). Some additional ba ancing equipment has also been i stalled. This raised the kiln's capaci from 600 tonnes per day (tpd) to 1,5(tpd.

Earlier on, to combat the persista power shortage at Ammasşandra, it ha installed a 10 mW second-hand pow plant. But it did not work at the rat capacity, due to inadequate supply ar poor quality of coal. Now, under the pr sent scheme, two sets of 6600 KVA eac have been installed. The power consume per tonne has decreased from 140 to 12 kWh. The company expects to save abou Rs.100 per ton. So the Ammassandr plant can now meet its entire power r quirements. A total of Rs.35 crores ha been spent on modernisation and th has helped this unit to produce at th rate of 500,000 tpa. This is expected t increase to 650,000 tpa.

The company presently has a split loca tion plant in Madhya Pradesh — th clinker unit at Narsinhgarh and th grinding unit 16 km away at Damoh, wit capacities of 525,000 tonnes eac Clinker capacity is being increased to 1. million tpa while the Damoh unit's ca pacity is being raised to 1.1 million tonne by March 1989, at a cost of Rs.90 crores The company recently commissioned ropeway between Damoh and Nar sinhgarh for clinker transportation. Thi has reduced the transportation cost substantially. After expansion and ratio nalisation, power consumption is ex pected to drop further to 100 kWh pe tonne by March 1989. Though the powe situation in MP is easy, the company ha ensured itself of 40 per cent of its require ment as a precaution.

SECOND UNIT

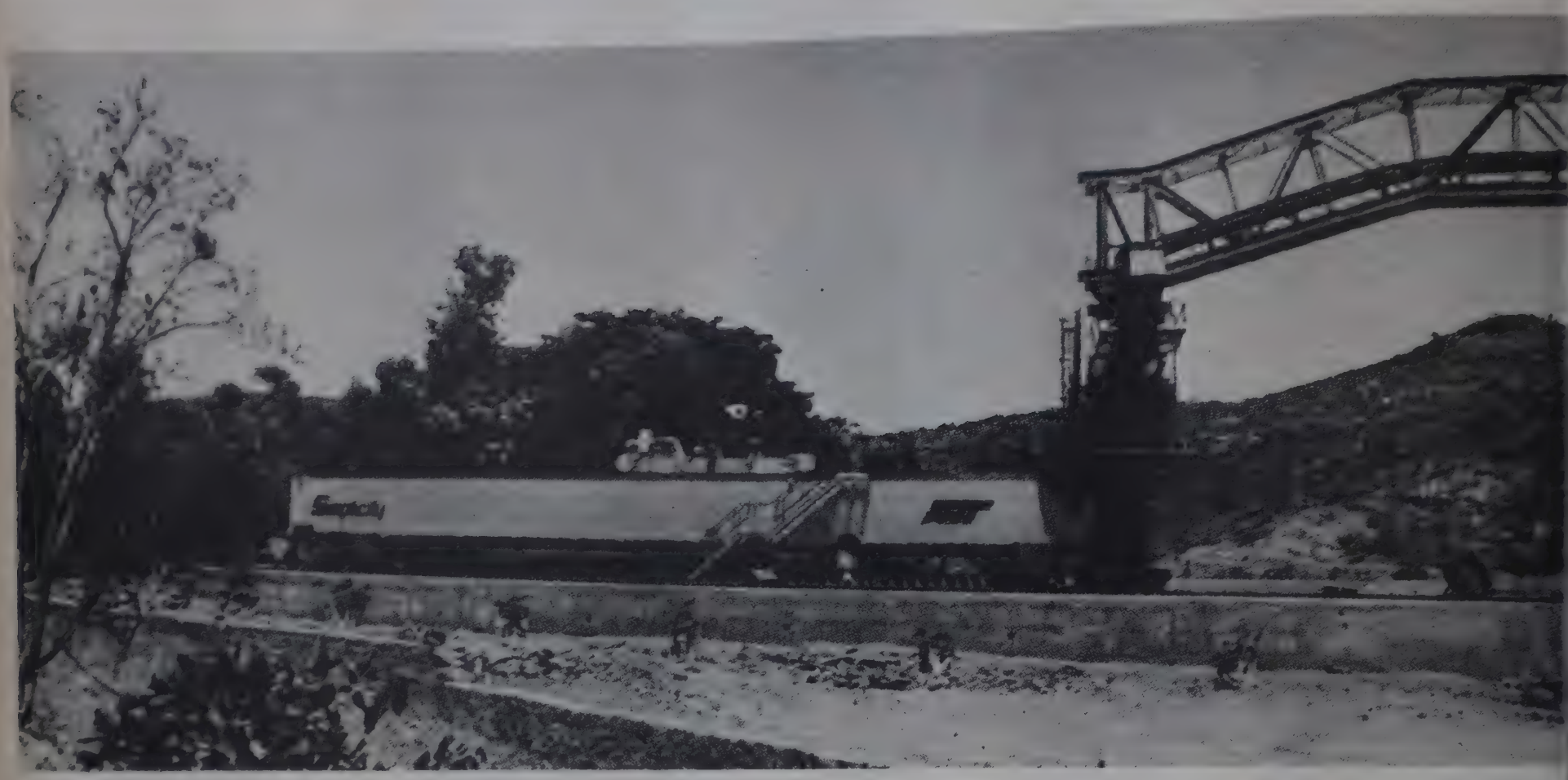
The cement industry has been known t perish and flourish on government regu lation — concessions on sales tax, excis duties and levy quotas have a great im

THE BEST THINGS IN FLIGHT ARE FREE.

Fine wines. Premium brands at the bar. Feature films. And possibly the most gracious, attentive service on Earth – now available at 35,000 feet. Economy class in a class of its own... compliments of British Airways.

BRITISH AIRWAYS

The world's favourite airline.



A stacker reclaimer at Ammassandra

pact on the profits of each unit. To take advantage of these, Mysore Cements has set up a second grinding unit at Jhansi in Uttar Pradesh, with a capacity of 5 lakh tpa, just about 200 km away from Narsinghar. The Rs.12-crore unit is located in the vicinity of NTPC's thermal plant from where fly ash will be transported pneumetically. This will enable the unit to blend fly ash directly, and thereby save Rs.50 lakhs a year in grinding costs.

The UP state government has agreed to exempt the unit from sales tax of Rs.120 a tonne for a period of six years, totalling Rs.6 crores per annum. It will also supply power for five years at 50 per cent of the normal rates; this will save the company Rs.2.6 crores. The levy obligation on the plant is only 15 per cent.

The economic and geographical advantages of the Jhansi unit are substantial, leading to a payback period of only one year. Also, it will be the only unit of its size in that part of UP, thus assuring high realisations. The state is already a major market for Mysore Cements' products at Damoh. And Jhansi has even earlier served as the distribution point for the company in UP.

By early 1989, Mysore Cements will have completed all its modernisation and expansion schemes and its plants will be operating at full potential. The whole scheme is quite perfectly timed, since this year's monsoons are definitely going to accelerate demand from various sectors. Besides, planners have laid great emphasis on housing in the next plan. Banks have already been asked to provide housing loans on liberal terms. Also, the government is pursuing the policy of steady decontrol of cement.

Mysore Cements: a financial profile *(Rs. crores)*

	June '88	June '87	June '86	June '85
SALES	91.35	89.71	84.13	87.02
OPERATING PROFIT	12.85	10.39	10.79	12.93
INTEREST	3.00	2.72	3.30	3.87
TAX	0.25	0.25	Nil	Nil
CASH PROFIT	9.60	7.42	7.49	9.06
EQUITY CAPITAL	4.98	4.98	4.98	4.82
RESERVES	—	24.65	26.38	23.94
SALE OF CEMENT (in '000 tonnes)	900	956	906	957
SALE PRICE (Rs. per tonne)	1,015	938	928	909
OPERATING PROFIT (Rs. per tonne)	143	109	119	135

From the current year onwards, the per unit profit will go up substantially, due to the economies of scale on the one hand and reduction in cost on the other. The only major increase would be in interest payable.

HIGHER DEMAND

The summer of 1989 may thus find demand beginning to outstrip supply. This is expected to continue in spite of higher production due to modernisation and better power availability. With almost 10 mt already added to overall capacity in just 48 months, it is not likely that many new plants will be put up in the future.

Today, a 2.2-mt plant would cost Rs.300 crores to set up — equity would be Rs.100 crores and debt, Rs.200 crores. Interest alone would amount to Rs.150 per tonne. And profits in this industry depend directly on the location of the unit, its distance from the raw material source, the power situation and of course the market. Mysore Cements seems to be well placed on all these counts.

The mood in the company is definitely upbeat. As N.L. Hamirwasia, president of Mysore Cements, puts it, "Soon we would like to look at new areas — anything from consumer goods to petrochemicals. With a projected turnover of Rs. 250 crores and over Rs.25 to 30 crores in cash accruals by March 1990, we would like to take on some big projects."

It certainly looks like Mysore Cements has everything going for it. ■

DURGESH SHAH

WHAT THE
WELL DRESSED
MAN
IN INDIA
HAS IN COMMON
WITH THE
WELL DRESSED
MAN
IN ITALY.
INTERMEZZO
L•I•N•E•A
DESIGNER WEAR FOR MEN.
NEXT TO CHOPSTICKS, CHURCHGATE BOMBAY. INTER-SHOPPE NDSE-1, NEW DELHI.

Mr Patel blocked 5 burglaries, 3 takeover bids and 4 sabotage attempts on his factory... but he couldn't plug the leakage of his profits.

Yes, Mr Patel's factory fell a prey to water leakage. Because he neglected one vitally important security measure lasting waterproofing. So what with endless repairs and renovations over the years, his profits kept pouring down the drain.

Fortunately, over 5,25,000 constructions all over the country have escaped the same fate. Thanks to STP Limited. The most trusted name in waterproofing pioneers and leaders for over 50 years. Only STP has developed such an impressive range of durable waterproofing treatments for every leakage problem. Like Shalimar Tarfelt BH for roofs, FG Felts for special waterproofing and Flash Strip for instant waterproofing.

And STP Limited has an equally impressive record in corrosion protection and pipe coating. It also offers a wide range of mastic asphalting treatments both for roads and industrial floors.

So, invest in STP protection for your factory today—and avoid the continuous maintenance expenses that drain away your money.

Because STP protection means the longest-lasting protection.

STP Limited

SHALIMAR TAR DIVISION

Your shield against leakage

For further details contact:

Head Office: 13th floor, Shantiniketan, 8 Camac Street, Calcutta 700017. Tel 447136/447193.

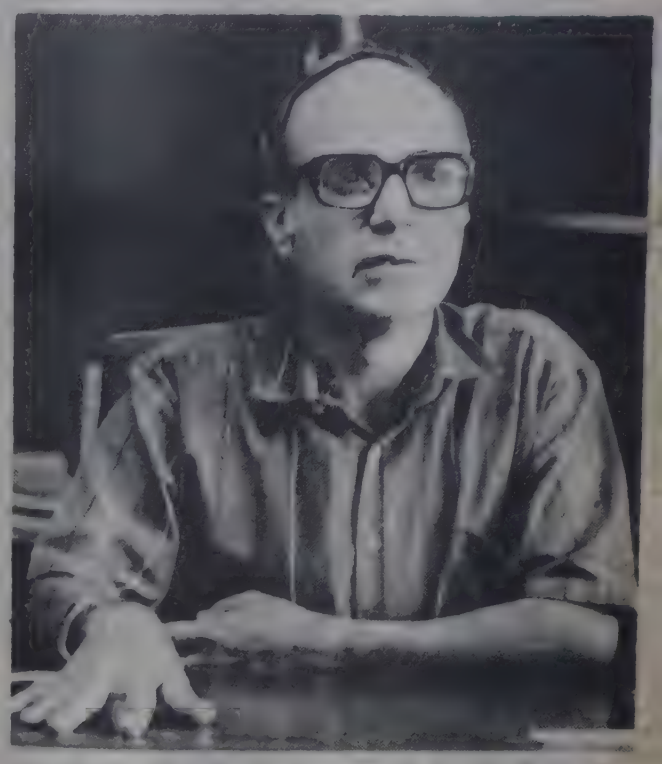
Divisional Offices: 6, Lyons Range (1st floor), Calcutta-700 001. Tel 2[illegible]. 16, N.G.N. Vaidya Marg, Bombay-400 023. Tel 2864643/2862313. PNB Building, 3rd floor, 5, Parliament Street, New Delhi-110 001. Tel 384155/384[illegible]. [illegible] Chamber Building Annexe, 2nd Floor, Esplanade, Madras 600018. Tel 560719/561022.

Branch & Unit Offices: Ahmedabad, Asansol, Bangalore, Baroda, [illegible], Cochin, Cuttack, Dhanbad, Guwahati, Hatinol, Jaipur, Jamshedpur, Kanpur, Kathmandu, Kolhapur, Lucknow, Nagpur, Patna, Pune, Raipur, Rajkot, [illegible], Secunderabad, Siliguri, Visakhapatnam.

MELTRON

Growth is the buzz word

Virtually doubling its turnover every year since 1984-85, Meltron is easily the fastest-growing state-sector electronics undertaking in the country. Now, eyeing high-tech areas such as cellular radio and compact discs, it is evolving into a total communications organisation



Makhija: "we've surpassed our targets"

Picture a state transport bus conductor issuing tickets from a hand-held, battery-operated electronic ticketing machine. Or electronic taxi meters that save you the bother of looking at rate cards. These are just some of the ways in which Meltron, Maharashtra's state-owned electronics undertaking, is planning to promote the use of electronics in the state.

In terms of sales, this 10-year old company is easily the fastest-growing state-sector electronics undertaking in the country. Its turnover, which was Rs.3.89 crores in 1984-85, has virtually doubled every year, to cross Rs.31 crores during the last financial year ended 31 March 1988. "We have always overachieved our targets," says Bishamber N. Makhija, managing director of the company. The company is expected to report pre-tax profits of at least Rs.2.4 crores for 1987-88.

BIG JUMPS

Unlike other prominent state-sector electronics undertakings, such as Uptron and Keltron, Meltron has by and large stayed away from lucrative consumer electronics and instead focused efforts on areas that are either reserved for the public sector or where private sector investment is not forthcoming. Meltron's emphasis is now on expanding operations to include manufacture of high-tech, capital-intensive communications products, and providing integrated consultancy services in communications systems. According to a business plan under preparation, turnover is expected to jump to Rs.45 crores in 1988-89, Rs.60 crores in 1989-90 and Rs.85 crores in 1990-91.

Meltron's growth during 1987-88 has come from all three manufacturing divisions as well as the marketing division. The audio-visual division at Andheri in suburban Bombay leads the pack with a contribution of Rs.13 crores; the radio communications division at Nagpur has chipped in about Rs.10 crores, and the telematics division at Aurangabad, which commenced production during the year, contributed another Rs.8 crores.

Nearly 90 per cent of the company's audio-visual and radio communications divisions' sales are to the public sector, according to Makhija. Sales of the EPABX systems and the smaller capacity key telephones, however, are evenly spread out among both private and public sector clients. The latter is a major customer for the company's tape recorders (AIR), heavy duty playback decks, UHF and VHF transreceivers and radio relay equipment, among others. "There is a tendency among public sector enterprises to place orders with government agencies such as Meltron ... they feel safer," says Makhija.

The telematics factory at Aurangabad: three new products on the anvil

Among the new products that Meltron proposes to manufacture, the most ambitious are compact disc (CD) players and discs. "AIR wants to convert its old master tapes into CDs, and they will be our biggest buyer," says A.R. Khandekar, general manager. The Rs.30-crore project will be a joint venture with an Indian private sector party with "strong marketing expertise". The technical collaboration will be with either a European or a Japanese company. The plant will produce 3 million discs annually and is scheduled to be operational 18 months from now.

A proposed Rs.8-crore joint venture with Motorola of the US for the manufacture of mobile radio systems (telephones and transreceivers) based on cellular technology and rugged versions of transreceivers, among other products, is also high on Meltron's agenda.

"Cellular technology represents the fastest-growing market internationally in communications," says G.S. Rao, additional general manager (projects) of Meltron. A mobile switching centre linked to the local telephone exchange, which will form the core control station for a network of mobile subscribers, is proposed to be sited at Mazagaon in central Bombay.

The company's new projects division provides escort services for entrepreneurs

and companies that plan to set up electronics units in the state, by conducting research, identifying market niches, and helping to locate suppliers of technology. The company provides such services in its capacity as the nodal agency under the Maharashtra Electronics Development Agency (MEDA). The company has, in the three years since MEDA was formed, assisted over 600 projects in the state, of which nearly 80 per cent are in the small sector.

Imparting training in the electronics industry is another area where Meltron is active as a development-oriented organisation. Under a grant from the Norwegian Aid for Industrial Development (NORAD) programme, the company has trained about 225 women in electronics assembly at Aurangabad, Pune and Nagpur. Encouraged by Meltron's work in this area, Integrated Rural Development Programme authorities have recently cleared a Rs.85-lakh scheme for training about 4,000 people under Meltron over 4 years.

The company also hopes to commercialise products that have been developed in-house, such as a data over voice (DoV) system that can be used with the C-DoT EPABX systems it makes to transmit data. The company hopes to obtain approvals from the Department of Electronics and commercialise the product in six months. Besides these, the company's engineers at the telematics division at Aurangabad have also developed a transit exchange system that allows the integration of as many as eight to ten 128-port EPABX systems to enhance the total capacity.

Also coming up at the company's telematics division at Aurangabad is a project to manufacture rural automatic exchanges, based on C-DoT knowhow. The RAX project will have a capacity of 5,000 lines a year (the installed capacities for EPABX systems and key telephones are 10,000 lines a year each). An order for 22 systems from the Department of Telecommunications for field trials is already in the bag. Meltron is the first among three parties which have readied prototypes of the RAX system.

A proposed project for the manufacture of pulse code modulation (PCM) multiplex systems, used for linking telephone exchanges, with technology from Bharat Electronics Ltd, is likely to be delayed since its viability has yet to be established. Another division of the company that is lagging is the strategic defence division at Pune. A Rs.2.12-crore

Rao and Khandekar: thrust in cellular communications

loan recently sanctioned by the Industrial Development Bank of India (IDBI) from its venture capital fund is expected to help the division take off. Cut-throat competition in the EPABX market has also affected the telematics division. Meltron sold about 3,000 lines (30 systems) of the C-DoT version last year but has sold no more than two systems during the first four months of this year.

PLANS THAT BACKFIRED

Meltron's performance has come in for criticism on some counts. Industry watchers point out the abortive venture with the Kalyani group for the manufacture of colour television sets, and the case of Meltron Semiconductors Ltd (MSL), where losses of about Rs.5 crores were incurred. Company officials contend that the Kalyani group backed out and tied up with the Japanese company Sharp once the private sector was allowed entry into the manufacture of colour television systems. In the case of MSL, which had a collaboration with Thomson CSF of France, Makhija says, "The failure of the venture was partly the result of wrong forecasting by us of international market trends. Also, it was a slippery area, where the technological changes pushed prices down in the international market."

Back home, the company's management has other problems — industrial relations is an uneasy area at Meltron. The Meltron Employees Welfare Association (MEWA) issued a strike notice in late October, demanding a bonus of 20 per cent for last year, against the management's offer of 8.33 per cent. Later, the notice was withdrawn, and the company's revised offer of 14.5 per cent has been accepted "under protest".

Office bearers of MEWA, who requested anonymity, also accused senior Meltron officials of corruption. It is alleged that the company made indirect payments to Nitsuko (the Japanese company which supplies key telephone components to Meltron) by overinvoicing bills, and also that the Nitsuko deal is illegal. Khandekar denies these charges, and points out that it is perfectly legal to import electronic components. The Maharashtra Public Accounts Committee is believed to have taken a look into the charges and has handed over the relevant documents to the government.

Other critics of Meltron also point out that the company has not put up a good show in marketing electronic products manufactured by small scale units — the number of companies whose products are marketed has fallen from 22 to about five now. Road traffic signalling systems, fire alarm systems and closed circuit TV systems are among the small scale manufactures marketed by Meltron. Although these products helped the company's marketing division to rake in a turnover of Rs.4.40 crores last year, it now plans to hand over this activity to Maharashtra Small Scale Industries Development Corporation Ltd.

Thus, Meltron is aiming to sharpen its focus and evolve into a communications organisation faithful to its primary goal: to promote the use of electronics by extending its reach. "We realise that just making electronic goods is not enough," says Rao, "you have to get people to use them."

■ SHANKAR P

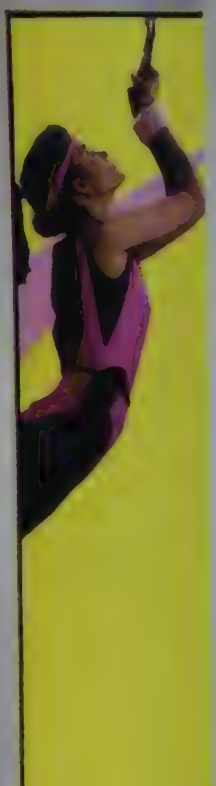
SENSATIONAL PROFILES

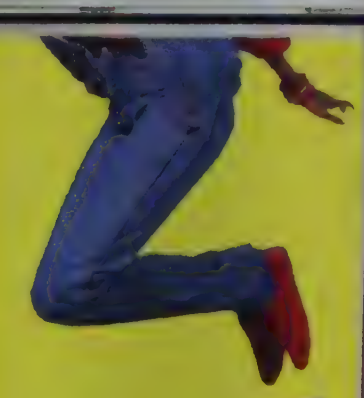
ater-Resistant Profile

e double sealing and built-in drainage system do not let the rainwater come through. Profile is unaffected by water, salts, acids, alkalis, humidity and all other atmospheric pollutants.

Care-Free Profile

Maintenance free, in effort and cost. Once installed, Profile is totally immune to rotting, swelling, warping, peeling, moths, termites and rust.





Tough Profile

high impact base material, zinc galvanised steel insert and highly effective multi-point locking mechanism offer maximum durability and security. It is fire-resistant too.

Perfect Profile

Doors & Windows that look elegant and perform wonders. Fabricated on highly sophisticated machinery with German technology. Installed by trained company personnel. A perfect need for every perfect setting.

ol & Quiet Profile

aled cavities, EPDM askets and an effective glazing unit keep noise, heat and dust infiltration at its minimum. Ideal for airconditioned areas.

Hi-Fashion Profile

Profile is modern and elegant. With contemporary designs blended with traditional care.

"Magnifique"

That's how any Frenchman, with his Gallic eye for beauty, would describe Profile Doors & Windows. He'd be right, of course, bu there's much more than just beauty–Profile Doors & Windows are a marvel of attention t technical details.

Profile Door & Window systems–created by expert German designers–are processed t high standards and skillfully assembled. Perfectly glazed with a foolproof locking mechanism and flawless hardware. Strict quality assurance procedures ensure its incredible strength and long term operational reliability.

Profile Doors & Windows are even installed by trained company personnel.

Profile's faultless technology is a must for every Hospital, Hotel, Computer Centre, Food Processing Units, Sensitive Electronic and Chemical Industry, Laboratories, Commercial and Public Buildings and any dust free environment and of course,.. your home.

The wide range of Profile offers you Picture windows, Open-out windows, Main doors and Sliding doors.

Custom built doors and windows are fabricated within 7 days.

Profile has a 10 years warranty that says these Doors & Windows have come to stay.

PROFILE

Vinyl Door & Window Systems

In technical collaboration with Brügmann Frisoplast GmbH, West Germany

Manufactured by: **SHEELA FOAM PVT. LTD.** *(Building Product Division) Regd. Office: E-326, East of Kailash, New Delhi 110065 Ph 6410912, 6432806 Telex No 31 62304 MMA IN Grams SOFTFOAM*

Distributors: **Ahmedabad:** KARTIK PATEL, 11, Nathalal Society "Kunwar Bhawan"-14. Ph. 442180. **Bombay:** STAR ENTERPRISES, 307, Bus Udyog Bhawan, Torershi Jiuraj Road Sewree Ph (Off.) 413508 (Res.) 548897 544146
Hyderabad: SOUTHERN AGENCIES, Flat No-105, Hi-Line Complex, Road No. 12, Banjara Hills. Ph: 227422. **Kanpur:** LAXMI ENTERPRISES, Vivek Cinema Buildings I. Ph 210640, 210644 **Madras:** SOUTHERN AGENCIES, Flat No-2, 5, Chowdary Colony, Nugambakkam-34. Ph: 473348, 444401. **Meerut:** FOAM TRADING CO., 184, Abu Lane-2. **Patna:** BIHAR COMMERCIAL CORP., S P Verma Road, Ph 23015

OUR AIR-CONDITIONING IS SILENT.
OUR SERVICE IS SILENT.
NEED OUR ADVERTISING MAKE A NOISE?

Silence is the language of efficiency. Observe any of our central air-conditioning plants, packaged air-conditioning units or humidification systems.

Silence is also the hallmark of dedication. Meet any of our 150 committed engineers.

And finally, silence is also the sign of satisfaction. Even a single dissatisfied customer can make more noise than the collective smiles of our 500 satisfied customers in India and abroad.

No wonder, we'd like it more if instead of the trumpet, you heard the pin.

For further details, contact: Batliboi & Company Limited. Apeejay House,Dr. V.B. Gandhi Marg, Fort, Bombay-400 001. Telex: 011-2284-4852. Fax No. (91-22) 2871558. Offices: ☐ **Ahmedabad** ☐ **Baroda** ☐ **Bangalore** ☐ **Calcutta** ☐ Coimbatore ☐ Delhi ☐ Ernakulam ☐ Indore ☐ Jaipur ☐ Jamshedpur ☐ Lucknow ☐ Ludhiana ☐ Madras ☐ New Delhi ☐ Patna ☐ Pune ☐ Secunderabad ☐ Vijayawada. Manufacturing Division: Udhna (Surat)

AIR-CONDITIONING &
REFRIGERATION DIVISION

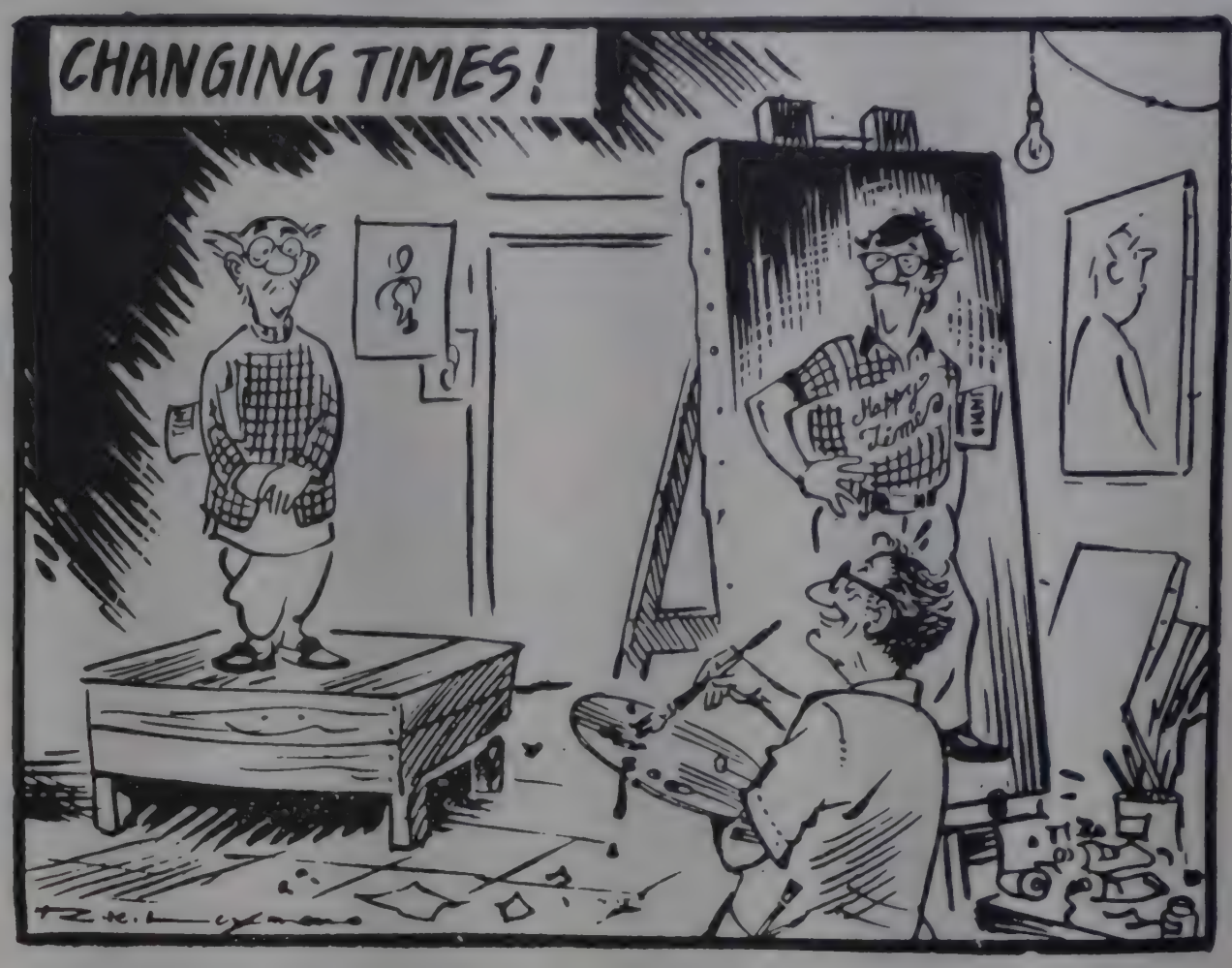
BATLIBOI

For a century,
the engineers' engineers.

THE TIMES OF INDIA

Anniversary time

The 150th anniversary of The Times of India *marks the beginning of a new era for the paper. On one hand are a new breed of managers who have seized the day and for whom the past is of little use; their plans are made for a competitive future market. And on the other, is the old guard which views the future with much anxiety*



COURTESY: R.K. LAXMAN/THE TIMES OF INDIA

When Bennett, Coleman and Co Ltd, the largest publishing house in the country, turned 150 years old on 3 November, the government released a Rs.1.50 commemorative postal stamp. The company marked the beginning of its year-long sesquicentennial celebrations with a symposium on "Bombay — the next 150 years". For the employees of its 18 publications, the Rs.150-crores-a-year company had a gift of Rs.150 for every year of service put in.

Though celebrations formally opened only on the 150th birthday, *The Times of India* had begun sponsoring music concerts and shows, symposia and films, over a month before. "This is public relations at its best," says Sylvester da Cunha, chairman of da Cunha Associates. "The promotion of events, the special issues, serve as well-orchestrated, path-breaking anniversary publicity. It shows what can be done to create excitement over an historic occasion," he says.

Many media persons also read a clear message. "The activities state that *The Times* is part and parcel of the city and intends to stay that way," says Roda Mehta, director for media and research at Ogilvy, Benson and Mather (OBM), Bombay. "In the process, they have generated a lot of goodwill. Even the subject of the symposium was appropriate. Bombay is the raison d'etre of *The Times*."

The sesquicentennial celebrations are also being used to project a new image of the "Old Lady of Bori Bunder" under the new management of the 35-year-old vice-chairman, Samir Jain, who took over the reins of the company from his father Ashok Kumar Jain, a couple of years ago. "We have planned a large number of activities for the 150th anniversary celebrations, designed to promote an image of a dynamic and innovative company," says Dileep Padgaonkar, senior executive editor of *The Times*, who is tipped to take Girilal Jain's place as the editor shortly. "The activities planned over the next year include serious and light programmes and cultural shows involving the youth," says Ram Tarneja, managing director of the company. "We have made our plans, keeping in mind the changing readership profile of *The Times*."

The new readers of *The Times of India*, according to Tarneja, are young, better educated and earn higher salaries. More important, they have a lively enthusiasm and hunger for information on contemporary issues. "If the readership profile is changing, we have to accept it and change our product to suit its needs," he says.

"A company that is 150 years old is bound to the problems of age," says Pritish Nandy, editor of the *Illustrated Weekly of India*, publishing director of *The Times* group of publications, and director of the 150th anniversary celebrations. "The market has become very competitive and we have had to change our attitude towards publishing. "We want to tell people that we are looking at the business, not in traditional terms, but in the light of contemporary realities," he says.

The renovated lobby of *The Times of India* building at Bori Bunder, Bombay, reflects the new image. Beyond a broad glass door at one side of the lobby is a flight of stairs going up to the classified ads section, now renamed Timespacenter — spic-and-span with piped music, water rippling down a wall, and computer display screens. The rest of the building though, still has that Raj look.

Within the organisation there is a massive induction of new talent in all sections — editorial, advertisement, and administrative — and at all levels. Even the company's board of directors has been changed: C.A. Varghese, who was earlier president of Rallis India Ltd, comes in as president, while Satish K. Mehta, who was marketing director of ITC Ltd until three years ago, takes charge as marketing director.

STAYING AT THE TOP

Says Padgaonkar, "The thrust of this reorganisation is to ensure that we continue to remain the largest selling newspaper. It is also to strengthen our lead in the market through closer interaction between the editing and publishing sides." One implication of this, according to Padgaonkar, is the speeding up of modernisation. Many editorial functions are carried out directly on PCs, and it is only

A Credit Card from the First Private Sector Bank with International Tie-up

Not Just Convenience

Status too!

- STATUS SYMBOL
- BUYING POWER
- SAFETY
- CASH WITHDRAWALS FOR EMERGENCIES AT ANY BRANCH
- ACCESS TO OVER 7,000 ESTABLISHMENTS INCLUDING LUXURY RESTAURANTS, HOTELS, AIRLINES ETC. IN INDIA & NEPAL.

Central Card from Vysya Bank

A Credit to your life style

THE VYSYA BANK LTD

Regd. Off: Avenue Road, Bangalore – 560 002
Admv. Off: 72, St. Marks Road. Bangalore – 560 001

Chairman : Ramesh Gelli

COMMUNICATION WORKSHOP/VB/024

*AFBC FLUIDIZED BED BOILERS

Modern State-of-the-Art Technology now brought to India by

ISGEC JOHN THOMPSON

In Technical Collaboration with, and under licence from

OUTOKUMPU OY of FINLAND

A fully Government owned Company

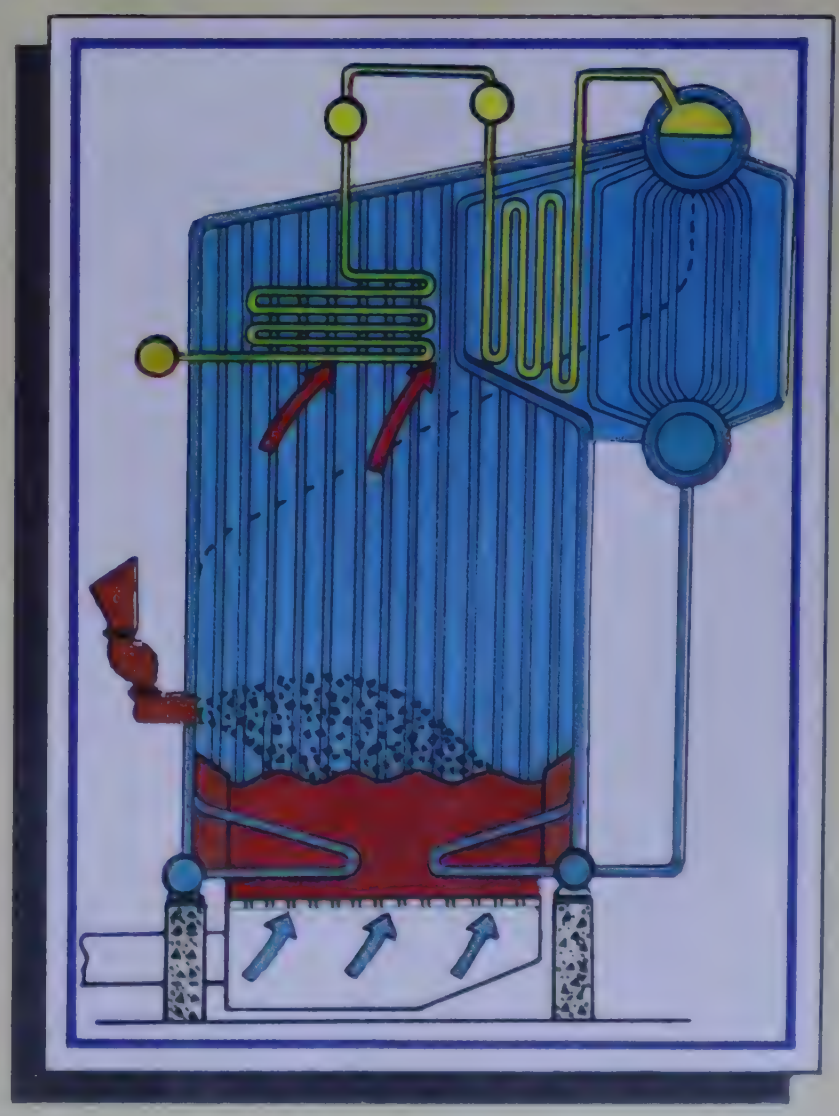
ISGEC JOHN THOMPSON now offers to Indian Industry the modern and fully-developed Bubbling Bed *ATMOSPHERIC FLUIDIZED BED COMBUSTION TECHNOLOGY for use with high ash, low calorific value coals, high moisture lignites and agro-waste fuels. This has been possible through a Government approved Collaboration Agreement for the manufacture of *AFBC Boilers.

While IJT have been working on the Fluid Bed technique for several years and have fo their credit 3 Indian patents No. 154079, 154520 & 155593, the technical collaboration route was selected for speedy implementation of the process for commercial applications. After a world-wide search for this technology in various countries like UK, USA, West Germany, Austria, Sweden and Finland, IJT chose OUTOKUMPU OY of Finland. Outstanding features, proven design and years of actual operating experience of Outokumpu is hence available to boiler users in India

Outokumpu have been using this technology for several decades in their Mining Division. Suitability of this process for the purpose of steam generation was technically proved by Outokumpu several years ago with a number of commercial installations to their credit.

The main advantages of IJT-OUTOKUMPU *AFBC Boilers are

- High combustion efficiency
- Emission control capability
- Simplified fuel feed systems
- Multi-fuel capability
- Lower auxiliary power consumption
- Natural circulation
- Adaptability to conversions & retrofits
- Proven experience of Collaborator
- Manufacture at well-experienced Boiler Works
- Top class quality
- Prompt service



For details and enquiries write to or contact

ISGEC JOHN THOMPSON

(Division of The Saraswati Industrial Syndicate Ltd. Yamunanagar, Haryana.)

33A Jawaharlal Nehru Road Calcutta 700071

Telephone : 29-5220/5282/8220/8499 Telex : CALCUTTA 7777

Gram : "WATERTUBE" BRANCHES : *Bombay *Delhi *Madras

React/IJT/054/88

Three years ago, a new concept in Indian aviation was born.

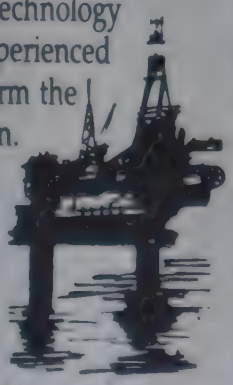
Pawan Hans took to the skies...

On its 3rd Anniversary Pawan Hans Ltd. unfolds

THE GREAT INDIAN AVIATION STORY

Nov. 1985 –
Helicopter Corporation of India (later known as Pawan Hans Ltd)
Starts functioning from 1st Nov'85 to tackle a critical objective – to provide helicopter services to the oil sector and thus save on foreign exchange outflow and essential services in other sectors.

Oct. 1986 – Meeting a stringent one year deadline
The first two helicopters take off, marking the commencement of Pawan Hans operations. State-of-the art technology helicopters supported by experienced and motivated personnel form the backbone of the organisation.



1986-88 – Pawan Hans spreads its wings
ONGC says goodbye to foreign operators. State governments and Union territories utilize helicopters to provide access to far-flung and until now inaccessible areas, thus bridging a communication gap.

The scattered islands of Andamans and Lakshwadeep are now inter-linked and a new chapter in inter-island communication begins.

The Vaishnodevi shrine nestling forbiddingly high in the mountains now becomes accessible to even the aged and infirm.

Pawan Hans helicopters assist Coal India, Nagpur, in the quick movement of emergency supplies and medical aid to remote mining areas.

The wheels of industry move faster with speedier transport of key personnel between city offices and manufacturing units and sites.

A Progressive track record
From a modest beginning of 2 helicopters to 40 helicopters today, Pawan Hans has come a long way. The service is backed by a trained and motivated staff of over 500 people operating from 2 regional centres in Delhi, Bombay and 13 other bases all over India. No wonder then that a phenomenal 34,000 flying hours have already been recorded. Pawan Hans' in-house training school at New Delhi imparts updated technical instructions in key aviation aspects, to produce men of high calibre and professional skills.

The Future
Pawan Hans' ambitious expansion plans will explore many challenging horizons in important and diverse areas such as city centre and airport linkage in metropolitan cities, railway electrification work and helirig operations to name just a few. When man and machine come together, the sky is the limit...

The spirit continues
As India nears the 21st century, Pawan Hans gears itself to broaden its social responsibilities and write yet another glorious chapter in Indian aviation.

FSA/PH/10-88

PAWAN HANS LIMITED
(A Government of India Enterprise)

Exploring new frontiers

a matter of time before everyone has access to one.

New editorial structures will also come into force. "Hierarchy will be determined in a more functional manner than in the past," says Padgaonkar. He explains, for instance, that assistant editors, who have been confined to the edit page so far, will now be encouraged to do much more field work and take a more direct interest in editing the paper. He also hopes to strengthen the news collecting network by sending people who have been in the field for eight, ten, or even 14 years, to countries where India's interests are directly at stake.

To ensure a more comprehensive coverage of developments in diverse areas of national life and further step up the level of comment and opinion, the paper is appointing editors who are experts in their subjects to head each section. Thus, it has, for the first time, appointed an arts editor. Shortly, there will be a media editor as well as editors in charge of business, sports and environment.

Padgaonkar also hopes to initiate new policies for career development. "All these initiatives are meant to boost the efforts of the company which now regards itself as a marketing outfit," he says. He adds that a new, more interactive culture has emerged in which the different departments that produce the newspaper have begun to co-operate with each other on a day-to-day basis.

LOCAL FLAVOUR

Each edition of *The Times* will be given an identity that has the largest possible appeal to its own readership, according to Padgaonkar. Thus, while it continues to remain a national paper, it will have a strong regional flavour. For example, more coverage will be given to Bombay and Maharashtra in the Bombay edition. "With newer editions being launched, the older editions get confined to smaller regions. They should now give more coverage to local news," says Ravi Gupta, managing director, Trikaya Advertising, referring to the Lucknow, Bangalore, Jaipur and Patna editions of *The Times*. All of these were launched between 1983 and 1986.

Roda Mehta agrees with Gupta. She says, "What *The Times* needs to do is to increase its reader participation and give it a more local flavour so that people can relate to it." In saying this, Mehta touches upon one of *The Times*' weak spots — the city reporting of *The Times* has been less than adequate. Says M.J. Pandey, a reporter in *The Times* and general secretary of the Bombay Union of Journalists (BUJ), "If the city reporting of *The Times* is bad, and I think it is the worst of all the Bombay papers, it is not because of a lack of talent. What the reporters lack is initiative."

Traditionally, *The Times* has had a hierarchy in which older reporters, in the absence of a promotion policy, cover the same beats for years till they are sapped of all their enthusiasm. And, in doing so, they prevent the younger reporters from entering their territories. This leads to stagnation and frustration among the reporters. Similarly, on the desk, a subeditor is promoted to chief sub after 20 years, if he is lucky. This makes the subs seek transfers to reporting, which is perceived to be higher up in the hierarchy. "In the present reorganisation the marketing department has got much greater importance while working conditions in the editorial department have remained unchanged," says Pandey.

"The successful paper of the future," said Samir Jain in an address to the Advertising Club of Bombay early this year, "will be market driven and also a market driver." He, however, felt that the

Padgaonkar, Samir Jain, Sam Pitroda, JRD Tata, Ashok Kumar Jain, Tarneja and Girilal Jain at the seminar

GUARANTEED TECHNOLOGY

Roto Twin Screw Pumps are manufactured to the time tested design of the World Leader

SP Stothert & Pitt

Stothert & Pitt Ltd., U.K.. The patented double profile of screw flank leads to higher volumetric efficiencies.

GUARANTEED PERFORMANCE

Roto Twin Screw Pumps guarantee a superior, proven, internationally accepted solution to bulk pumping of Fuel Oil. Reflecting

ACCEPTANCE

the international trend, installations in India are switching over from the conventional Gear Pumps to Roto Twin Screw Pumps. In India, Roto's performance is well established and recognised in industries like Power, Refineries, Steel, Fertilizer etc.. Roto Twin Screw Pumps conform to International Standards of API 676, VDMA 24284 Class VII or any other equivalent.

GUARANTEED LONG LIFE

The total elimination of any physical contact between the screws, and between screws and the casing, ensure substantially onger life of the pumping

Fit & Forget

elements and the casing. The Stothert & Pitt pioneered dual flow design advantage eliminates axial thrust, thereby increasing the life of the bearings considerably. These combined features have earned Roto Twin Screw Pumps the reputation of 'FIT AND FORGET' pumps

OIL TRANSFER DUTY? L.S.H.S. PUMPING PROBLEMS?

NOW Roto's GUARANTEED SOLUTION

Roto PUMP

Roto TWIN SCREW PUMPS

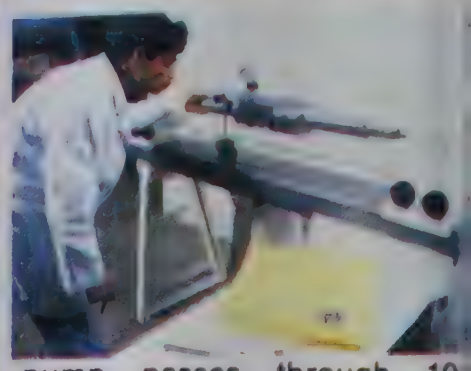
GUARANTEED SOLUTION

ROTO PUMPS & HYDRAULICS PVT. LTD.

Mktg. H.Q.: NEW DELHI: 308, Osian Building, 12, Nehru Place, New Delhi-110 019
Tel 6418513, 6435339 Cbl ROTOSALES Tlx 031-61817
Bombay: 54, Ajay Deep, 240 Perin Nariman Street, Fort Bombay-400 001
Tel 264604 Cbl ROTOSALES Tlx 73946
Calcutta: 310, Shantiniketan, 8, Camac Street, Calcutta-700 017
Tel 431943 Cbl ROTOPUMPS Tlx 4379
Bangalore: 385/11, 1st N Block, Rajajinagar, Bangalore-560 010
Tel 353887 Cbl. ROTOSALES
Baroda: 312, Sriram Chambers, Opp Circuit House, Alkapuri, R.C. Dutt Road, Baroda-390 005 Tel 328086

GUARANTEED QUALITY CONTROL

Manufactured in one of the m modern plants in India w extensive testing facilities, e



pump passes through 10 testing. Roto Twin Screw Pum can be tested to conform with t Quality Assurance Plans of E BHEL/NTPC/PDIL etc.

GUARANTEED CHOICE OF RANGE

Roto Twin Screw Pumps a available in both internal a external bearing design Horizontal or Vertical configur tion. The pump can be stea jacketed or electrically traced f

handling fluids at elevate temperatures. Due to the absen of metallic contact, a wide choic of material selection is availab to suit the fluid being handle Sealing arrangement is either so gland packing or mechanical sea

GUARANTEED SERVICE

Roto's wide marketing & servic network spans the countr through 9 strategic locations eac manned by trained and competen technocrats to assist customers i

ROTO'S QUICK ACTION NETWOR

not only selection of the right pump for the application but also ensure its proper installation, commissioning & performance.

RPH.M.88127 A

editorial side cannot be totally market driven, but must "create the material which it thinks the reader must have". The extent to which the market will be driven, according to Jain, will depend on the sections the paper contains, how much colour it has, and how it is designed. The paper will also have to depend on its own stories and opinion instead of syndicated opinion to distinguish itself from its nearest competitor. "The press is going to have to offer environmental positioning and the three 'R's — revenue related reading," said Jain.

A newspaper, according to Nandy, who was a marketing man in Guest Keen and Williams (GKW) before he joined the company in 1982, is a consumer product, the readership of which is a target buying group. So, there is no reason why marketing strategies which work in other areas should not be structured to sell newspapers and magazines.

Samir, Girilal and Ashok Jain: the youth takes over

EMPHASIS ON PACKAGING

But not everyone would agree with Nandy. "The new thinking seems to be oriented towards the packaging rather than the contents of the product," says Prabhakar Nair, assistant editor of *2001 — Science Today* and chairman of BUJ, pointing to the magazines which, with the exception of *Vama* and *Femina*, have been under Nandy and, in recent years, have improved tremendously in terms of layout, design and production. Yet the circulation of these magazines has dropped.

Nandy, however, believes that "gross readership" is not the only indicator of a magazine's success. "Our products were market leaders in terms of numbers only," he says. So, when he took over, he examined the product position and the core readership of each publication so advertisers would know precisely whom they were beaming their messages at. "As a result, today the magazines are better positioned, more profitable, and more user-friendly for the advertisers," says Nandy. "It is no longer possible for journalists to sit in ivory towers and pontificate about the state of the world. They have to become managers of information," says Nandy.

The Timespacenter: projecting a new image

Girilal Jain, the outgoing editor against whom the charge of pontificating from ivory towers has often been made, refused to speak to *Business India* about the radical changes taking place in *The Times*. But his views are well known.

In an edit page article on 2 November he wrote: "The status and independence of the editor account in no small measure for the status and esteem *The Times of India* enjoys .... Indeed, as the political scene becomes more and more turbulent, as it is bound to, the importance of firm editorial direction and control can only increase."

The Bombay edition of *The Times* of India is the only one in the group with significant political clout, which, according to a special correspondent of *The Times*, it derives from being the widest circulated national daily published from the commercial capital of the country. "But, if they make it more upmarket and elitist, they will cater to a narrower economic class and fritter away their advan-

tage," he says.

A hike in ad tariffs during the year, according to Nandy, resulted in increased revenue and volume of ads in the group's publications regardless of a drop in circulation. Ramesh Chandra, executive director, does not agree. "While the revenue did increase, the number of ads declined," he says.

The increase in revenue is commensurate with the rise in the cost of newsprint and other expenditure, according to P.R. Krishnamoorthy, executive director and secretary of the company. He also revealed that the company had now begun to calculate its profits from each "brand" instead of each branch, as it did earlier. Thus, *The Times* is seen to be making profits even if these are generated from the Bombay edition alone while the other editions make losses.

Samir Jain explains the losses incurred by some publications thus: "Successful companies with successful brands will have to have other brands which make large losses." He told the Ad Club that the company very consciously continues to run brands at large losses "to keep the competitor at bay because he would run away with the success of his product if we were to close down our brand."

SELECT CLIENTELE

Jain feels that for the newspaper of the future to succeed, the advertising in the top paper in the city will necessarily have to be different from that in the second best and will have to cater to a select clientele. "It is like renting a room in the Taj," he said. "You pay more for it than you would for one in the President, although both are as luxurious, because of the ambience attached to the Taj. You would like to be seen at the Taj." According to him, the medium adds value to the ad; while ads appearing in a paper like *The Times of India* get a positive value, those appearing in a sensational tabloid will get a negative value.

Suren Chawla, chief executive of Dimensions Advertising and formerly media director of Hindustan Thompson Associates (HTA), Bombay, does not agree with Jain's analogy of the Taj and President. "Prestige is something I have not been able to measure," says Chawla. "The factors that influence the choice of a newspaper when buying space are its circulation and the composition of its readership."

The new management views the drop in circulation of the magazines as a sign of the effectiveness of its marketing strategy and hopes to see a spurt in the number of ads there. The old guard feels it is circulation that brings in the ads. "The drop in circulation of the magazines is only a temporary phase," says Ramesh Chandra. "They will bounce back after a while." The primary function of ads, he feels, is to subsidise the price of a publication thereby rendering a service to the reader.

Whether the new marketing strategy will work with the magazines, only time will tell. Until such time, would it be prudent, many ask, to tinker with the dailies and squander certain advantages for uncertain marketing strategies?

■ ALOYSIUS FERNANDEZ

The Old Lady of Bori Bunder: birthday bash

Now you don't have to wait for a windfall to balance your budget.

Introducing the Executive Budget Balancer from Standard Chartered Bank.

You know how it is every month. A number of big expenses coming together. A family ceremony. Education fees. Or (heaven forbid) a medical emergency! While the figure on your salary cheque remains the same. That's when you need money double-quick.

At Standard Chartered Bank, we understand your needs. That's why we have introduced the Executive Budget Balancer Facility. Now you can be assured of money whenever you need it.

If you are earning more than Rs. 5,000/- per month and satisfy a few simple criteria, you will be entitled to an overdraft worth three times your salary.

To avail of this facility all you have to do is fill in a cheque and draw the money.

There will be no red tape and no delays.

Standard Chartered Bank's Executive Budget Balancer Facility is your rain cheque in times of emergency.

So if you are earning more than Rs. 5,000/- gross per month, just cut out the attached coupon and send it in, marking the envelope "Executive Budget Balancer".

Standard Chartered Bank
Dr. D.N. Road, Bombay-400001, Telephone: 2045056/2045058
4, N. S. Road, Calcutta-700001, Telephone: 206902/7
58, N.S.C. Bose Road, Madras-600001, Telephone: 581301/4
17, Sansad Marg, New Delhi-110001, Telephone: 310195/344256

EXECUTIVE
BUDGET
BALANCER

Standard Chartered

Standard Chartered Bank

Yes. I am interested in the Executive Budget Balancer Facility where I'm assured of money whenever I need it. Please rush me the details. BI

Name: _____

Designation: _____

Company Address: _____

_____

_____ Telephone: _____

OBM 3356 Rev

TELUGU GANGA

A move on, at last!

NTR: determined to go ahead

The recent announcement by the ministry of environment and forests clearing the Telugu Ganga project has been received with much jubilation in Andhra Pradesh. Karnataka, on the other hand, is not pleased. H.D. Deve Gowda, Karnataka's minister for public works, command area development and irrigation, says, "NTR cannot bulldoze us on the Telugu Ganga issue." The other beneficiary of the project — Tamil Nadu — has so far maintained a stoic silence.

The project which was originally planned to provide drinking water to Madras city, was later modified to include an irrigation component to help the most drought-prone area in Andhra Pradesh — Rayalaseema. It is this irrigation component which has led to many controversies and delayed the implementation of the project. It has made Karnataka and Maharashtra, the upper riparian donor states, very suspicious.

The centre, on its part, has thrown all kinds of hurdles in the way of the project because it did not want Andhra Pradesh's swashbuckling chief minister, N.T. Rama Rao, to get the credit for doing something for Rayalaseema. Successive governments have failed to help the Rayalaseema farmers. The farmers and even MPs of this region have been getting agitated and no government can afford to ignore them.

PROJECT CLEARED

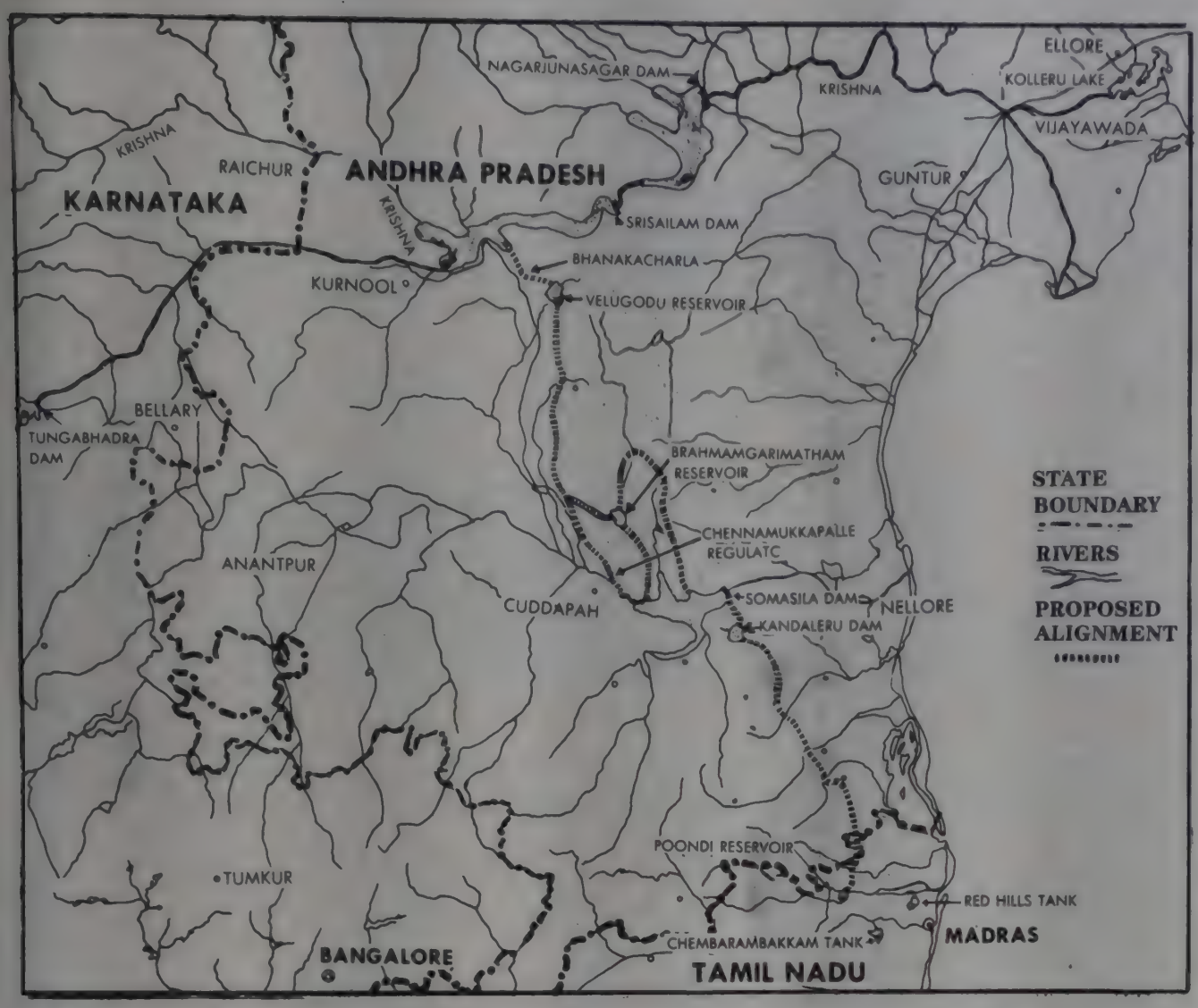
Now that the ministry of environment and forests has cleared the project, it is unlikely that it will be delayed much longer. The last 170 km of the 408-km length of the Telugu Ganga canal in Andhra Pradesh has to be cut through forests. This was why the environment ministry had delayed clearance. The Andhra Pradesh government had offered to turn over 13,330 hectares of government land to the forest department for compensatory afforestation as against the 10,371 hectares of forest land which will be affected by the construction of the canal. The AP government also promised to give Rs.23.40 crores to plant a new forest. In spite of this generous offer, clearance took time obviously because of political considerations. In the last five years, the Andhra Pradesh government has had to answer 40 sets of questions on this subject.

As early as 1951, a committee appointed by the Planning Commission had stated that water from the perennial Krishna river should be diverted to Madras since there was no other dependable source for augmenting the water supply to the city. But it was only in 1976 that the chief ministers of Andhra Pradesh, Karnataka and Maharashtra agreed to spare 5 tmc (million cubic) feet each from their share of the river's waters to Madras.

According to the Bachawat tribunal on the sharing of the waters of the Krishna, the river has 2,060 tmc ft of water with 75 per cent dependability. This means that in three out of four years the flow in the river is 2,060 tmc ft. Of this Andhra Pradesh has a share of 800 tmc ft, Karnataka 700 tmc ft and Maharashtra 560 tmc ft. Since each state has to part with 5 tmc ft the water requirements of its projects should not exceed the allotted amount minus 5 tmc ft. The tribunal also allows Andhra Pradesh, for the time being, to use the surplus water (which otherwise would flow into the sea) without claiming a right to it, when the award comes up for review in 2000 AD.

Project formulation took years. In April 1983, the project christened Telugu Ganga, was inaugurated in Madras in the presence of the chief ministers of the three donor states, the chief minister of Tamil Nadu, the union irrigation minister and the late prime minister Indira Gandhi. The project plans to draw water from the Srisailam reservoir in Andhra Pradesh when the Krishna is in flood from July to October and convey it to the Somasila reservoir by another canal. From Kandaleru a canal will run to Poondi in Tamil Nadu. This gravity canal flow system backed up by the large reservoirs at Srisailam, Somasila and Kandaleru will irrigate about 230,000 drought-prone hectares of land in Andhra Pradesh and provide a regulated supply of 12 tmc ft of water each year at the Tamil Nadu border for supply to Madras city. According to the updated estimates, the project cost is about Rs.875 crores, of which Tamil Nadu's share is about Rs.251 crores.

Once the details of the project were clearly understood, Karnataka, and to a certain extent, Maharashtra, turned staunch opponents of the scheme. Karnataka contends that the Telugu Ganga project in its present form is a distortion of what was agreed upon in 1976 by the three Krishna basin states, while consenting to part with 5 tmc ft each for meeting the drinking water needs of Madras. It insists that the irrigation component designed to benefit 230,000 hectares in Rayalaseema and Nellore districts has



gone far beyond the Bachawat award. Karnataka also complains that Andhra Pradesh has already used up its share of 800 tmc ft and that if it receives water from the Telugu Ganga project, it would exceed its entitlement. The state also disputes the allotment itself. Says S.G. Balekundry, chief engineer (retired) of the public works department of Karnatka, "The Bachawat tribunal awarded us 34 per cent of the 2,060 tmc ft of dependable water, though we are entitled to 47 per cent. On the other hand, Andhra Pradesh which is not entitled to receive more than 25 per cent of the water, has been awarded 800 tmc ft or nearly 40 per cent."

Andhra Pradesh has asserted that the scheme does not violate the 1976 pact and the Krishna tribunal award. It maintains that the project envisages drawing only 27.5 tmc ft of Krishna water to irrigate about 110,000 hectares in Kurnool and Cuddapah districts (as against Karnataka's accusation that Andhra Pradesh might draw as much as 300 tmc ft in a year of plentiful rain). Water for the 120,000 hectares in Chitoor and Nellore districts, which forms the other segment of the irrigation component, is to come from the surplus of the Pennar river.

Karnataka fears that when the Krishna waters award comes up for review in 2000 AD, Andhra Pradesh might claim that it has a right to the surplus water it now proposes to utilise. Whether its fears are justified or not, the fact remains that a large quantity of water from the Krishna does go waste. This year, with a good south-west monsoon, it is estimated that almost 1,000 tmc ft of the waters of the river flowed into the sea. Should so much water be allowed to go waste till 2000 AD, asks Andhra Pradesh.

According to Tamil Nadu officials who do not want to be quoted, Karnataka is raising a hue and cry for two reasons. The state feels that it has got a raw deal in the matter of sharing the waters of the Cauvery with Tamil Nadu and is afraid that its experience with Tamil Nadu may be repeated with Andhra Pradesh. Also by being difficult over the Krishna waters, it might be able to force Tamil Nadu to make concessions on the Cauvery waters issue. The officials say that Karnataka is blowing the issue out of proportion. "Neither Karnataka nor Maharashtra has used up even half of the water alloted to them. When they do make plans to utilise the water, they will need Rs.1,500 crores to Rs.3,000 crores. What is the need for all this fuss?" they ask.

In spite of the obstinate stands taken by Andhra Pradesh and Karnataka (nobody takes Maharashtra's objections seriously as it just seems to be echoing Karnataka's sentiments) neither state has seriously discussed the issues involved. The two great champions of opposition unity, N.T.Rama Rao and Ramkrishna Hegde, have violently disagreed on the subject. Hegde's successor, S.R. Bommai, has also taken a tough stand. NTR has refused to negotiate with his counterparts in Karnataka and Maharashtra; he has simply contended that as far as Andhra Pradesh is concerned there is no dispute.

MINOR QUARRELS

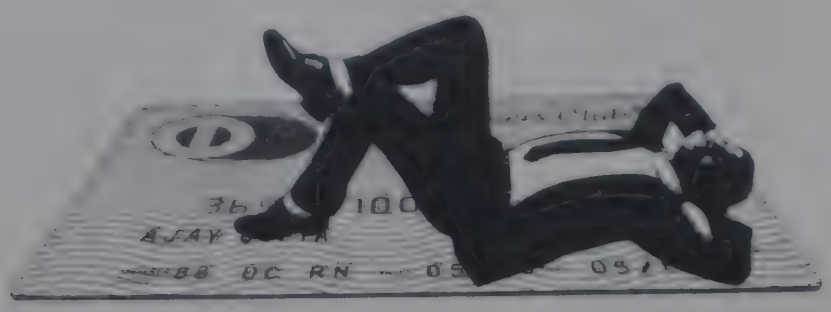
Not that Tamil Nadu and Andhra Pradesh have not had their own minor disagreements. In spite of scarce resources, Andhra Pradesh has been pushing ahead with the project. Tamil Nadu, on the other hand, which has faced water shortages for the last 12 years, was lethargic under MGR. With the kind of close relationship that he enjoyed with the centre, he could have pushed the project far more vigorously.

And despite the great personal friendship between MGR and NTR, Tamil Nadu and Andhra Pradesh could never agree on what part of the costs Tamil Nadu would bear. In 1987 NTR declared that in the event of Tamil Nadu defaulting on payments, he would go ahead and supply water to Rayalaseema and not worry about Madras.

Andhra Pradesh has so far spent about Rs.260 crores and Tamil Nadu Rs.47 crores. Some things do move faster under President's rule -- Tamil Nadu has allocated Rs.30 crores this year for the project. If construction had proceeded smoothly, the project could have been completed in five years. But 12 years after work began, barely a fourth of the work has been done. And although the much-awaited environment clearance has been obtained, another obstacle remains: the project has not yet been sanctioned by the ministry of water resources. This means that no plan funds have been allocated for the project. If funds are provided — the requirement is about Rs.600 crores — the work can be completed in two to three years.

But whether plan funds are allotted or not, NTR does not plan to let the grass grow under his feet. He has declared that he will generate funds within Andhra Pradesh to complete the project. In Tamil Nadu too, no government can any longer ignore the project. And all said and done whatever Karnataka claims, it cannot stop a river from flowing.

■ SUSHILA RAVINDRANATH



MOBILE ASSET

People who are going places (in more ways than one) need this mobile asset. It's made of plastic, measures 2" × 3" and puts a world of convenience in your pocket. It buys your airline ticket (and automatically gives you free flight insurance for Rs. 1 lakh), pays for your hotel room, picks up your restaurant bills and your shopping tab. It gives you commission-free travellers' cheques, presents you with discounts upto 40% at select hotels in India and abroad. Through the year it makes you offers at hotels (extra room nights, upgradation to suites... you are always pleasantly surprised) and its very name ensures personalised service and a travel package that's difficult to refuse.

It wraps all this and a heap of other benefits in a style befitting the world's first credit card.

The Diners Club card. When you get it, you know you've arrived.

Diners Club
Welcome to our world.

Diners Club. Raheja Chambers. 213 Nariman Point, Bombay 400 021. Tel: 244949. Bangalore – Tel: 567201, 567202. Calcutta – Tel: 432768. Madras – Tel: 475191, 475112. New Delhi – Tel: 602565, 601034. Secunderabad – Tel: 72277

I would like to be a member of Diners Club India Pvt. Ltd. and enclose my cheque of Rs. 1,450/- towards Entrance Fees and one year's subscription.

Name _____ Tel. _____

Address _____

Company & Designation _____

Cheque No. _____ Date _____ Drawn on _____

Signature _____ Date _____

(Pl. mail this coupon to the Diners Club Bombay address)

COUPBUI 9

LINTAS DC 140 781 BEI

Managing our way to growth

It is refreshing to note that our government and industry leaders have stopped being so defensive about the lacklustre performance of India's five year plans. Today, "adverse natural factors" and "unforeseen environmental factors" are no longer trotted out as excuses for India's slow economic growth. Instead, our leaders openly admit that the plans of the seventies and eighties have lacked perspective. And they generally agree that the Eighth Five Year plan, which is currently on the drawing board, must be developed within a new framework.

Unfortunately, however, publicly available information indicates that the Eighth Plan suffers from the same myopia and tunnel vision that characterised the previous plans. Unless major corrective measures are immediately taken, our leaders ten years from now will most likely look back at the Eighth Plan with equal, if not greater, frustration and anguish.

To avoid this trap, we need to stop dealing with the symptoms of poor planning and inadequate economic leadership in a superficial and reactive fashion. Instead, we should concentrate on identifying the fundamental causes behind our failure to design and execute winning strategies. To do this, we need to ask ourselves some tough questions. Why is it that India, in spite of having several internationally-renowned economists, the world's second largest pool of scientists and engineers, thousands of businessmen and government bureaucrats, and a diversity of natural, cultural and historical resources, cannot prepare a strategic plan that will put us back on the global economic stage? Why, after years of focus on "removal of poverty", has the number of people below the poverty line increased? Why, after so much emphasis on exports, does India sell only $10-12/capita overseas, as compared with China's $40 and Thailand's $150? Why has India failed to keep the cost of capital internationally competitive? Why, after enjoying a head start over all other Asian nations in jute, steel, and textiles, have those industries remained in the early stages of development? Of course, these questions will not be easy to answer, but we must fully understand the causes of our problems in order to prioritise the issues we want to resolve.

My own belief, based on a preliminary analysis of the above questions, and my own direct and indirect exposure to problem-solving in other countries, both developed and developing, is that our difficulties stem from shortcomings in the problem-solving process itself. It is not that our leaders lack creative ideas nor that our businessmen lack insights into the industries they run. Rather, the reasons for our failure lie in the way we define our problems, the way we prioritise and sequence their solutions, the way we measure our performance, and the way we build or fail to build a consensus prior to policy making and execution. Most important, we all too often operate with economic philosophies, principles, assumptions and management processes which date back to the pre-independence era, a time when the rules of economic development and competition were very different. As a result, we find ourselves very much out of sync with the more progressive segments of the global economic system, and often wind up taking very costly corrective measures too late.

We all too often operate with economic philosophies, principles, assumptions and management processes which date back to the pre-independence era, a time when the rules of economic development and competition were very different. As a result, we find ourselves very much out of sync with the more progressive segments of the global economic system

Four areas need immediate attention:

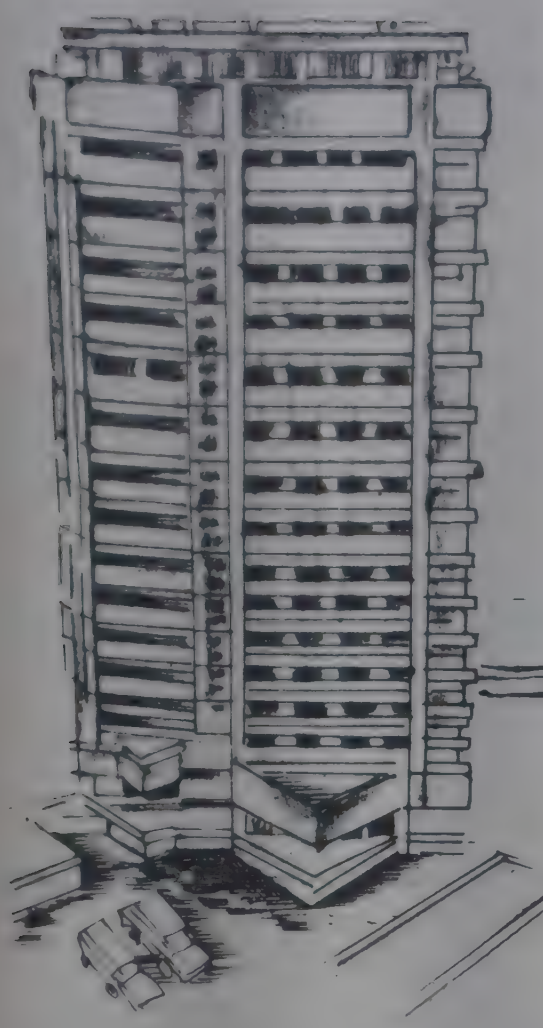
Objective function vs. constraints: A country like India which suffers from many socio-economic constraints must be extremely innovative in choosing the right objectives. In the early stages of development, elimination of significant economic constraints should be a key objective. Until now, "removal of poverty" has been one of the stated objectives of each of the five year plans. But "removal of poverty" does not provide a focus for a strategy or a plan. In fact, given its generic nature, it would be much better viewed as a superordinate goal.

A more appropriate objective would be the removal of those economic constraints which are the causes of poverty and/or barriers to employment creation. For example, improved economic linkage between rural and urban areas or aggressive use of $30 billion in Japanese funds to resolve infrastructure-related economic bottlenecks, reduction of interest rates below 10 per cent to stimulate investment — these are the kind of objectives which could naturally give rise to detailed strategies and plans. In other words, we should focus on tangible targets which will reduce, if not eliminate, certain constraints on economic development.

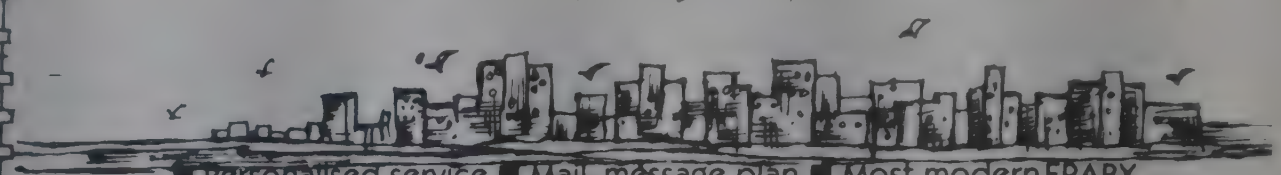
A common failing of the five year plans (including the eighth one now on the drawing board) is their tendency to confuse objectives with superordinate goals, and to outline strategies only vaguely. Ideally, there should be a progression of planning as follows: First set a *superordinate goal* for the nation — a theme for the decade ahead; second, develop 5-year objectives (including a set of constraints to be removed in order to reach the long-term superordinate goal); third, design strategies to attain the objectives; fourth, formulate a five year plan to convert the strategies into actions.

All too often, India's planning approach appears to have "short-circuited" this process by leaving out the second and third steps described above. As a result, our five year plans often appear to be no more than extended budgets, products of a consolidation-and-compromise exercise as opposed to being products of a creative and courageous approach. Designers of the Eighth Five Year plan, for example, are discussing very broad objectives such as "overcoming the structural backwardness of the economy", which is in itself a superordinate goal. At the same time, they are limiting the problem-solving space by calling attention to constraints such as savings rate, investment rate, incremental capital output ratio (ICOR), etc. which are themselves products of economic strategies and fiscal and monetary policies. Clearly, we first need to make a sharp distinction between the four components of the planning process (superordinate goal, objectives, strategies and 5-year plans), and articulate each one fully and in logical sequence. In particular, we need to identify three or four major economic constraints (causes, not effects) and then tailor our objectives to remove those fundamental con-

36, Maker Chambers VI
Nariman Point, Bombay



Undeniably an exclusive address ■ Functional and well furnished, exquisite offices ■ Efficient Secretarial assistance ■ Leading-edge communication facilities ■ Surprisingly convenient plans to specifically meet individual multiple and diverse requirements ■ Unarguably reasonable prices



■ Personalised service ■ Mail- message plan ■ Most modern EPABX
■ Electronic Telex ■ Fax ■ Computers ■ Chauffeur parking
■ Conference room ■ Terrace Garden ■ All services with/without cabins

DATAPRO EXECUTIVE CENTRE

Tel: 2872981 (11 lines) Tlx: 4285/4290/4296 DEC IN
Fax: 91-22-2024129 Gram: "EXECUCENT", Bombay-400 021

A finer instant office you wont find.

Arms Communications/DP/08/88

SICO'S ACFC
AUTO CANE FEED CONTROLLER

for maximum sugar recovery

FEATURES

1. Suitable for electrical, steam, hydraulic driven carrier.
2. LED Bar graph display for cane level and load on preparatory devices.
3. Interlocking facilities.
4. Easily replaceable cane level FRP molded stainless steel conductive type sensors.
5. Built-in fault find test boards for easy maintenance.

BENEFITS

1. Avoids the jamming, choking and over-loading on turbo generator etc.
2. Precise level control of cane bed for optimum feed to crushing mill for maximum extraction of juice.
3. Constant feed of bagasse to boilers for efficient operation and minimum steam pressure fluctuation.
4. Minimum wear and tear to the milling tandem and devices

SICO Estd. 1911 SERVES SCIENCE

The Scientific Instrument Co. Ltd.,

Head Office Post Box No.1
6, Tej Bahadur Sapru Road, Allahabad-221 001
Phone : 51434/52594/55390
Telex : 0540 - 219 SICO IN
Telegram : SICO

PLANE PACK SICO/5/88

straints.

Microeconomic realities vs. macroeconomic aggregates: All too often, economic policy discussions revolve around macroeconomic aggregates (eg, ICOR, savings rate, capital formation rate, etc) without giving due consideration to microeconomic forces. Given today's technologies, specialisation of industry practices, linkages between major capital markets, the general trend towards deregulation, and the sheer size and economic power of major multinationals, microeconomic forces are far more real than the macro aggregates economists have traditionally focused on in formulating economic policies. It is in fact dangerous to draw conclusions based on correlations of aggregates such as employment, saving rates, ICOR and growth rates. For one thing, the relationship between employment, ICOR and growth is very industry-specific. Also, saving rates are different in different population segments, and vary according to the controls we place on the conversion of white to black money and vice versa. To ensure sound economic policies, we need to place significantly more weight on industry-specific microeconomic variables and clearly distinguish between segments of the population which have diverse economic capacities and habits. Thus, our new approach should take into account economies of scale and skill, labour/capital ratios and the intensity of technological input required to sustain the competitiveness of priority industries. To familiarise themselves with the microeconomic realities facing our industries, our economic planners need to spend a significant amount of time in the field where economic battles are fought and industry rules constantly rewritten. This should ensure that the plans are based on genuine grassroots experience. At the same time, industry leaders, consultants, and academics should be systematically involved in brainstorming sessions with our economic planners to help them design competitive strategic plans.

Through a down-to-earth approach, we should be able to sound more pragmatic to foreign governments and companies and avoid the shallow image we often leave behind after top-level meetings overseas. Government and industry leaders in Japan, for example, who are typically very humble in expressing themselves, often wind up confused about India's priorities after discussions with Indian industry and government leaders. Typically, our leaders cover a whole range of subjects in these discussions, appearing superficial, unfocused and conceptually unclear.

Outside-in vs. inside-out mindset: In today's world of increasingly interdependent national economies, it is important for us to recognise that for India to take a significant step forward, it must find innovative ways of linking various levels of the economy with more progressive economies. In contrast to the conventional inside-out approach (which essentially defined the country's international activities as virtual by-products of internally focused planning), the outside-in approach should emphasise how India could exploit global macro and micro-trends to solve its internal problems and/or capitalise on its unique strengths. Our inward mindset has made us extremely slow in seizing external opportunities and weak in sustaining our competitiveness. The erosion of our market share in tea and spices, our relatively late entry into the global textile and garment industry, our unpreparedness to take advantage of the appreciated yen or the availability of surplus funds in Japan, are but a few examples of how our poor surveillance of external trends has put us behind the same countries over whom we once enjoyed a natural competitive advantage. As the Eighth Five Year plan takes shape, it is surprising to note how little public debate there has been on how India should respond to critical developments such as Europe's 1992 move from a common to a single market, Asia-Pacific's growing consumerism, the emergence of China and ASEAN countries as strong competitors, Japan's import-oriented expansion of the domestic economy, etc. For India to switch to a fast-growth mode, it must stretch its problem-solving space by innovatively using external forces to release internal constraints. For example, if internal demand, low purchasing power of our people, and low savings rates are factors which impose limits on the speed at which employment can be created, then we should look for ways to take advantage of large markets and low-cost capital overseas to deal with the constraints of domestic economy.

Interactive vs. unidirectional planning: Everyone would agree that our planning process has essentially been a centralised one. State governments have traditionally provided budgetary (as opposed to strategic) inputs, which the centre has then incorporated into its master plan. For the Eighth Plan, however, the planning commission seems to have shifted towards decentralisation, which will require state governments to prepare their own plans for industrial growth. While the two approaches differ with regard to geographical thrust and scope, they are both basicaly unidirectional. What we need is an interactive approach which will allow the states, irrespective of their political biases, to converse with the centre on a regular basis during the planning period. At the beginning of each planning cycle, the centre (in consultation with the state chief ministers and planning boards) should develop a strategic framework that takes into account agreed-upon objectives, microeconomic realities, and external trends. Then, each of the states should work within the framework to formulate region-specific strategies. And to ensure that the state plans are well co-ordinated and consistent with the vision of the country's leadership, regular meetings should be held between the PM and state officials.

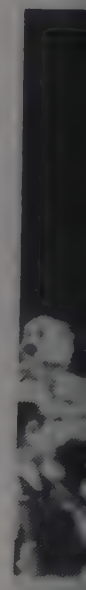
If we want the Eighth Plan to put India on the fast track, we should be prepared to take our time in crafting it, pushing back the deadline for its completion if necessary. It is important that all the fundamentals of a sound strategic process are in place before we start documenting the plan. It must be recognised that the strategic process that India needs to adopt is fundamentally different from what it follows now; consequently incremental efforts to adjust the current process along the four dimensions discussed will not be enough to make a dent in our economy. We should plan on a total transformation by taking a zero-based approach. A good five year plan should aim at innovative objectives, be guided by a unique conceptual framework which best captures our strategic problems and prospects, and be based on creative strategies. Above all, it should encompass actions which are both bold and foolproof; it should not simply be a consolidation of the budgets of state government's extended over a five-year period, and should not be limited by constraints which should be reduced or removed by our strategies. Smart strategies remove constraints, they are not limited by self-imposed constraints.

■ PARTHA GHOSH

The author is a Principal, McKinsey & Company, Tokyo, Japan

The Digital difference:

Integrating the enterprise through networking.



Dattaram-DEo.38

digital

MIPS. Chips. Clock Speed. Bus Bandwidth. Sort Timings. Relational DBMS. Unix. Ad infinitum. Ad nauseam. Of themselves, technological buzzwords. Nothing more. Nothing less.

All the musical instruments in the world do not a symphony make. Without a Beethoven and a Zubin Mehta making a transcendental leap, a musical experience through harmony cannot happen.

Digital Equipment (India) Limited, a joint venture between Digital Equipment Corporation, U.S.A.,

and Hinditron Computers, offers a perspective on information technology as a means of achieving organisational objectives:

ANNOUNCING THE DEIL VAX II Computer system, functionally equivalent to the world-renowned Micro VAX II, of which over 100,000 systems are installed worldwide.

Never before has it been so important to integrate an enterprise by effectively managing people and the information they handle. Digital has developed a simple, elegant strategy for doing just this.
An information management system connecting all parts of the enterprise, and thereby making it more flexible and responsive. Computer systems that work together, so that people who use them can work together.

DECNET/OSI, Digital's networking software, provides a single, open network environment in which VMS, Unix, MS-DOS, large mainframes, and supercomputers can work together.

An open environment extends beyond operating systems. Digital is one of the founders of the Open Software Foundation which is establishing standard interfaces, protocols, and languages to manage information whether in document, picture, or voice form. Digital is committed to making its two major operating systems, VMS and Ultrix, meet all information interchange standards. Digital's personal computer integration strategy enables IBM compatible PCs to be peers on a network with the DEIL VAX II and other VAX computers by providing seamless sharing of files, applications and information. Soon, Apple Macintoshes will also be covered.

The success of this open approach to networking can be measured by the number of DECNET licenses issued (144,000 at the end of fiscal 1988), making Digital the world's leading manufacturer of networked computer systems.

The DEIL VAX II shares a common architecture with the rest of the VAX family of computer systems with a performance range from the desktop to the data centre. The DEIL VAX II single-base architecture guarantees compatibility not only with other VAX systems in existence today, but also with future VAX systems that may evolve.

Digital's goal is to provide customers with the most productive computing environment possible. So they can realise the rewards of an enterprise that works together. •

Regd. Office:
Digital Equipment (India) Limited
504 Raheja Chambers,
Nariman Point,
Bombay 400 021.
Tel: 233240/244238/225861
Tlx: 011-4632 HCPL IN.
Fax: 2871789

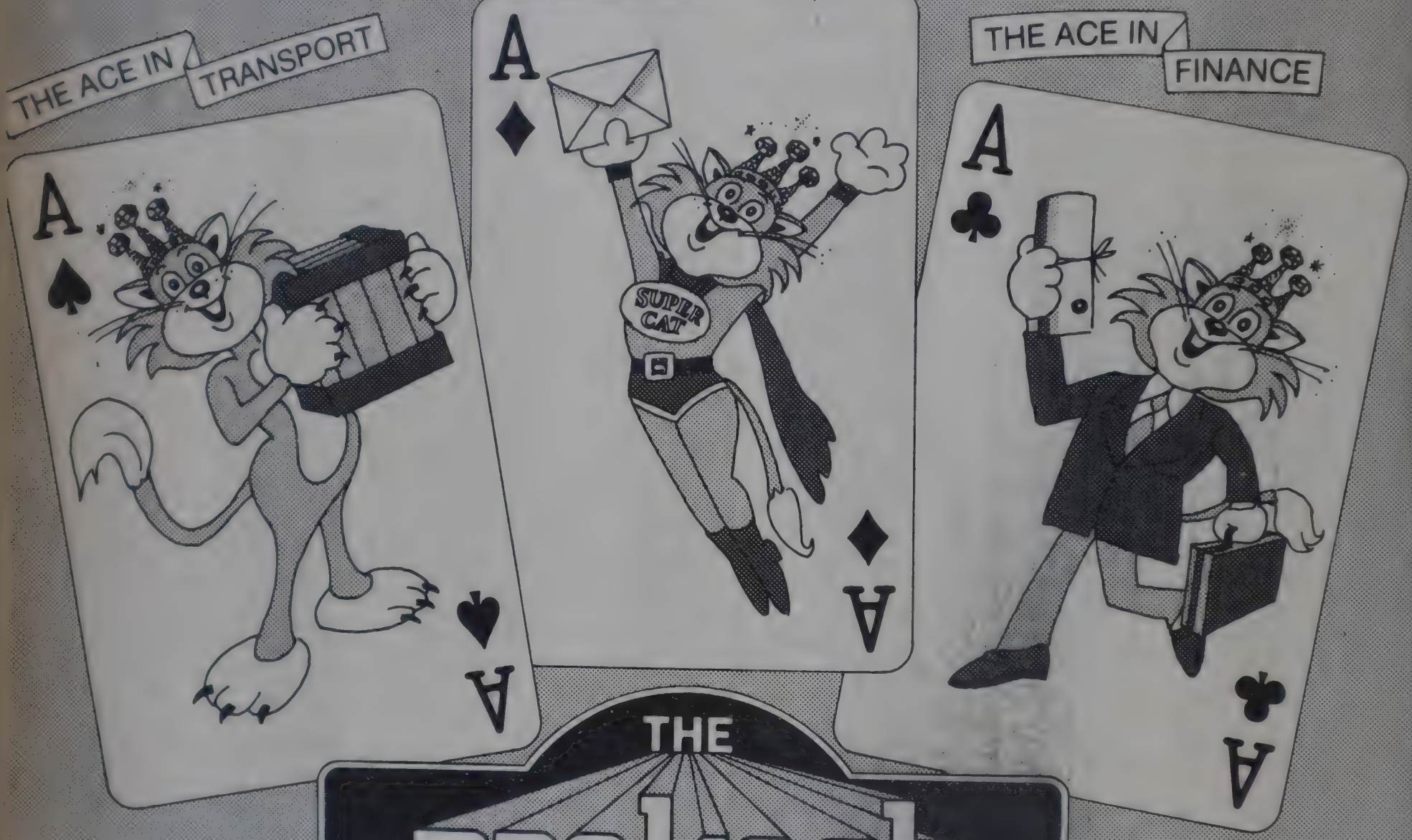
The DEIL VAX II
is available now
in Indian rupees.

Unix is a trademark of AT&T
MS-DOS is a trademark of Microsoft Corporation
IBM is a trademark of International Business Machines Corporation
VAX, Micro VAX II, Ultrix, VMS and Decnet are trademarks of Digital Equipment Corporation
Macintosh is a trademark of Apple Computer Inc
DEIL is a trademark of Digital Equipment (India) Limited

DE(I)L is a joint venture collaboration between Digital and Hinditron

India has Digital now

If it's three aces, it's got to be Prakash



THE

prakash roadlines group

RAKASH ROADLINES

58. The humble beginning of a small firm with truck, one office and a vision.

ne 1988 and we have a large fleet of trucks trailers. With over 188 branches and 1000 es all over India. Professionally managed with latest computerised operations. And expanding n faster. That's Prakash Roadlines (Pvt.) Ltd

RAKASH AIR FREIGHT

m road transport, Prakash takes wing... with kash Air Freight (Pvt.) Ltd. 1987 sees the blishment of India's largest courier company over 300 offices.

Already, Super Cat has captured a large share of the courier market and it's still growing. With all India operations including On Board Couriers to jet your documents desk-to-desk.

PRAKASH LEASING

From delivering goods to delivering financial expertise to industry. And Prakash Leasing Ltd. is born. Lending big businesses and entrepreneurs alike a solid package of financial schemes. From equipment leasing and hire purchase to consumer credit and venture capital

Make more use of the three Prakash aces. And we'll help you make the most of your business

prakash roadlines (P.) ltd.

prakash air freight (p) ltd. COURIER DIVISION

prakash Leasing Ltd.

Corporate Office:
Bezzola Commercial Complex, 3rd floor, Opp. Suman Nagar, Sion –Trombay Road, Chembur, Bombay 400 071.
Phone: 529175, 529164, 529146, 522127, 525441, 525285, 524812, 525387. Telex: 011-73063.

You'll find us wherever industry needs us most.

ART-5167

Taking on new demons, not dead ones

The problem with our politicians, it often seems, is that they have not learnt anything new since the sixties and worse, have not forgotten anything learnt before that. For confirmation of this, one has only to open the newspapers and read what our leaders are saying. Only a few weeks ago, the labour leader Dr Datta Samant warned the government against allowing textile mills, most of which are sick, to shift out from Bombay and raise badly needed finance by disposing of their valuable real estate. He said that such a policy would be "anti-labour". If Dr Samant is saying this in Bombay, others of his ilk in the Congress-I and BJP are saying it in Delhi. A little earlier Chandra Shekhar traced the root cause of all our economic woes and corruption to the presence of multinationals in the country. It was Chandra Shekhar's suggestion that V.P. Singh, as finance minister, had framed policies that were favourable to multinationals and that this had led to an increase in their numbers in India and to their growing and, therefore, corrupting role in our economic and political affairs. And it is Congressmen like K.N. Singh, who are opposed to the transfer of loss-making public enterprises such as Scooters India and Allwyn Nissan to the private sector.

Most of our politicians, in an almost Pavlovian way, oppose anything that involves or implies retrenchment, restructuring, relocation, automation, overseas technology and capital, and privatisation. On the other hand, our leaders have an infinite capacity for stomaching bad and inefficient managements, both in the public and private sectors, a tolerance for monopolies, and an endless patience for poor and shoddily manufactured goods. They also do not seem particularly opposed to those making large profits by distorting public policy. More important, they seem oblivious to the plight of the consumer or to the condition of the majority of our people whose poverty renders them mute and ineffective.

"RIGHT TO WORK"

The opposition to retrenchment, even when it is at a huge cost to the public exchequer, is not only because of the ready vote bank that labour can provide. The roots go down to rather vague notions about what is the "right to work" and the obligation of the state to provide full employment. The right to work is automatically provided to all Indians. One needs to read only the opening page of our constitution to figure this out. What our leaders have in mind is the right to a job. There is a significant difference between the two. The first is an inherent right. The other is sought to be imposed as an obligation on the state. Only when the state arrogates to itself the ownership and control of all means of production, be it land or industry or services, can this right be demanded. To impose this obligation without imposing the expropriation of all property, collectivisation, and full central planning, among other things, would only imply providing unemployment benefits. In reality, those who advocate the right to a job, have the educated unemployed in mind, particularly since this is an articulate and vigorous section. Now what kind of a job does a citizen have a right to? You won't find many takers from among the educated unemployed for jobs such as those created by famine relief works which pay the barest minimum needed for subsistence. Many a "socialist" thinker or politician has advocated the creation of a "land army". If it is set up we might have to resort to conscripting aspiring babus.

Retrenchment is always an extreme step. It must never be arbitrary, capricious and whimsical. Given a chance many employers will be all these. The duty of the state, therefore, lies in protecting workers against such managements. If corporate illness is a result of managerial incompetence or dishonesty, the state must act quickly to safeguard the livelihood of workers and the interests of the overall economy. Our leaders seldom press for this when things first begin to slide downwards. All they seem interested in is higher wages without correspondingly higher productivity. Managements which can keep paying this by passing on the burden to the general public or the state are considered fine and doing a good job contributing to the national wealth.

When managerial incompetence or the wage cost spiral goes out of control, the company or undertaking becomes sick. It then seems to become the state's obligation to protect jobs. Often this is only possible by assuming all liabilities. The representatives of public financial institutions seldom evince interest in the affairs of the companies in which the state has a major stake in the form of loans or equity or both. Also, they seem to assume that management skills are carried down by genetic memory, and chromosomes confer legitimacy.

A NEW INDUSTRIAL DEMOCRACY

V.P. Singh keeps harping about labour participation in management, as if this participation can ever be meaningful without the responsibility of ownership. But why doesn't he speak out for an industrial democracy managed by a meritocracy? This is because Singh still sees matters in the classical worker versus capitalist terms. This hardly ever applies to the Indian scenario because an overwhelming proportion of the capital deployed in industry belongs to the state. Thus, workers, minority shareholders and managements are all living off public funds. Clearly now there is a symbiotic partnership between inefficient and corrupt managements and unproductive and indisciplined workers. A new industrial democracy that links wages to productivity and vests management in those competent to do so will serve to create the new cultural ethos that our economy so badly needs. V.P. Singh would be doing the country a great service if he addressed himself to these issues rather than engage in obsolete populist rituals like demanding worker participation in management. Real and meaningful worker participation in management will only come about when the new industrial culture is in full bloom and workers invest their savings and take their bonuses in the form of stocks.

Similarly, when a corporation wants to restructure its operations by hiving off a part of it to bring it in line with new management philosophies and economic conditions, there is an unthinking outcry. Restructuring in time, often has a salubrious effect on corporate health. Both public and private sector managements should be free to divest and invest freely. If HMT feels unable to make and sell electric lamps profitably, it must be allowed to sell out that part of the business and re-invest it in what it might decide is

5 GOOD REASONS WHY YOU SHOULD TAKE THE MACHINERY BREAKDOWN INSURANCE POLICY FROM UNITED INDIA

1 The Production Reason

"One important machine down and the whole assembly line comes to a standstill. Production schedules go awry. Targets can't be met. Downtime goes up. Everything goes haywire."

2 The Finance Reason

"Cash flow disruption. Short-term financing. Locked-up working capital. All this can make a big difference to profits."

3 The Personnel Reason

"Deployment of labour becomes a problem. Overtime later to make up for production loss. Employee morale goes down. If we can't manage machines, we can't manage men!"

4 The Marketing Reason

"Availability and flow of products into the market can make or break a company. Loss of credibility among distributors and customers will allow competitors to get their foot in. It'll be marketing suicide!"

5 The Maintenance Reason

"Turbines,compressors, pumps, generators, transformers — all costly equipment. I can control routine repairs, but not unforeseen breakdowns or losses. I'm not God, I'm only a man. I'm not even a machine!"

Avoid management by crisis. Make insurance a part of your policy.

Any kind of mechanical and electrical machinery — at work; at rest; or being cleaned, inspected, overhauled, removed or re-erected within the insured premises... UI covers them against any unforeseen loss or damage. This policy can also be extended to cover loss of profits following breakdown.

So whether you are the manager of a big factory or a small scale industrialist, make sure sudden loss of machinery and lack of re-financing doesn't bring your operations to a standstill.

UNITED INDIA INSURANCE CO. LTD.

(A subsidiary of the General Insurance Corporation of India)
24 Whites Road, Madras 600 014

Act now. Contact any of our 1000 offices.

HTA 7014

more worthwhile and in tune with its skills and abilities. And nobody can explain why it is the nation's obligation to ensure that the ownership of Scooters India vests in it, even if it produces little and makes monumental losses. If the nation has an obligation to protect the jobs of a few thousand well-paid workers, it has an even greater one to the hundreds of millions who get nothing from the state except the tightening noose of deprivation and hopeless poverty. It is time we paid attention to where the numbers are and not get diverted by the articulate and excessively organised.

OPPOSITION TO RELOCATION

But more than restructuring, it is to relocation that our leaders are viscerally opposed. SAIL, for instance, can operate just as well and at a far lower cost from, say, Ranchi. Such relocations are not only good for the corporate balance sheet, but also have the good effect of spreading growth evenly among regions. The real advantages of dispersing industries in terms of triggering off local multiplier effects will only come about when the relatively highly paid "head office" staff moves to smaller towns. In a few years, INSAT should give us nationwide telecommunication links and there would be little reason left against moving to where the plants are.

If relocating head offices poses a problem, relocating a plant is like asking for the moon. Try moving out a smoking, polluting and unsafe plant out of any location and you will have the leaders crying themselves hoarse. Already we have heard Datta Samant speak out about textile mills in Bombay. Chembur can choke to hell because of industrial pollution, but the squawk of the all-knowing "progressive" politician is heard over everything else. Rangarajan Kumaramangalam who shouldn't exactly be enamoured of Samant, would also echo the same sentiments if we were to seek the relocation of one of "his" factories out of Delhi.

It now seems that only those privileged to work in the modern sector have a right to choose their place of work. Farmers forced to seek employment breaking stones and digging ditches when the monsoon fails have no such rights. The concentration of workers in a few square miles and their ability to put pressure on the chokepoints of the economy and to contribute generously to the bottomless coffers of our leaders, make the politician receptive to their every need, real or unjustified. Yet when 19 Harijans are gunned down for seeking three kilos of coarse rice a day as promised instead of two actually given, our leaders can only turn the event into a circus for political exploitation. Both the well publicised elephant ride to Belchhi and the motorcades to Nonhi and Nagwa near Jehanbad are, at best, cynical attempts to manipulate and exploit the poor to further selfish ambitions.

MULTINATIONAL, A SWEAR WORD

The word multinational is used almost exclusively in a pejorative sense by most of our leaders. The only exception probably would be Subramanian Swamy, but he is such an exceptional fellow that his very support for something almost absolutely condemns it. According to current usage, multinationals are evil empires and all those who work in them are co-conspirators against the nation. Some in fact are. The American multinational PepsiCo's involvement in the coup against the elected government of Salvador Allende and his murder, resulting in the establishment of one of the most repressive regimes anywhere, is well established. To allow a corporation with such a record to enter this country in its quest for green pastures is to reward sordidness and the worst form of neo-imperialism. Some of our politicians, including those at the very top, seem to be in favour of this company. One of PepsiCo's strongest advocates had sent his son to the company for "training". Perhaps he was privy to some inside information and was sure that the new ministry of food processing industries would pull off the coup.

It is true that we do not need multinationals to produce toothpaste or soda pop and other such urban trivia, but to seek to produce several thousand tonnes of chemical fertilisers or steel each day at the lowest cost is a national priority, and one must not allow obsessions with "swadeshi" to place interminable burdens on the nation. The guiding principle here should be the contribution to the common good. If we can produce steel at half the present cost, we must not hesitate to import the technology. But there can be hardly any justification for the import of Royal Doulton or Wedgwood china by either Air-India or the Taj group of hotels. Just as there is no need to import technologies to manufacture kitchen sinks and toilet seats. But to seek to outlaw all overseas technology and to term it inimical to our national interests is just as foolish. If Chandra Shekhar were to visit his son's printing press in New Delhi he would see Swedish machines at work. Now, is the young man also a part of some international conspiracy just because he made a rational choice when confronted with the bloated costs of indigenously produced equipment? Those who make irrational economic choices, especially when it almost always involves public capital, are bad managers and are therefore contributing to the national economic malaise.

MISGUIDED OPPOSITION

Now we come to the opposition to automation. Computers are seen as anti-labour. This is true to the extent that they can make labour redundant. But it is rarely that computerisation is economically optimal given the still low relative cost of manpower. Thus computers will rarely replace labour unless there is an economic imperative. But there are vital areas in science, defence, medicine, meteorology, communications, public management and services where computers have become essential. To oppose them blindly is, therefore, to oppose the march of time. But the real cause of this misguided opposition to change lies in the fact that our education system has become a gigantic babu-producing machine. Even today the number of colleges offering liberal arts education exceeds by far the number of institutions providing vocational training. It is ironical that even in these days of huge unemployment it is difficult to hire a lathe machine operator.

In the 40 years since independence a completely new set of circumstances has come into being. The onrush of technology, changing values, growing inequality and the population explosion have all equally contributed to this. New and more dangerous demons now stalk us. Before we set upon them, we need to bury the dead ones first.

■ MOHAN GURUSWAMY

The author was educated at Harvard (John F Kennedy School of Government, and the Fletcher School of Law and Diplomacy) and taught international business at Boston's Northeastern University

DEPRECIATION LAW

Drastic changes

The sections of the income tax law relating to depreciation have been altered substantially. Since depreciation is a major item on the expenditure side of the profit-and-loss account and affects gross and net profit, the changes merit close attention.

First, the depreciation allowance for income tax purposes has been substantially increased from the assessment year 1988-89. For instance, the rate on plant and machinery has been increased from 15 per cent to 33.3 per cent. Second, income tax depreciation has been delinked from the Companies Act depreciation and separate depreciation rates have been prescribed for company accounts purposes. Third, the entire concept of allowance of depreciation under the income tax law has been changed and depreciation will be allowed on the concept of "block of assets".

INCENTIVE TO MODERNISE

The new rate schedule for depreciation is different in several respects from the old one. For one, the concept of extra shift allowance and initial depreciation has been done away with. Also, the number of categories of assets has been reduced. Earlier, for example, plant and machinery was sub-divided into five separate categories. It has now been reduced to three. The higher rates of depreciation, according to Bansi Mehta, a leading chartered accountant, will encourage industry to accelerate the process of modernisation.

The concept of "block of assets" for income-tax purposes has far-reaching consequences. A block of assets has been defined as "a group of assets falling within a class of assets, in respect of which the same rate of depreciation is prescribed." For instance, plant and machinery falls in a class of assets but since more than one rate of depreciation is prescribed for different categories of plant and machinery, there will be more than one block of plant and machinery for tax depreciation purposes. The calculation of depreciation under the block system is shown in box.

The block system of depreciation is beneficial to industries in several ways. For instance, the profit on sale of individual assets which was hitherto charged to tax as business income will no longer be chargeable and the entire sale proceeds will be credited to the block. The effect, of course, will be that the closing written down value of the block will be reduced and the depreciation allowed in succeeding years will be lower. "This virtually amounts to replacing your asset without paying tax," says Mehta. The reverse would be the case if depreciable assets are sold at a loss.

However, in case the sale proceeds are in excess of the opening written down value plus additions to the block, then the excess will be considered as short-term capital gains.

This is a serious implication because short-term capital gains tax will have to be paid even if the asset sold has been held for more than three years. In other words, the various benefits available under income-tax law by way of concessional treatment to long-term capital gains would be denied. Says Mehta, "This will be detrimental to sick companies or companies which are closing down. Also, companies shifting to backward areas will encounter this difficulty." On the other hand, Hosnang Billimoria, deputy chief executive of Tata Sons, is not unduly worried because, in his opinion, there will be very few cases in actual practice where the provisions for short-term capital gains will apply. Mehta is of the opinion that Section 54E, which provides for reinvestment in IDBI bonds (which mitigate the payment of tax on capital gains) is clearly applicable. But, he quickly adds, the tax department has yet to accept this.

> Short-term capital gains tax will have to be paid even if the asset sold has been held for more than three years. Thus, benefits available by way of concessional treatment would be denied

PROBLEMS OF "BLOCK" SYSTEM

However, several practical difficulties could result from the revised scheme. In a block of say 20 assets, some plant and machinery may be used while others may not be used at all. If depreciation is calculated on the entire block, there is the possibility of charging excess depreciation

Opening Written Down Value of the relevant block	X
Add: Additions to the relevant block	Y
	Z = (X + Y)
Less: Sale proceeds/ insurance value etc of assets sold, destroyed etc in respect of the relevant block	A
Closing written down value	W = (Z − A)

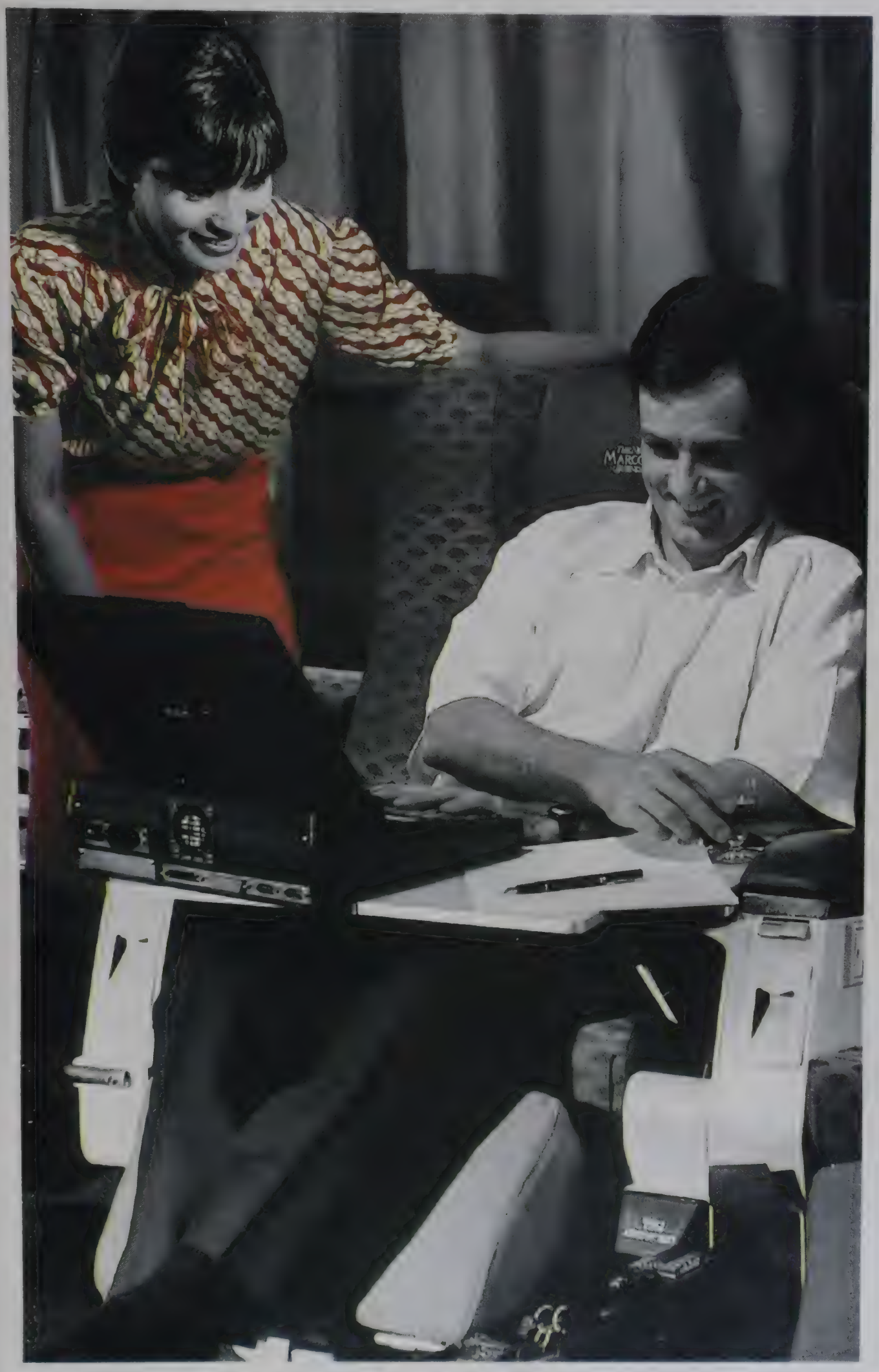
Depreciation will be allowed on closing written down value (W) at the relevant rate.

Difficulties will also arise in computing the taxable profit of an individual manufacturing unit, in the case of multi-division companies. Since the classification of a block of assets would depend upon the rate of depreciation of the relevant assets, it is possible that assets having the same depreciation might be used in more than one unit of a company. Hence, these assets would form part of the same block, although used in different units in different locations and operating as different profit centres altogether. The reason for the need to determine the taxable income of each individual unit is that, for a specific number of years, new units are entitled to deductions under certain tax holiday provisions. For example, 25 per cent of the profit of a new unit is exempt for eight years under Section 80-I. According to Vasant Narkar, a chartered accountant, this is not really a major problem because new units will have the option of clubbing their assets separately under the block system.

There is no provision in law for reducing the value of an asset gifted or discarded or used for other than direct business purposes. For example, if a factory building which is temporarily not being used, is rented out no depreciation is allowable on the rental income. There is also no legal provision for reducing the value of the factory building from the block.

From the above it can be seen that in trying to make the law simpler the finance ministry has not done a good job. In fact, many companies could end up paying more tax and also run the risk of litigation. As Mehta rightly summed up, "Every effort at simplification should try to minimise the avoidable harshness in the law."

■ KETAN DALAL and ASPI CONTRACTOR



THE NEW MARCO POLO BUSINESS CLASS

BUILT TO HELP THE CORPORATE BODY ARRIVE IN BETTER SHAPE

On July 10th, 1988, Mr. David Lloyd, Director of an international finance company, tested the New Marco Polo Business Class.

He was the ideal choice — a frequent flyer who flies over 100,000 miles each year.

Our design team had created a business class to help executives like Mr. Lloyd arrive relaxed and refreshed.

Wider, more comfortable seats. A new seven-abreast seating configuration. A more spacious environment. And, on long-haul flights, foot and legrests were just some of the changes that he experienced.

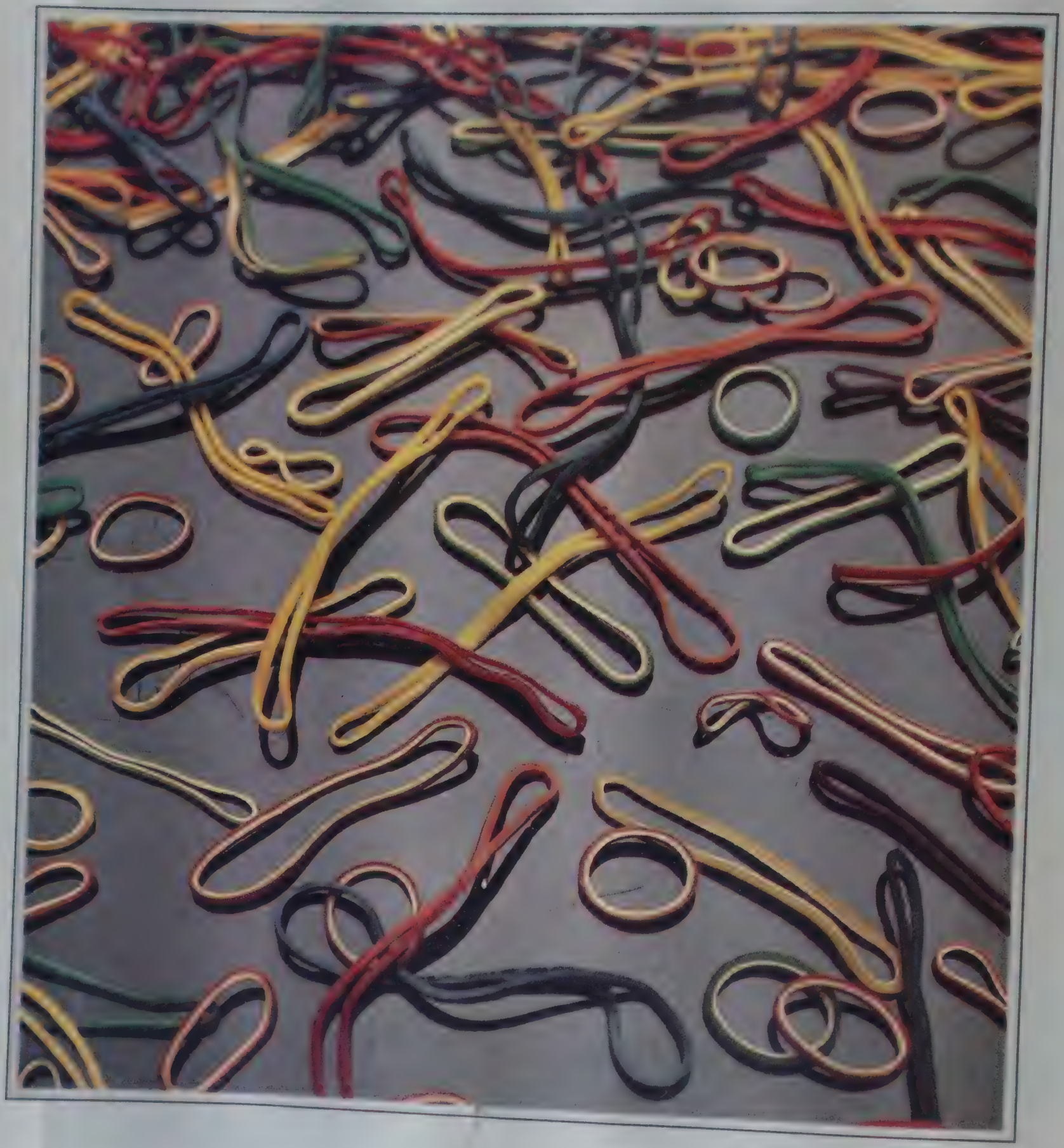
But there was one thing our design team did not change at all.

Our high standard of service. He found our stewardesses from ten Asian lands to be still as charming and attentive as before.

Cathay Pacific gratefully acknowledges the participation of Mr. David Lloyd, in testing the New Marco Polo Business Class.

Arrive in better shape

CATHAY PACIFIC



HCL'S NEWEST COMPUTER WORKS ON AN ULTRA-MODERN PRINCIPLE

HCL's computer Magnum is the perfect example of an expandable computer.

Today, like any other mini, it will support ten to twelve users.

Tomorrow, when your needs grow, Magnum can stretch just like rubber to fit you.

Simply add on a processor board, and Magnum will almost double its power. Supporting twenty five users.

As your organisation grows, you can keep adding more processor boards, till your Magnum effortlessly supports more than a hundred and fifty simultaneous users.

The equivalent of a mini-mainframe computer's capacity.

Five computers for the price of two.

To start off with, Magnum costs just a little more than any other minicomputer in the market.

But the addition of each subsequent processor board adds the power of one more mini to the Magnum—at one-tenth the cost of a new mini.

If you see Magnum through to its full capacity, you'll have a computer with more than the power of five minis.

Which would have cost you less than two minicomputers would.

Two heads are better than one. Three heads...

Magnum is a product of multi-processor technology.

More than one 'brain' goes into operation at the same time in this machine, solving problems faster, and creating greater capacity for work than ordinary machines.

Magnum's unique design allows easy expansion from one to six 'brains'.

It's a computer that's designed to grow with you.

Never say die.

Magnum is also a computer that's designed to never get obsolete.

It has an 'open architecture'.

Which means that any new-chip that is designed in the future can be made to work on Magnum.

This is one machine that will still be there in your organisation ten, twenty, thirty years from now.

As powerful as ever.

The Unix advantage.

Magnum is designed to fully support the world-standard Unix operating system.

So your office will always have access to the largest bank of minicomputer software in the world.

Now, and in the future.

Outperforming DEC, Unisys, Hewlett Packard...

Magnum recently came in the top five computers in the world in an internationally established performance test.

Beating some of the most respected names in the business. (And, to rub it in, costing 70% less than any of those machines.)

So impressed were an American company that they immediately ordered Magnums worth $16 million (Rs.23 crores).

Magnum is the price-performance solution for an organisation's growth plans.

People across the Atlantic have already realised that.

You don't have to stretch your imagination to see it revolutionise your office here.

Magnum
THE GROWTH MACHINE

LEADER
BUILT ON T
COMPUTER
DIVISION
HCL
LIMITE

LIJJAT

From papads to detergents

Is there room for Sasa?

Before the year is out Lijjat Papad's mascot, that cute, white rabbit, will be hopping into the vast and wickedly competitive detergents industry. It's a veritable jungle out there and strong, fearsome forces like Hindustan Lever, Nirma, Godrej and Tomco already stalk the market. Does an ignorant, inexperienced bunny stand a chance against these veterans? Well, yes. For one, this is no ordinary ingenue. And more important, she is not unescorted. Holding hands with Shri Mahila Griha Udyog Lijjat Papad, a self-help "society of sisters" is big, big brother, Reliance Industries Ltd.

What may appear to be an incongruous combine makes eminent marketing and business sense if one considers the reasons that prompted Reliance to seek Lijjat's hand. ("Yes, it was we who approached Lijjat," confirms Anil Ambani of Reliance.) As a major manufacturer of linear alkyl benzene (LAB), the main raw material in detergent manufacture, the tie-up with Lijjat will provide Reliance a captive market for an estimated 20,000 tonnes of LAB a year. This is a marketing coup for Reliance since the supply of LAB currently exceeds demand by 40,000 tonnes. The tie-up is also, in a way, a piggy-back ride towards forward integration. Says Ambani, "We wanted to integrate but our size prevented us. So we had to think of a way to be there and yet not actually be there at the same time." And what better way than to team up with a small-sector unit entitled to excise concessions and possessing a ready-made national brand?

Lijjat too stands to gain in many ways. It will have access to technical know-how from Reliance. Besides, Mudra, the Ambani-owned ad agency, will devise an advertising and promotion strategy for Lijjat. Result: a quantum leap in Lijjat's turnover which today stands at Rs.20 crores. Rukmini Pawar, the brisk, no-nonsense president of the Udyog, expects to sell Rs.50 crores worth of detergent powder in the first year of operations.

GROWING DEMAND

The sudden, back door entry of Reliance-Lijjat into the detergents arena is likely to cause a dither amongst other detergent manufacturers. When contacted in Ahmedabad, a Nirma spokesman declined to comment on the likely impact of the new entrant, saying it was "premature" to do so. Says Siddhartha Sen, vice-president, marketing (detegents) of Hindustan Lever Ltd (HLL), "It's an interesting and unique innovation by a major supplier of raw material. In my opinion, there's room for all of us."

The market for fabric washing products (i.e. synthetic detergents and washing soaps) grows at an average annual growth rate of 10 per cent. By 1990 the consumption will be 2.23 million tonnes. And by 2000 A.D. the market should have doubled in size to 4.23 million. Recent trends also point towards an increasing penetration into rural areas and a switch in consumer preferences from washing soaps to chemical detergents. Today, chemical detergents account for over 60 per cent of the Indian market. This is expected to rapidly increase to 70 per cent, a level which still falls short of the international detergents:soap ratio of 90:10.

It was Karsanbhai Patel's Nirma washing powder, the first low-priced detergent targeted specifically at middle income consumers, that uncovered a latent, mass segment at the bottom end of the market. With the entry of Nirma, the market structure of synthetic detergent powders altered dramatically. Down went the share of premium detergents like Surf — from 36 per cent in 1980 to 8 per cent last year — while the cheaper varieties grabbed 86 per cent. Several cottage-sector products like Adhunik, Vimal, Ojhas, Hippolin managed to fence off their own regional turfs. Six months ago, Wheel, Lever's belated answer to Nirma, was launched with a Rs.1-crore, TV oriented ad budget. Thus, no matter what Lalitaji may say, it's the low-priced segment that is the fastest growing one.

TRIAL RUNS

At a factory at Dahisar, a Bombay suburb, 40 women are already working round-the-clock, manually mixing the ingredients of a yellow, washing powder branded Sasa (Marathi for rabbit). Trial production of the detergent has begun on a 2 tonnes per day basis. This will shortly be stepped up to 10 tonnes a day, and many more such units are planned.

Lijjat's 37 branch offices will provide a broad network and ensure market permeation. Also, Lijjat Papad is a strong, national brand and has a reputation for quality. The fact that the Lijjat enterprise has a social purpose too could work in its favour since it is the housewife who makes the purchase decision for this functional product.

Will Sasa, priced at Rs.9.50, nibble into existing market shares or will it carve its own niche? Lijjat may know exactly how the papad crumbles, but detergents is a totally different world. Pawar's approach is homespun, almost simplistic, reflecting the organisation's philosophy. "It's all in the hands of the consumer, we're nobody's enemy," she says. The competition, however, isn't likely to take any chances. An exciting bout is sure to follow.

■ NAAZNEEN KARMALI

Your executives can now fly to work. At ground level.

Presenting the luxury of the new Tempo-Traveller

Tempo-Traveller is the new executive perk

It offers senior personnel the comfort and status that ordinary company buses can never match – and a car-pool could never give.

A spacious interior offers the luxury of upto 15 ergonomically designed seats and large, airy windows.

There's ample room for baggage. And a high curved roof allows for greater freedom of movement.

And it has been specially built for Indian roads by Bajaj Tempo – in collaboration with Daimler-Benz, the creators of the classic Mercedes range.

As cost-conscious as it is status-conscious

The new Tempo-Traveller is equipped with the advanced 72 BHP Mercedes OM 616 diesel engine, which functions like a built-in accountant. It stretches your company's every rupee – delivering the highest level of fuel economy with the lowest level of noise.

The Tempo-Traveller even minimises other maintenance costs. Spares are cheaper and more readily available. And regular service is close at hand. Because you are backed by the 150 experienced dealers established by Bajaj Tempo over a period of 25 years.

So before you stake business capital on company buses or corporate cars, give the new Tempo-Traveller serious thought.

And let your executives 'arrive in better shape'.

BAJAJ Tempo LTD.
Akurdi Pune-411 035

The new Tempo-Traveller.
Anywhere else, they'd call it a Mercedes Transporter.

If we're capable of big things in cemen

Commitment.

We realise that delaying a job, even by a day, costs money. So we respect a client's schedule. Every commitment made by us is a commitment honoured by us. So it isn't surprising that Buckau Wolf has a reputation for being engineers who deliver. A quality which has helped us grow tremendously in an apprehensive market. Which has also helped us win seven turnkey projects in seven years. For Coromandel Fertilisers, Gujarat Ambuja, India Cement, Jaypee Rewa, Modi Cement, Vasavadatta Cement and Vikram Cement. Commitment coupled with consistent quality and the backing of Krupp Polysius AG, West Germany. A few small reasons for our reputed capabilities.

t's because of one small reason

BUCKAU WOLF

More than engineers. People with a sense of values

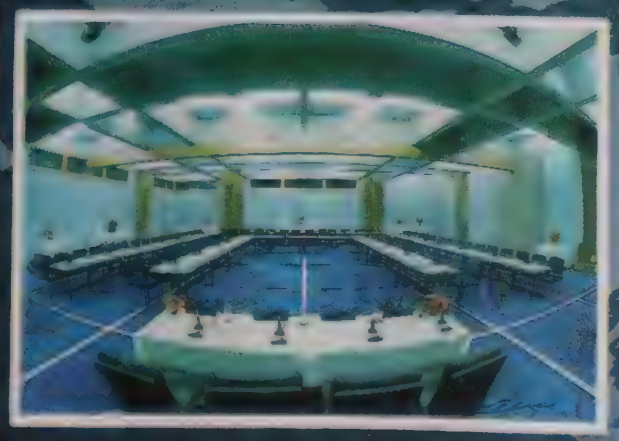
KRUPP

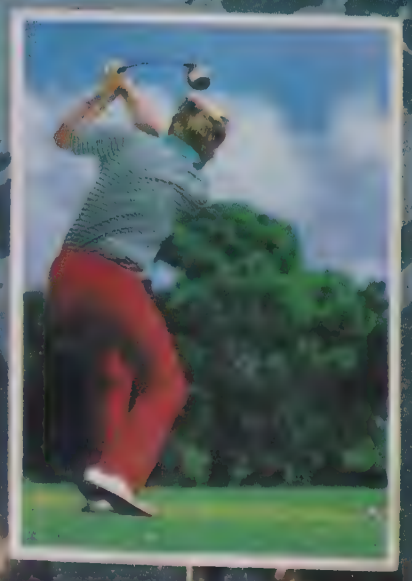
Buckau Wolf with Krupp technology

Buckau Wolf India Ltd., Pimpri, Pune 411 018. Tel: 84461. Telex: 146-267.

Nexus/BW/55

"Grea





Meet in Kashmir where business is always a pleasure

When you have to hold a convention come away from the conventional venues. And come to the Sher-i-Kashmir International Conference Centre amidst the timeless splendours of the Kashmir Valley. At the Sher-i-Kashmir International Convention Centre you will be enchanted by the friendliness that immediately surrounds you... from our usherette to our efficient secretary promising you a smooth, well orchestrated business meeting.

The SKICC is built to the best international standards of a world convention centre with the latest audio-visual equipment, relaxing accomodation and unrivalled executive service.

The next time you plan a convention,meet with pleasure at the country's premier meeting place — Sher-i-Kashmir International Conference Centre.

For a free colour brochure/reservation contact:
Sales Marketing Division
Sher-i-Kashmir International Conference Centre
Chashma Shahi, Srinagar-190 001 Kashmir (India)
Tel: 79601, 75631 Telex: 375-318 SKCC IN,
Grams: KASHCONFER Fax: 79720

World Class Convention Facilities in the 'Happy Valley'

Sher-i-Kashmir

INTERNATIONAL CONFERENCE CENTRE

Member ICCA

HEADSTART/SKICC/3010

Wood you believe...

WIP is the first and only company in India to

WIP is the only wood products Company in India to enter the atomic age, using radiation techniques with Gamma Rays, and development of Speciality Wood for shielding neutrons in Atomic Power Reactors.

With these techniques, and unmatched human skills, it has created wood that is as strong as steel and can be used for critical applications.

Its remarkable achievements include production of composite panel product for electromagnetic shielding to protect critical electronic components in the Anechoic Chamber in the Space Research Organisation.

WIP is the first in the field with quality wood products. It is today the largest integrated wood products Company in India with the most modern manufacturing plant and a relentless commitment to Research & Development. Its list of firsts include:

- **First to make irradiated wood.**
- **First to make aircraft plywood.**
- **First to make synthetic resin adhesive using hot pressing techniques.**
- **First to make high pressure industrial laminates.**
- **First to make quality hardboard way back in 1959-60.**
- **First to manufacture Diallyl Phthalate moulding powder.**
- **First to make metal faced plywood.**

WIP wood products are the first choice of discerning users like Bhabha Atomic Research Centre, BHEL, Birlas, DGS&D, Hindustan Aeronautics, Hindustan Motors, Hindustan Lever, Hindustan Shipyard, I.T.C., Indian

enter the atomic age with irradiated wood.

Railways, Indian Space Research Organisation, Maruti, Mazagaon Docks, T.V.S., Vikram Sarabhai Space Centre plus all Petroleum & Petrochemical Industries and Fertiliser Industries. In fact WIP wood products find a place wherever quality is the watchword.

Work in progress at the Irradiation Plant

WIP
THE WESTERN INDIA PLYWOODS LIMITED
Baliapatam, Cannanore 670 010.

EMPLOYEE PRODUCTIVITY

What is the measure?

Concern about declining productivity

On 27 September 1988, the Department of Banking Operations and Development (DBOD) of the RBI issued a memo on employee productivity to all chairmen and managing directors of public sector banks. The RBI was "distressed" that employee productivity in public sector banks was falling.

The memo quoted certain portions of the Sixty Fourth Report of the Estimates Committee of the ministry of finance, Department of Economic Affairs (banking division). It said, "On the basis of estimated productivity per employee for 1986, as many as 16 of the 28 public sector banks were below the industry level average." The State Bank of India (SBI) and its seven associate banks were singled out for causing "anguish"; they were lagging behind the industry level average despite "the business of the government and the public sector/autonomous bodies (being) heavily concentrated in them". The banks were asked to conduct "in-depth studies" and initiate suitable measures for improvements.

INADEQUATE PARAMETER

The parameters used by the report to judge employee productivity is business per employee (BPE), which is arrived at by dividing the value of deposits and advances by the number of employees in the bank. D.R.K. Patnaik, deputy general manager (HRD) at SBI, feels that BPE cannot be taken as the only indicator of productivity; various other parameters need to be considered as well, given the rigid rules that public sector banks have to adhere to.

T.P. Raman, Patnaik's predecessor, maintains that for an industry like banking — being manpower-intensive and service oriented, where 40 per cent of advances must compulsorily be made to priority sectors — BPE can at best be one of the parameters in monitoring productivity. Others like the interest rate spread, burden efficiency ratio and the quality of customer service need to be taken into consideration too.

If BPE is not an accurate indicator of productivity, what is? The Indian Banks' Association (IBA) under the chairmanship of R. Srinivasan — who is also chairman of Bank of India — has decided to institute a productivity award for the best bank branch in each state. This is modelled on the National Productivity Council's (NPC) award for banks, which are given at the bank level. Though certain modalities of the award are still to be worked out, the IBA hopes to institute it from next year. Says Srinivasan, "With over one million people employed in the banking industry, trying to monitor productivity on an individual level is a difficult proposition." Hence the decision to evaluate productivity at the branch level. The reasons proferred: individual productivity is inextricably linked to branch productivity, and the branch as a unit is considered as a profit centre.

MORE BROAD-BASED AWARD

Under the IBA award scheme, BPE is only one of the parameters that are considered. The others include credit management, customer service, house-keeping and profitability. Based on its own internal evaluation, each bank has to name its best branch in each state. The IBA then evaluates the best branches of all the banks, applying the above mentioned parameters, and awards the prize to the best branch in each state. The IBA will also award 11 prizes at the bank level for good performance in areas like agriculture finance, small-scale industry, anti-poverty schemes and industrial relations.

On the face of it, the IBA award scheme seems more comprehensive and a better indicator of productivity than the RBI's evaluation based on BPE alone. Srinivasan, however, hastens to add that the IBA award scheme is not considered foolproof or better than the BPE evaluation. "But any step in the direction of increasing productivity is to my mind a positive step." M.N. Goiporia, chairman of Central Bank, echoes Srinivasan's sentiments. "The NPC award, the IBA award and the RBI evaluation complement one another. Each can only help in increasing productivity."

Not everyone is so optimistic about the positive effects of the various awards for productivity. One bank economist feels that in the frenzy of competition, wrong data or data that cannot be cross-checked may be provided by some branches, a problem that V.P. Singh faced in 1985 as finance minister while trying to get the unwieldy banking industry to raise its productivity. Another banker compared the IBA award scheme with a spot-the-best-baby competition. "It is not difficult to prime one branch of a bank in a state at the cost of the other branches." What the banker would ideally like to see is an award system that evaluates banks on the basis of networked branches. "At the end of the day, what do we want? Not one or two stars in a galaxy of mediocrity, but the entire banking industry moving towards greater productivity."

Whether such criticism is valid will become clear once the award scheme is actually implemented next year. Srinivasan says the IBA is open to suggestions and will continually monitor and evaluate the award scheme. At this point, it would be only fair to give the IBA credit for initiating a scheme which, in some measure, is attempting to reverse the trend of falling productivity.

■ SHIV TANEJA

DREAM WINDOWS

Harmony nets and drapes turn plain windows into spectacular views that you can enjoy all day. Choose from the lustrous pale shades of German velours or the exuberance of the French. Complement with Victorian nets sprayed with bouquets of flowers or Roman nets embossed by stripes or horizontals. Magnificent views for your fine home.

HARMONY

PREMIUM FURNISHING FABRICS

VIMAL®

Day Curtains ▪ Drapes ▪ Upholstery Material

Mudra RIL 4421

Tiles with a splash of romance

SPARTEK SENSATIONS

Attractive new size
305 mm. × 152.5 mm.

INTRODUCING

THE Rain Song SERIES

Soft, gentle rain. Sensuous. Evocative.
The romance of rain captured on a tile.
The Spartek Rain Song Series. In three
subtle shades to add magic to the mood.

SPARTEK

52, Chamiers Road, Madras 600 028.

India's largest selling ceramic floor tiles.

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable
* Maintenance - free * 100% Leakproof and Rustproof
* Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes.
* Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Bidhan-SPC-131-A

Sintex - World's No.1 Plastic Water Tanks

Offices At Ahmedabad • Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras

E.A. RAMASWAMY

Can we reform?

The Trade Unions and Industrial Relations Amendment Bill has been the subject of a tide of conferences, workshops and media analyses since its introduction in the Rajya Sabha last May.

The trade unions have made plain their hostility to the bill. The employers have criticised it as well, but more to register their presence than with intent to scuttle. They would probably be happy if the Bill were passed intact, even if all their objections are ignored. The intelligentsia are equivocal. They see in the Bill some hope of clearing the chaos in our industrial relations, but feel that it severely restricts the right to strike. The Bill makes it virtually impossible for labour to launch on a legal strike. One might say that this is precisely the situation even under the existing provisions of the Industrial Disputes Act. The new Bill is different because it proposes stiff penalties to punish violations. Trade union leaders who spearhead illegal strikes can be debarred from holding office, and workers who support such strikes are to be punished with a minimum imprisonment of 14 days. Perhaps it is this provision, more than any other, which contributes to the happiness of employers.

STATUS QUO PREFERRED

But if everyone is opposed to the Bill, we must ask whether we can at all reform industrial relations. Deeply entrenched vested interests stand in the way of reform. Take for instance the trade unions. They have opposed the provisions of the Bill wholesale. They are unable to find in it a single redeeming feature. They do not want minimum membership raised beyond the absurdly small number of seven; want no restriction on the number of outside leaders; and have no interest in deduction of membership fee from the payroll. It would seem that they have no interest in any kind of reform. In earlier times, the unions used to demand statutory recognition. Today, even that has ceased to be a problem. The fact is that our unions have learnt to survive under the existing dispensation.

It is interesting to draw a parallel with what happened in England in the early seventies. Till that time, British law provided neither for union recognition nor for the enforcement of contracts by the courts. There was nothing underpinning settlements except mutual trust. In the early seventies, the government introduced legislation that provided for formal union recognition and conferred sanctity on settlements. In addition, it also placed certain restrictions on trade unions. The unions wanted none of this. They said they were managing pretty well with unwritten conventions and did not need the backing of law. That, more or less, is the situation of our unions now.

GOVERNMENT INVOLVEMENT

The government represents an even more powerful vested interest. In no other industrial nation does the government play such a dominant role in labour-management relations. Elsewhere, the government's role is limited to setting the rules of the game and overseeing the industrial relationship, except when vital national interests are threatened. Right here, Jagjivan Ram spoke of the need to free industrial relations from government control as early as in 1950 when he was labour minister.

In spite of all this, the bureaucrats and politicians have ensured that their powers are not whittled down. Conciliation and the power to grant or withhold reference of disputes for adjudication are the two most potent weapons in the government's armoury, and both powers have been wilfully abused to meet political ends. Consider the following case. Reliance Industries retrenched 348 workers who were members of R.J. Mehta's union. The government found no merit in the dispute for adjudication, arguing instead that the retrenchment was justified. The union moved the Bombay High Court, which in turn asked the government to reconsider its decision. The labour minister of Maharashtra reconsidered the issue, and once again denied reference. The union then moved the Supreme Court, which advised that the matter be taken back to the high court. This time the high court ordered the government to grant reference, adding that the court would itself give the order if the government did not want to do so. All this merely to gain a reference which is routinely granted by every government to its cronies in the labour movement. Given such partisanship, where do we begin to reform industrial relations? Those who have learnt to play the game under the present rules would block change. The trade unions would fight to retain the advantages of outmoded legislation. The employers would fight as well, except that they have little to fight for right now. From their point of view, the new Bill represents a big improvement over the old laws. The bureaucrats and politicians don't even have to fight. Being themselves the lawmakers, they can so draft the law as to protect all their powers. And a government which tenaciously holds on to its powers, especially in the face of hard evidence of their abuse to further partisan rather than national interests, cannot have the moral force to ask others to accept change.

The author is chairman, Administrative Staff College of India, New Delhi Centre

Can you spot

the Troublemaker?

The gentleman with the long ears is the troublemaker. He's the one who's been inciting other employees and formenting trouble in the organisation.

Littlemore, Detectives and Investigators, after investigation, identified the culprit and brought him to justice, saving the organisation lakhs of rupees.

Today, Littlemore is one of India's leading Investigation agency. With representatives and associates all over the world. And an unrivalled performance record that goes back 28 years.

So, whatever be your problem - **strike settlement, violence, wage negotiation, industrial investigation, leakage of technical information etc.**—pay Littlemore a visit today, to discuss the same in a confidential atmosphere.

You can also appoint Littlemore on a retainership basis, for just Rs. 2 per employee, per day.

LITTLEMORE
SERVICES PVT. LTD.
Detectives & Investigators

A-15 Sea Lord, Cuffe Parade, Bombay 400 005.
Gram: LITSERDET. Telex: 011 4407.
Phone: (022) 214047/216176/8221936.

Sai—L—535

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

ADMISSION NOTICE

THE CFA PROGRAMME

(In collaboration with the Institute of Chartered Financial Analysts, USA)

The CFA Programme is designed to provide specialised training in Corporate Finance, Investment Management and Financial Services leading to the designation of '**Chartered Financial Analyst**'. More than 8000 candidates have already enrolled in the CFA Programme from all over the country.

National institutions like IDBI, ICICI, IFCI, UTI and many companies have approved the CFA Programme for reimbursing the fees.

ELIGIBILITY

Graduates (any discipline). Final year degree students may also apply. Exemption from the Admission Test is granted to certain categories of candidates like CAs/AICWAs/ACSs/MBAs/First Class Graduates etc.

For Prospectus and Application Form please write to The Admissions Officer giving your address and enclosing a DD for Rs. 50 favouring ICFAI, payable at Hyderabad.

The Institute of Chartered Financial Analysts of India
Road No. 3, Banjara Hills, Hyderabad - 500 034

MENTORS

An unembarrassed view

I was 23 and shocked. One of my brightest and best-educated friends had just announced that the key to success was finding a godfather. We had recently seen the Marlon Brando film so the word had sinister connotations. Moreover, we knew that Indian politics largely operated through factions within which patronage flows down and political support flows up. So how could us aspiring meritocrats, would be Mr. Cleans, accept mentors?

The years since, of first and second hand experience, have proved my friend right (he, incidentally, by his mid-thirties, commanded a pinnacle in the Alpine headquarters of a famous transnational). An elder confirms that a mentor can make things easier for the able and possible for the merely lucky. Moreover, he believes that in most cases a mentor is not looking for a material quid pro quo from his pupil. Mainly, he acts for "psychological satisfaction" — perhaps an affirmation of his power; sometimes he also seeks to accumulate goodwill against a rainy day.

The story is told in the UK of Cecil Harmsworth King, one of England's last homegrown press lords. His office boy (read "peon" in India) was a bright 16-year-old. King took the lad under his wing — for example, gave him Gibbon's monumental *Rise and Fall of the Roman Empire* over a weekend for quizzing on Monday morning. Years later, the protege, Sir Donald Ryder, was chairman of the International Publishing Corporation, which owned not only the late King's publications but also huge paper, forestry and property interests in several countries. In 1974 Sir Donald was made a lord and head of the National Enterprise Board which was the Labour government's effort at industrial regeneration.

Unfortunately, Indians tend to be reticent in acknowledging their mentors. Hence naming names in our domestic anecdotes is unwise — especially since envy and badmouthing is not uncommon.

For example, the meteoric rise of the head of a leading financial institution is attributed to his connection with a senior statesman. In fact, the man's early mentor was the then head of India's largest bank who recognised ability in several juniors. And his proteges were typically not connected to him by blood or community or caste or even school.

The existence of a mentor, and getting ahead because of one, cannot be taken as evidence of being otherwise incompetent. On the contrary, stories abound of very able people for whom a powerful well wisher was just one more, albeit very important, success factor. Conversely, we all know of persons who went far on the backs of others and then fell down when personal ability was essential. My thesis is that those who wish to be able should learn how to find and work well with mentors.

Taking mentorship beyond anecdotes, management theory provides its raison d'etre. Much of the challenge, the difficulty, of working in organisations — especially large or complex organisations — is in finding clues to how they actually function. Will Shethji actually look after my family if I devote my life to his business? Can I invite my boss's boss home — is he friendly? Why does this supervisor command respect while the other does not? Am I really doing well? Why? And so on. Sensitivised novices find their answers in quick time. Others do not. All would be aided by a reliable adviser in understanding such "informal" aspects of the organisation and its culture.

An industrial psychologist has a lucrative consultancy. He spends half a day every week listening to a successful top executive's work experiences. Not, apparently, because the tycoon is going nuts. Rather, firstly because articulation of concerns, objectives, difficulties is often half way to solution. Secondly, because where a problem is insuperable, that becomes more bearable when discussed and agreed with a trusted other. For most of us, a friend is more practical then a psychiatrist. And, for top men, Drucker advises use of the board directors precisely for such "sounding" purposes.

When "Japanese management" was the fad, you may have noticed that the Japanese officially appoint mentors for their young executives. The role is seriously taken. My flatmate at business school had worked with a top bank after taking Japan's most prestigious first degree. As a company-sponsored student, he reported lengthily each month to the bank's personnel department. But his letters to his mentor were even longer and more detailed. Subsequently, amongst other things, the mentor advised my friend to get married — and even found the bride when that proved necessary.

All of this shows that being, or accepting, a mentor can be perfectly legitimate and socially useful. In fact, newcomers to a profession (the older professions make explicit arrangements for pupilage), or to an organisation, would be wise to actively seek mentors. Conversely, a senior might offer advice or solace without accusation of powerbroking or favouritism. Perhaps establishing this should be a conscious task of both mentor and protege.

One need not have only one mentor. Nor, for that matter, need the guru be perfect or omniscient or even, necessarily, more successful than oneself. Many a finance director, for example, has learnt the disciplines of book keeping from a clerk. But then the pupil has gone on to other skills, with other masters. What is important is that at the time the guru and shishya have some thing to offer each other. Similarly, readers of Sir Arthur Conan Doyle, will remember that the legendary Sherlock Holmes sought the counsel of his brother Mycroft with especially taxing problems — although Mycroft was not as good a detective as his younger brother, his powers of deduction were superior.

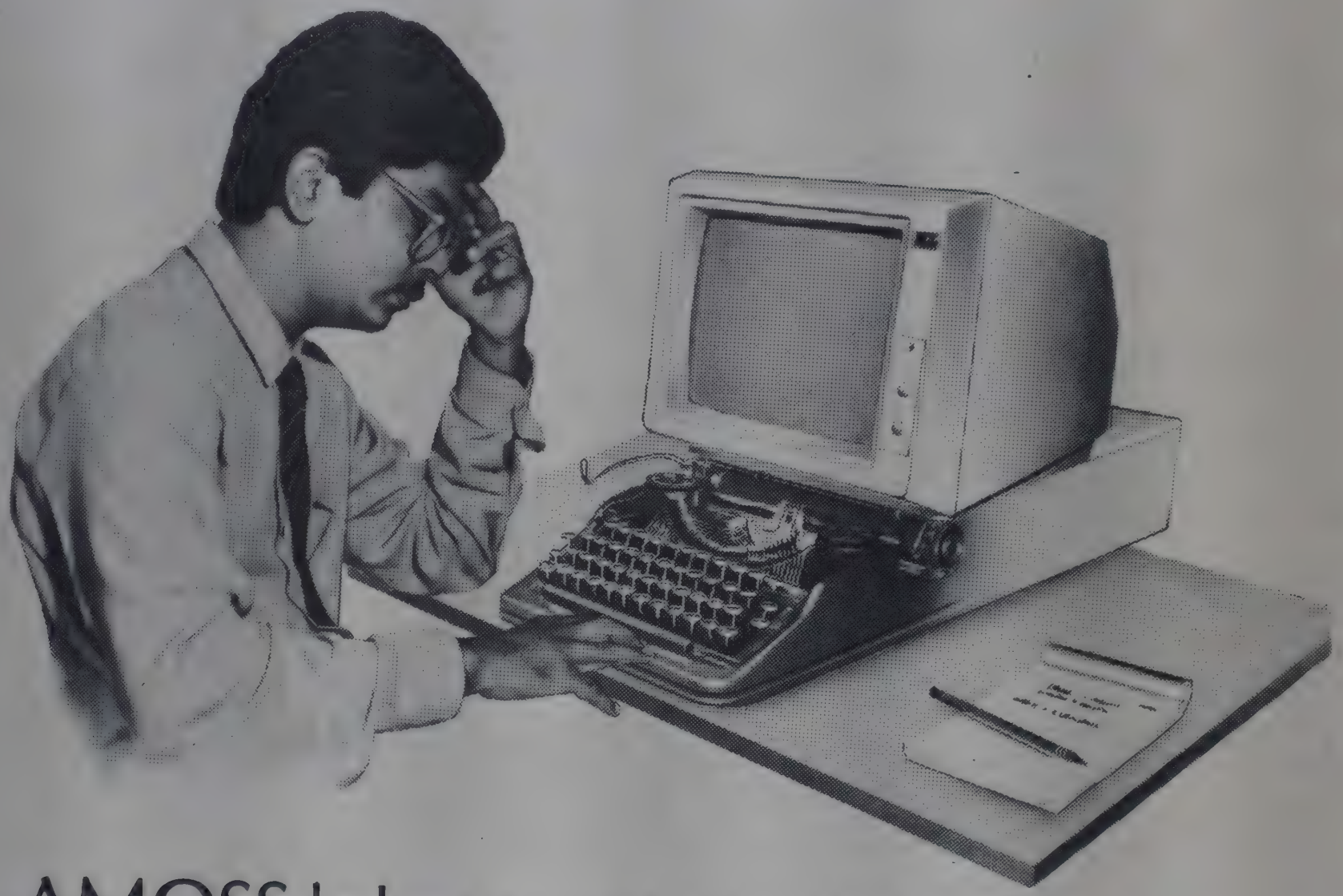
Clean mentorship is especially important in our country at this stage because, firstly, relatively few Indians have first-hand experience of modern organisations. And, secondly, we have chosen a path of modernisation or "westernisation" in which many basic values are challenged and may have to change. It seems that only through such mentorship can we create an appropriate work culture.

Participation in nation building in this sense could be the greatest payoff to the mentor. Additionally, the mentor himself grows — just as boys become men when they try to be real fathers to their children.

■ NANDAN MALUSTE

The author, a former Financial Controller of Lintas Advertising, is now an independent management consultant

Are you managing your business with incompatible technology ?



AMOSS helps you in technology management.

THRIVING! PROSPEROUS! This was the condition of many Indian companies in the 60's & 70's. But now they are down the road at a dead-end. Languishing for failure to up-date their technology. It is not just a question of having technology. It is the crucial question of managing the technology. And keeping abreast with the latest from the world.

AMOSS is the pioneer in technology management. AMOSS provides opportunities in emerging and relevant technologies to Indian professionals. The team at AMOSS consists of highly qualified managers and engineers from India and abroad. AMOSS is associated with Oidelft Groep n.v., a Dutch multinational which has a high rating as a "knowledge company".

In addition, the AMOSS Technological Management Group helps in locating current trends in technology management. Shows you how to take advantage of major changes in fiscal policies. Speeds up technology from drawing board to market and protects your lead. Allowing you to be always one step ahead of the competition.

AMOSS Services Pvt Ltd

For details write to:
Administrative Manager,
Amoss Services Pvt. Ltd.,
6-3-1218/6/2E, Umanagar,
Begumpet, Hyderabad-500 016.
Tel : (0842) 35108 Tlx : 0425-6929 Fax : (0842) 35108

Using technology as a strategic weapon.

Sobhagya-H/AMOSS/188

KELTRON

From bad to terrible

Keltron was the prototype for other state electronics development corporations. Yet in its 15 years it has never been able to boast of financial strengths. Right now it's going through another convulsion as unions and politicians train their guns on its chairman

When the LDF government of Kerala sacked Thomas Kora and brought in S. Krishna Rao as executive chairman of Keltron in August last year, hopes ran high for the future of the public sector electronic development corporation. Nothing of the kind has happened. Employee morale has sunk to a new low and the two major unions of the company are rolling up their sleeves to oust Rao.

Interviews with a cross-section of workers and management staff revealed widespread discontent and alienation, and a complete lack of accountability. Says A.D. Damodaran, director of the Regional Research Laboratory, Trivandrum and a former director of Keltron who recently quit its board in disgust: "Short of a miracle, nothing can help Keltron turn around." Rao himself didn't want to speak to *Business India*.

NO FINANCIAL VIGOUR

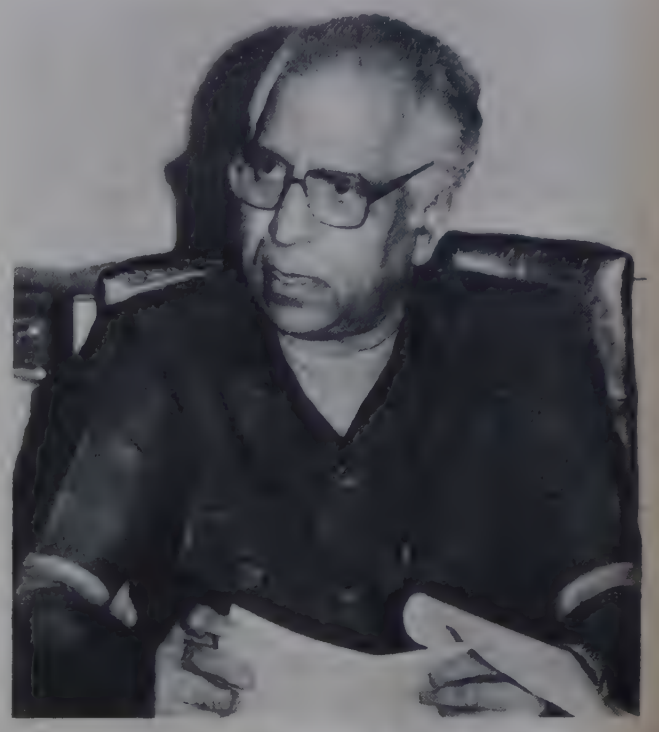
An assertive management could have done much for Keltron. The company has a wide range of acceptable products and services in electronics, and a lot of goodwill still left amongst its customers. But this is not reflected in its bottom line. None of the company's chief executives has been able to translate its strengths into financial vigour.

The beleaguered Rao

K.P.P. Nambiar, Keltron's founding father and now secretary, Department of Electronics (DoE), displayed the zest of a pioneer in steaming ahead with myriad projects and swift diversification. But in his zeal to build Keltron, the financial implications were often overlooked. By 1977, five years after Keltron was born, several of its subsidiary companies were in the red and the parent corporation's net rate of return (post-tax profit as percentage of total capital) was just around 0.5.

The next man, Thomas Kora, came from the stuffy world of government. He was secretary, department of telecommunications before heading Keltron. Despite some well-intentioned attempts to streamline management procedures and introduce systems in Keltron, Kora who was retiring by nature could not provide the vigorous leadership that the feeble Keltron needed.

Rao, currently in the hot seat at Keltron, has a research background. He is a postgraduate in advanced electronics from Eidgenossiche Technicsche Hocschule, Zurich, and was director (R&D) at Bharat Electronics Ltd (BEL), Bangalore, before he joined Keltron. He played a notable role in the TV expansion plans of the government of India and developed the first indigenous colour OB van used in the 1987 World Cup. Thus, his academic as well as professional pedigree is impeccable. But industry has been traditionally prejudiced against research. Rao's performance to date has done little to change this. Critics say his research orientation robs him of the keen managerial prowess required to steer a large, multiproduct industrial enterprise.



Nambiar: poor financial management

At BEL, a defence ministry organisation flush with funds, Rao probably never faced the cash flow problem that troubles Keltron. According to an internal document of the company, Keltron's targeted turnover for 1987-88 was Rs.117.6 crores. But it achieved only Rs.73.61 crores and ended up with a loss of Rs.2.75 crores. (The net loss for 1986-87 was Rs.5.12 crores. The accumulated loss as on 30 June 1987 was Rs.10.81 crores.) Other slightly different figures from the company's management information report for 1987-88 put the year's sales achievement at around 60 per cent — Rs.73.55 crores against a target of Rs.123.63 crores for Keltron and Rs.90.52 crores against Rs.148.69 crores for its subsidiary and associate companies.

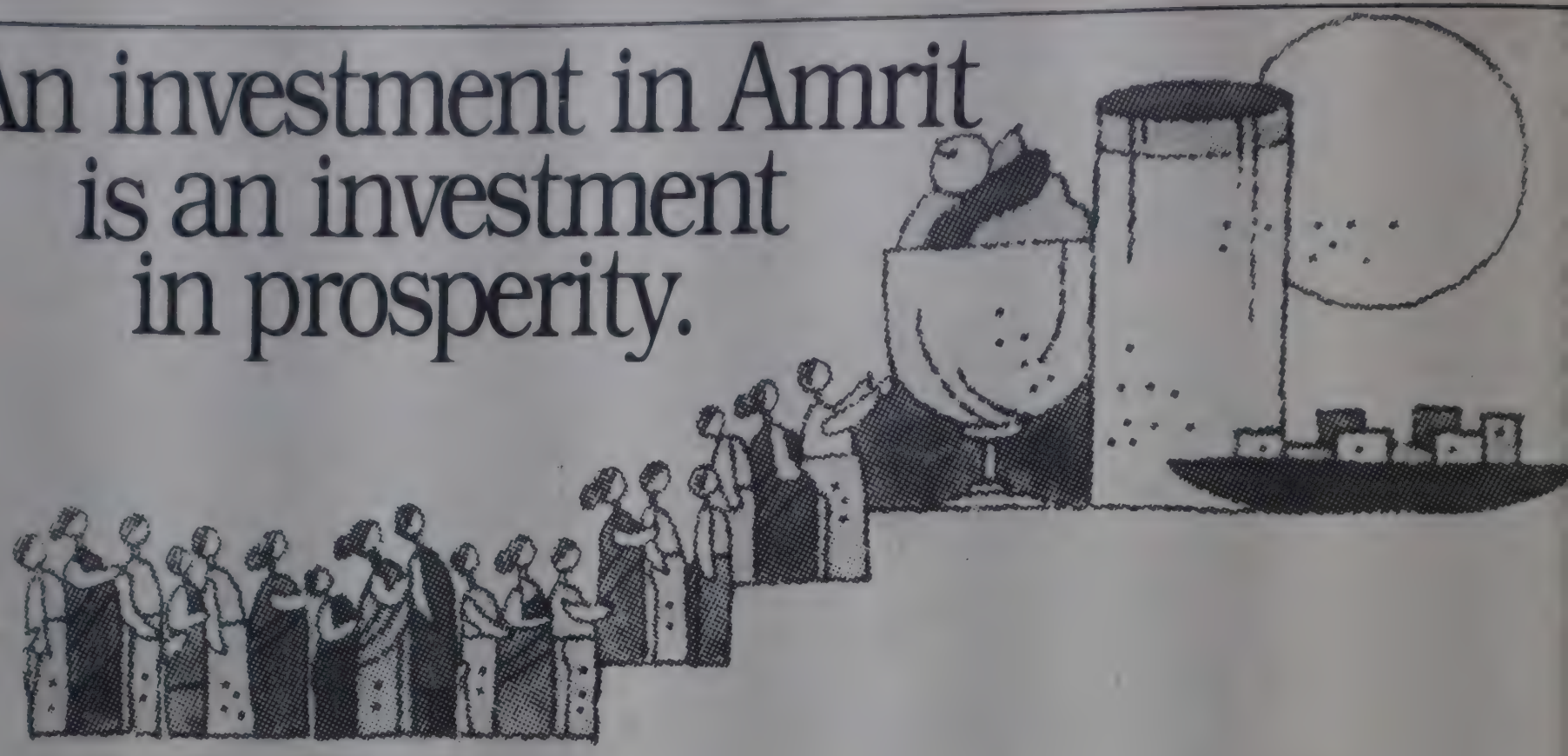
SERVICE LOANS

A lot of Keltron's funds go to service loans. As working capital needs burgeoned, so did interest and bank charges. In the three years from 1983-84 to 1985-86, the net working capital increased from Rs.17.64 crores to Rs.29.59 crores, while interest and bank charges jumped from Rs.3.91 crores to Rs.7.49 crores. By June 1987 bank borrowing for working capital dropped, but only marginally to Rs.29.48 crores.

Keltron: a financial profile *(Rs. crores)*

	1983-84	1984-85	1985-86	1986-87
TOTAL INCOME	28.79	56.85	67.30	70.82
NET PROFIT/(LOSS)	0.30	0.50	(5.55)	(5.12)
ACCUMULATED LOSS	0.64	0.14	5.69	10.81
PAID-UP CAPITAL	16.47	17.17	18.82	21.67
NET WORTH	19.18	20.13	15.64	7.67
TOTAL LIABILITIES	71.07	87.02	103.11	69.70

An investment in Amrit is an investment in prosperity.



Promoters' proven capabilities in consumer marketing

Amrit Protein Foods has been promoted by Amrit Banaspati. A Company with spectacular brand successes. Like **Gagan Vanaspati**—among North India's most popular brands, **Ginni Refined Groundnut** and **Cottonseed Oils, Bansari Refined Mustard Oil, Soya Lite Soya Oil** and **Sunehri Teer Vanaspati.** Group products also include **Alfa Washing Soap, Amrit Paper** and the highly popular **Uncle Chipps' potato wafers** (manufactured by Amrit Agro Industries Ltd.).

Promoters' outstanding track record

For 9 months ended 31st March 1988, on a Turnover of Rs. 148.28 crores, the Company made a Gross Profit of Rs. 5.67 crores resulting in Earnings per Share of Rs. 18.70. Reserves and Surplus stood at Rs. 22.31 crores against Share Capital of Rs. 2.48 crores giving a Book Value per Share of Rs. 84.18. And Amrit Banaspati has an uninterrupted 10 year dividend record.

A complete line of fitness foods

Health and fitness are making big headlines these days. And to meet the growing demand for new generation fitness foods, Amrit Protein will manufacture a wide range of products—Soya Milk, Soya Milk Beverages, Soya Dessert and High Quality Soya Paneer.

Proven technology from world leaders

At Amrit, we understand the needs of the Indian consumer. Technology has therefore been selected and adapted accordingly. From **STS—Soya Technology Systems**—a division of the world renowned **Danish Turnkey Dairies.**

Big success in the West!

Products based on this technology have been a **phenomenal success** in the West. In fact, a plant set up as recently as 1985 near Hamburg has substantially increased its capacity.

Products backed by extensive research

Amrit Proteins' products are a result of **extensive market and product research.** And all formulations have been thoroughly **tested through consumer taste trials.**

The market is ready and waiting!

Increasing awareness about nutrition and health has created a growing demand for fitness foods. Indeed, they are among the fast growing products in the West. With the marketing strengths of the Amrit Group, Amrit Protein will open up a whole new dimension in the Indian consumer market.

And you have an opportunity to share our bright future.

To meet a part of the finance required for the project, Amrit Protein is making a public issue of 24,70,000 Equity Shares of Rs. 10 each for cash at par.

An outstanding opportunity for investors to share our growth and prosperity.

AMRIT PROTEIN EQUITY ISSUE OPENS: 12TH DECEMBER, 1988

Managers to the Issue

J.M. Financial & Investment Consultancy Services Ltd.
New Delhi

Industrial Finance Corporation of India
New Delhi

PNB CAPITAL SERVICES LIMITED
New Delhi

Promoted by

Amrit Banaspati Co. Ltd.

AMRIT

PROTEIN FOODS LIMITED

Regd. Office: Amrit Nagar, G.T. Road, Ghaziabad 201 009 (U.P.)

An exciting new venture.

PRESSMAN

Rao did introduce some organisational changes "to improve the control and reporting structure". Oddly, the managing director, A.K.K. Nair, has been stripped of his powers. He now oversees only the minor divisions. All Keltron watchers know that organisational shuffling in Keltron is invariably a sign of intense power play. The company often becomes the battleground for politicians to fight their petty wars. Thus, Kora's firing and Rao's hiring are seen to be political decisions, as were some other appointments and transfers. It is this tradition of constant shifts, abrasive and political in nature, that spells continuing uncertainty for Keltron executives.

Keltron's employees have grown restive. The Keltron Employees Union was the first to launch a campaign highlighting Rao's alleged excesses and incompetence. (The union's pro-Congress (I) bias is significant. After all, Rao was hired by the LDF government. By ousting Rao, many a political row could be settled.) In late February 1988, the union issued a highly damaging public chargesheet against Rao accusing him of an extravagant style of functioning (including, for example, frequent trips to his company-rented house in Bangalore). Says general secretary V.J. Joseph: "I expected to face a defamation suit, but the chairman hasn't responded at all." Later, the union stepped up its campaign beginning with a march to the Kerala legislative assembly, followed by a dharna. And now, in a letter campaign, hundreds of employees have begun sending signed letters asking Rao to quit Keltron. The union is to begin an indefinite sit-in before Rao's office demanding his resignation.

The emasculated Keltron: a moratorium on intrigue and in fighting would help

REMOVING RAO

Several leaders of the strongest union, the Keltron Employees Association, affiliated to the CITU, commanding nearly 41 per cent membership, told *Business India* that they too now regard the removal of Rao as priority number one. The association considers Rao's functioning too individualistic and devoid of trust. It finds him unprepared to listen to the unions' point of view. Says one senior manager: "His problem is that he never carried the staff with him."

Knowledgeable observers attribute Rao's weaknesses to the absence of sound, well-meaning advisers. With little perceptive feedback, Rao remains secluded and isolated. He hasn't been able to get a real feel of the organisation and its workers. Many find it shocking that he has not yet visited all of Keltron's units.

Many ofthe charges against Rao were openly aired at a first-ever meeting of government, management and trade unions spread over three days early this year. According to union participants, an exasperated industries minister K.R. Gouri herself expressed dissatisfaction at Rao's performance. If that is true, it represents a sharp turnabout from the hype in Keltron's press note released on Rao's appointment: "He is committed to technology advancement by strengthening the three pillars of R&D, production and management in the service of the nation."

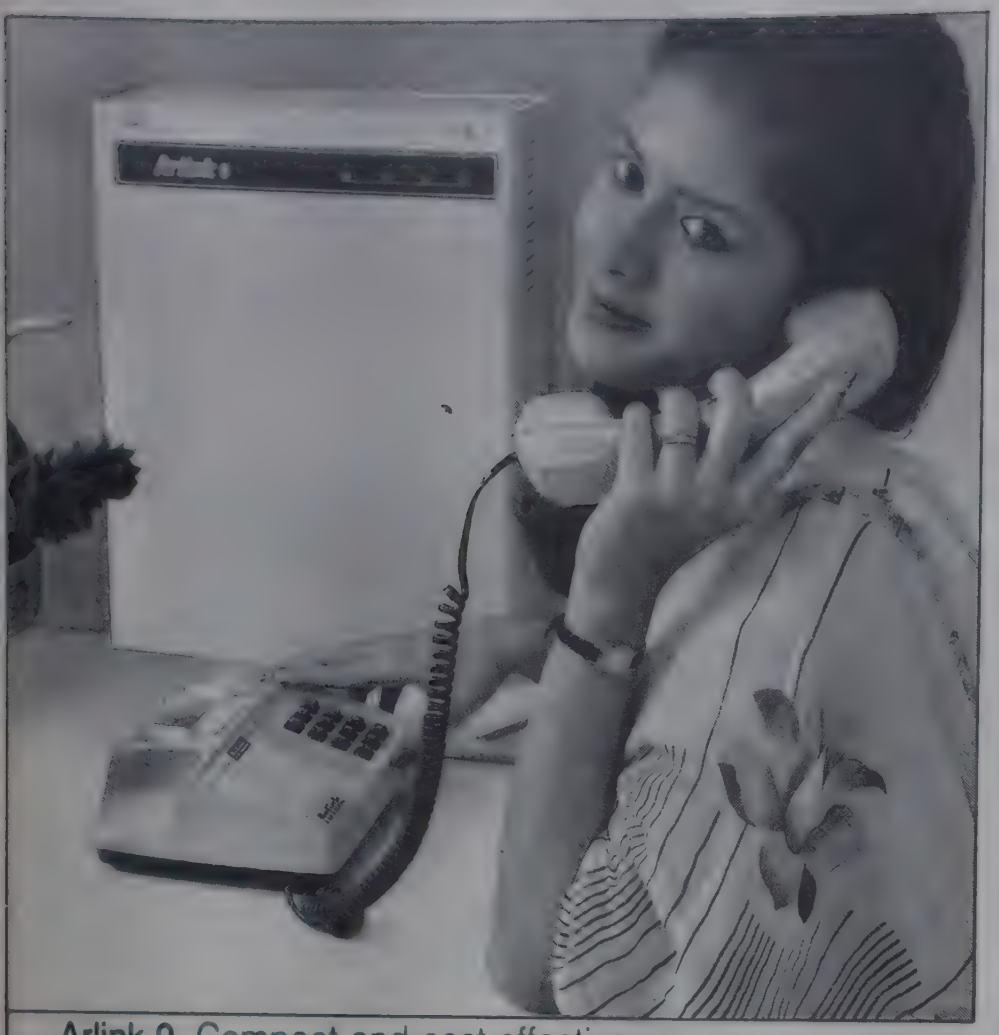
Earlier, in the state legislative assembly, Gouri had conceded Keltron's dismal performance and promised a thorough examination. Such an enquiry would have to ask why the Electronics Research and Development Centre (ERDC), previously the in-house R&D wing of Keltron, was transferred to the DoE, and who really stands to gain from this "sale".

Curiously, this deal was struck without the knowledge or sanction of Keltron's board of directors. This proved to be the last straw for Damodaran who then quit. "The ERDC was never meant for original research. It was always meant to be a design and development centre to support Keltron's industrial activities. Without such a centre, Keltron will suffer in the future," says Damodaran.

Even the compensation originally promised to Keltron by the DoE for the transfer of ERDC has now been scaled down from Rs.7 crores to Rs.3.9 crores. Things are now in a sort of limbo, with ERDC neither completely in DoE's ambit, nor completely out of Keltron's sights. ERDC staff, other than the classified workmen, will probably be put on a contractual basis.

Despite the spreading cynicism about Keltron, there are still many who feel the company is not beyond salvaging. If there appears to be an overemphasis on the role of the chairman, it is only because Keltron has failed to develop a second line of top-flight managers or a core group of professionals who can ensure continuity of corporate missions. The future of Keltron will largely revolve around this. In the next year or so, many top spots including that of MD, will fall vacant. How should this vacuum be filled? Finding an answer will give Keltron and the government of Kerala many sleepless nights. Meanwhile, a moratorium on intrigue and infighting would certainly help.

■ K.G. KUMAR



Arlink 9. Compact and cost-effective.

Arlink 64. Designed to meet your growing needs.

We offer you a full range of EPABX systems...

To meet the special needs of small, medium and large organizations.

The Arlink 9...
The Arlink 64...
The Arlink 128 port...
EPABX Systems with features tailor-made to your growing business needs.

Competitively priced, so you really get good-value-for-money.

Service with a smile – and within 24-hours at that

We believe that an essential part of any hardware package is the service support that goes with it.

Should you need us, for any reason, we will be at your doorstep within 24 hours of your complaint being lodged with us.

For you this will mean minimal stoppage and inconvenience.

High speech technology for the hi-tech age

Arlink EPABX systems are digital microprocessor based ones. Thoughtfully designed to suit local climatic conditions of heat, dust and humidity.

These EPABXs are compatible with all existing systems. And have the ability to adapt to your needs and grow with them.

Proven commitment to office automation

There are 14 branches and 35 service centres to advise you in system selection, design, installation, maintenance and servicing.

An all-India network, at your service, whenever and wherever you require it.

Arlink 128 port. Tailor-made to suit big office needs.

Please send me more
information on the Arlink EPABX.

Name_____

Designation_____

Address_____

_____

_____ Phone:_____

BI (B)

ARLEM ELECTRONICS
(A division of Arlem Breweries Ltd.)
75-77, Maker Chambers VI
Nariman Point
Bombay 400 021.

Arlink EPABX. *From the Chowgule Group.*

75-77, Maker Chambers VI, 7th floor, Nariman Point, **Bombay 400 021.** Phones: 2046238/57/58/68/69 • 10C Middleton Row, **Calcutta 700 071.** Phones: 294889/294590 • Apex Plaza, 2nd floor, 'C', 3 Nungambakkam High Road, **Madras 600 034.** Phone: 473744 • Dr Rebello's Building, Chicalim, Vasco-da-Gama, **Goa 403 711.** Phones: 2956/3237 • Unity Building, 2nd floor, 2nd Mission Road, **Bangalore 560 002.** Phones: 224291/224294 • AVG Bhavan, 2nd floor, M-3 Connaught Circus, **New Delhi 110 001.** Phones: 3324449/3326535 • 'Vigneshwara' 12-5-25, Vijaypuri Tarnaka, **Secunderabad 500 017.** Phone: 75818 • Bank of India Building, 5th floor, Bhadra, **Ahmedabad 380 001.** Phones: 350149/353647 • 107, Kubera Chambers, 1st floor, Dr. Rajendra Prasad Road, Opp Sancheti Hospital, **Pune 411 004.** Phone: 58856 • **Other Branches at:** Cochin, Visakhapatnam, Rajkot, Indore, Guwahati & Nagpur

The official dBASE III PLUS comes to India

Ashton-Tate. Setting the world standard in software.

In data base management systems, Ashton-Tate of USA is an acknowledged leader. And one of the top three PC software companies in the world.

With a wide range of software, including dBASE - the world standard in data base management software.

It's this range of superior software that's now available to you.

Through WIPRO, the exclusive distributors in India for Ashton-Tate packages.

dBASE III PLUS. Full-featured and fully legal

Till now, getting a dBASE III PLUS or any other Ashton-Tate package meant importing it or procuring it illegally, as pirated versions.

With all its consequences, including possible legal action.

Now, WIPRO brings you perfectly legal Ashton-Tate packages.

The complete product with all features and full support.

For instance, dBASE III PLUS from WIPRO is a full set of diskettes: 2 system disks, 2 administrative disks, a tutorial, a sample program and an application generator.

Compare this with what you normally get in a pirated version: 2 diskettes at the most?

Moreover, dBASE III PLUS comes to you with the original manuals, so you don't need any other book to refer to.

You get timely updates and upgradeability to dBASE IV at a nominal cost.

What's more, WIPRO offers you training. By personnel trained at Ashton-Tate, using course materials developed by Ashton-Tate.

dBASE III PLUS. The first of Ashton-Tate packages from WIPRO.

Since its introduction, dBASE III PLUS has revolutionised PC computing - by bringing the full power of relational data base management to the desktop PC.

Till date, the dBASE family of packages has sold over 1.5 million copies - accounting for a phenomenal 60% of the PC data base management system market worldwide.

Also introducing FRAMEWORK III.

FRAMEWORK III is an integrated spreadsheet-word processor-database package.

With a host of highly useful features: graphics, electronic mail and telecommunication facilities, and a programming language called Fred.

Its power and versatility lets you organise ideas and structure them, analyse numbers and graphs, communicate words and definitions.

Ashton-Tate software. WIPRO support.

WIPRO Systems Limited is the leading software company in India.

With a reputation for R&D, technical support and commitment to developing customer specific solutions that is matched by few computer companies in the country.

And with a marketing network that is as strong on customer support as it is in reaching products to 35 cities and towns.

It is this kind of professional ability that has made Ashton-Tate choose WIPRO as its Indian marketing partner.

So when you get any Ashton-Tate package, you're doubly assured.

Of the highly developed Ashton-Tate expertise.

And support from WIPRO you can rely on.

For REGD. USERS:
We will upgrade your dBASE III PLUS to dBASE IV at a nominal cost!

For more details, write to:

WIPRO SYSTEMS LIMITED

Basappa Complex 40 1A Lavelle Road
Bangalore 560 001 Phone: 566818 566918

WARNING: Using illegal software is a punishable offence.

HTA 8919

* dBASE III PLUS and FRAMEWORK III are the registered trademarks of Ashton-Tate.

MOBIKES

Riding the nostalgia wave

For a certain generation of motorbikers, the newer, trendy and utilitarian Japanese motorcycles — be it Honda, or Kawasaki, or Yamaha — hold no appeal. For them, the monsters of old — weighty and often difficult to handle, but unmatched for sheer power and vintage elegance. Any motorcycle enthusiast worth his salt would like to own a Norton or a Triumph or a Royal Enfield or a Harley Davidson — the higher the capacity the better, and preferably vintage.

In Western Europe, the US and Japan, motorcycle enthusiasts are once again turning to the old brand names — Royal Enfield, Triumph, Norton, Matchless and Harley Davidson. The result is the emergence of a "class" market. "This wave of nostalgia for the old started in the early eighties, as a reaction to the trendy, flashy, utilitarian motorbikes popularised by the Japanese manufacturers," explains C. Sarat Chandran, general manager for international operations, Enfield India Ltd. The company is currently trying to take a segment of this market by playing on nostalgia.

Enfield Bullet: cashing in on the classic wave

STUDY TEAM

Prodded by a dull market at home, the company had decided to go in for exports in 1985. A study team was sent to the UK and Germany, and it recommended an attempt to cash in on the classic wave, especially since Enfield India originally had a collaboration agreement with the UK company. In the last one year, the company made exports worth Rs.30 lakhs, taking the total exports of two wheelers to Rs.2 crores.

"The response has been tremendous," claims Chandran especialy because almost all the old motorcycle manufacturers, including Royal Enfield, had downed their shutters between 1960 and the late seventies. Several factors influenced these closures. First, the younger generation showed a preference for the more speed oriented utility motorbikes. Second, registration rates are higher for the classics because they are heavier and costlier; insurance premiums are also higher. Third, with an improvement in standards of living, more people began to opt for cars.

The fortunes of most of the well known motorcycle companies began to nosedive. BMW is probably the only survivor from this pack and it had to make many product innovations in order to stay in the race.

However, with the revival of interest, Norton and Triumph have reopened their factories. "But the possibility of more factories being reopened is remote due to the small size of the market", says Chandran.

The main target user group is in the 40 plus age range; manufacturers are however trying to rope in the youngsters. In the meantime, users of these motorbikes have formed clubs. Enfield clubs as well as clubs for owners of Norton and Harley Davidson have been formed in the UK, US, France and West Germany. "A lot of these members own the 'original' bikes, go picknicking together and use the club as a forum for exchanging views about their machines. Specialised classic bike magazines have also been launched. When Enfield reintroduced its Bullet in the UK, it received a lot of free publicity from these magazines, which viewed it as an exciting development," says Chandran.

SPECIALISED SEGMENT

The classic bike market, therefore, has become a specialised segment, as opposed to the mass market represented by the utility bikes. The distributors and channels are different for these bikes in the UK. Enfield India, for instance, operates through a concessionaire who distributes the bikes through 20 outlets which deal exclusively in classic bikes. "The margins are higher compared to conventional bikes, since these have become collector's items," says Chandran. Although the utility bikes are technologically superior, the classic bikes are rugged, reliable and are more easily repaired. The interest in Bullets in the West is proved in some measure by the fact that Enfield's office on Anna Salai, Madras, is frequently visited by foreigners with enquiries. "Almost 200 to 300 Bullets are sold annually to foreigners buying in India," the company claims. Almost 100 enquiries have been received from Japan. In addition an American company, Moto America Intercorp, has evinced interest in importing Bullets to the US. Says a company official, "The real growth will come when Enfield enters the US market. If homogenisation clearances are received, this will happen in 1989."

Enfield is planning to introduce a 500 cc model of the Bullet for the export market shortly. With this, it then expects a larger market to unfold.

■ DHARANI K. PANI

asci

ADMINISTRATIVE STAFF COLLEGE OF INDIA

announces the following programmes

CORPORATE FINANCIAL STRATEGY AND PLANNING
(January 23 to 28, 1989)

Eligibility: Top level and Senior Finance Managers and Accounts Executives - Vice Presidents (Finance), Directors (Finance), General Managers (Finance), Financial Controllers, General Managers (Corporate Planning) from Industrial and Commercial organisations in public and private sectors and also Senior Executives of Development and Commercial Banks specialising in corporate financing.

Programme Director
Prof. V E Ramamoorthy

Last date for nomination
December 23, 1988

PROJECT MANAGEMENT
(January 23 to February 4, 1989)

Eligibility: Senior Executives involved in project execution and co-ordination, also executives in corporate planning, diversification, marketing and finance, executives responsible for project implementation in Financial Institutions, State Planning Boards, Research and Development Agencies and Construction Industries.

Course Director
S Sridhar

Last date for nomination
December 23, 1988

TEAM BUILDING AND CONFLICT MANAGEMENT
(February 6 to 18, 1989)

Eligibility: Senior and Middle level executives of Public and Private Sector Organisations, Financial Institutions and Government Departments.

Programme Director
Dr. I G Kannan

Last date for nomination
January 6, 1989

MANAGEMENT INFORMATION SYSTEMS
(February 27 to March 4, 1989)

Eligibility: This programme is designed primarily for (i) Senior and middle level executives who seek a concentrated programme to increase their effectiveness in using Decision Support Systems as also to improve their ability to guide and use the advanced information systems and (ii) Professionals in the MIS and computer functions who seek a comprehensive view of the economic management in applying information technology.

Programme Director
Ms. Nirmala Hindupur

Last date for nomination
January 27, 1989

MANAGEMENT OF R & D SYSTEMS
(February 27 to March 4, 1989)

Eligibility: Directors/Managers of 'R & D' Units; Senior Scientists from Industry, Central and State Government Departments and National Laboratories.

Course Director
Dr. A S Ramasastry

Last date for nomination
January 27, 1989

Organisational sponsorship is essential

For brochures, nomination form and fee particulars, please write to:

Programmes Officer

Administrative Staff College of India
Bella Vista, Hyderabad-500 049
Phone: 36952/56 Extn. 247
Grams: BELLAVISTA
Telex: HYD 0425-6390

ASCI: The College for Practising Managers

TELEPHONES

Ringing out the old, buzzing in the new

Alexander Graham Bell may have invented the telephone but it is doubtful whether he would be able to recognise one of today's instruments. Telephones have changed drastically in shape, appearance and circuitry. The latest entry is the DTMF or the dual tone multi frequency telephone which is light years ahead of the old rotary dial type.

Push-button telephones (PBTs) entered the market on a large scale last year when the government okayed technology transfers from Siemens AG (West Germany), Ericsson (Sweden), and ITT of Italy. The Siemens design was picked up by Set Telecommunications, Bharati Telecomm, GECL, L'avenier, Crompton Greaves, etc. Swede (India), Rajasthan Telephones, United Telecommunications and Punwire were the major companies which opted for Ericsson's technology. ITI chose the Italian design.

PBTs are of two types — with decadic pulse dialling and DTMF dialling. DTMFs have certain advantages over the decadic pulse type telephones — they are faster, more efficient and cheaper. The DTMF costs Rs.1,037 whereas the decadic pulse type costs Rs.1,080, according to Mahanagar Telephone Nigam figures. MTNL has already installed about 50,000-60,000 DTMFs in Bombay and Delhi, with plans to install another 100,000 instruments.

LINE-BREAKING CIRCUIT

To understand the advantages of the DTMF, it is necessary to take a look at how the old rotary dial telephone works. What happens when, say, Anant calls up Madhavan on the telephone? In a rotary dial instrument, each time he picks a digit of the telephone number and rotates the dial, the dial moves back and activates a line-breaking circuit. The line-breaking circuit has a tiny mechanical switch which breaks the current in the circuit a certain number of times — if a '1' is dialled the circuit breaks once, if a '2' is dialled the circuit breaks twice, if a '0' is dialled the circuit breaks 10 times, etc. Because there are a maximum of ten breaks, this type of dialling is called decadic pulse type dialling.

The exchange picks up these pulses on the line and decodes them. The first two or three digits identify the area exchange and the rest of the digits correlate to the called party's instrument. When Madhavan lifts the handset, a physical link is established between his telephone and Anant's.

"Hello," says Anant. The transmitter in his handset picks up the sound waves and a diaphragm in it starts vibrating at a frequency that varies with the tone of his voice. These sound signals are converted to electrical signals which are sent over the line to Madhavan's receiver. There, the electrical signals are converted back to sound waves for Madhavan to hear.

The rotary dial instruments are now being pushed out of the scene by the sleek, silent push-button telephones. These use ICs and printed circuit boards and are easier to repair.

The decadic pulse type of PBT is only a sophisticated version of the rotary dial type. Inside, a dialler IC stores each digit as it is punched and transmits it to the exchange, using a line-breaking circuit. The decadic pulse PBT differs from the rotary dial type in that the number has to be stored because the user punches the digits faster than they can be sent to the exchange. But the time taken for the exchange to receive all the pulses is the same as in the rotary dial type.

Light years ahead of old rotary dial tyre

ADVANTAGES OF DTMFS

Here is where the advantage of the DTMF lies. The DTMF transmits the number to the exchange by a succession of tones rather than pulses. For each digit pressed, the dialler IC generates two signals with different frequencies. For example, to identify the digit '1' it uses a combination of 697 Hz and 1,209 Hz signals. These two frequencies or tones are sent to the exchange. As the combination of tones is fixed for each digit, the exchange can decode the signals and identify the number.

Says P.R. Kalyankrishnan of the consultancy firm, Digital Controls and Systems, "The DTMF is much faster. There is no time gap between punching the number and getting the connection. The tones are generated instantaneously whereas in the line-breaking circuit a certain number of pulses have to be generated. Second, the make-or-break circuitry in decadic pulse dialling circuits is not very efficient. Quite often, the correct number of pulses is not generated resulting in a wrong connection. This never happens in DTMFs. Third, the frequencies used in DTMF fall in the voice-grade band and the strength of the signals is not diminished even when transmitted over long distances. Pulses, on the other hand, use frequencies which do not fall in the voice-grade band of the transmission line. They tend to get distorted and are not easily identifiable."

But despite all these advantages it may be quite some time before DTMF telephones totally phase out the rotary dial instruments. The reason is that DTMF telephones can be used only with electronic exchanges. Most of the existing telephone exchanges are of the crossbar and strowger type which can identify only pulses on the line. So, until the old exchanges are replaced by electronic exchanges, we are going to see a lot more of the old telephones.

■ GAYATRI BHANDARKAR

Announcing the MMA Annual Convention

"Competitiveness of India in global markets" is the theme of this year's convention, which will be held on Dec. 16 & 17, 1988. The subjects and speakers are:

ANNUAL CONVENTION 1988

Welcome & Introduction	**Mr. N Kumar,** President, MMA
Strategy Imperatives for Indian Industry for International Competitiveness	**Mr. Suresh Krishna,** Chairman & Managing Director, Sundram Fasteners **Mr. Viren J Shah,** Chairman & Managing Director, Mukand Iron & Steel Works Ltd. **Mr. N Vaghul,** Chairman & Managing Director, The Industrial Credit & Investment Corporation of India Ltd.
International Competitiveness Strategies — Conceptual Aspects Related to Indian Context	**Dr. K M Thiagarajan,** Managing Director, Loyal Textile Mills Ltd. **Mr. Partha S Ghosh,** Principal, McKinsey & Company, Inc.Japan **Dr. C K Prahalad,** Professor, Corporate Strategy, The University of Michigan, U.S.A.
Indian Companies' Experiences in Relation to International Competitiveness	**Mr. V Narayanan,** Chairman & Managing Director, Pond's (India) Ltd. **Mr. Arun Maira,** Executive Director, Tata Engineering & Locomotive Co. Ltd. **Mr. Keshav Prasad,** Vice President, The East India Hotels Ltd. **Ms. Lila F Poonawalla,** Managing Director, Alfa Laval (India) Ltd.

For further details, write to:
Wing Commander (Retd) V. Ramadurai, Executive Director

MMA **Madras Management Association**
69, Nungambakkam High Road
Madras 600 034 Phone: 475800, 478311

3-day Educational Program on

STRATEGIC MARKETING

Based on

STRATEGIC MARKETING MANAGEMENT PROGRAM OF HARVARD BUSINESS SCHOOL

Offered By

Prof. KASH RANGAN of Harvard Business School
with support from
Dr. Manesh Shrikant, DBA (Harvard) and others.
For senior managers in Consumer and Industrial sectors.

Content : Product Policy, Channel Management, Market Segmentation, Pricing, Consumer Behaviour

Venue : The Taj Mahal Hotel, BOMBAY
Date : January 5-7, 1989.
Fees : Rs. 5,000/- per participant (Non-Residential)

Organised by BHARTIYA VIDYA BHAVAN'S
S P JAIN INSTITUTE OF MANAGEMENT & RESEARCH
Munshi Nagar, Andheri (West) BOMBAY - 400 058.

Nominations/Enquiries be sent to:
The Program Co-ordinator at the above address. Tel: 6287454 / 6280396

ATENTS

Saying no to the Paris Convention

ow far will the Americans go with imosing trade sanctions against India if ie latter does not succumb to pressure nd refuses to amend its Patents Act of 970? Will they restrict the flow of high echnology to India, put up a high tariff all and even ban the import of Indian oods?

The US has for long regarded certain rovisions of the Indian Patent Act of 970 as grossly unfair trade practice. One ection of the US Omnibus Trade Cometitiveness Act of 1988 aims at unfair rade practice and gives the President the ight, called the retaliatory authority, to ake the necessary and appropriate acion to overcome, fix and get rid of it. The rovisions are designed, according to Alen Moore, US under-secretary for comherce for international trade, to make it arder for the President to choose not to etaliate.

DEVELOPING COUNTRIES OPPOSE

t has been estimated that the US loses bout $ 50 billion a year because of patnt violations across the world; by no neans a small amount for a country running an annual trade deficit of around 150 billion dollars. Though the violation of US patents is not as blatant in India as n East Asia and Latin America, we, along vith Brazil, have been in the forefront of he opposition to the international conention on patents called the Paris Conention. Any attempts to modify the onvention to meet the needs of developng countries have been consistently sabotaged by the developed world. It has been revised only six times in 100 years.

Pressure to amend the Indian Patent Act of 1970 has been on ever since it came into being. But the latest round of drum beating and war cries in the US has, as a secretary to the government of India put it, scared not only a section of the bureaucracy, but has split Indian industry and business as well as the scientific community. And this is due, to a significant extent, to a statement that Rajiv Gandhi made while presenting the Shanti Swarup Bhatnagar awards to scientists in 1987: Indian effort at import substitution in technology has been "one of the biggest mistakes", he said.

In 1985, Rajiv Gandhi opened the Pandora's box during the Gandhi-Reagan science and technology initiative between the two countries by agreeing to "consider the question of providing for protection and allocation, on a mutually agreeable basis, of any intellectual property rights arising out of the STI programme". To this end, the two governments decided to undertake bilateral discussions with appropriate representatives. A senior official in the prime minister's secretariat felt that "if the US wants to impose trade sanctions on this issue, we ought to be able to say that we are willing to negotiate. We cannot be caught in a position where we have to insist that there is no room for discussion".

INDIAN INTERESTS PARAMOUNT

Most of the secretaries are now refusing to take a public stand on the matter. However, they concede off-the-record that India's interests should be paramount and not bartered away in the name of vague American promises of massive induction of high technology if the Indian Patent Act is amended in line with the Paris Convention. Only Sam Pitroda, adviser, technology missions, said categorically, "Those who are for signing the Paris Convention do not understand the implications because so far no analyses have been made. I respect intellectual property and am not for stealing it. However, we are as yet not prepared for it. Are we in a position to join the club of highly developed nations? We need time, about ten years. Slowly, we must get in that direction in a phased manner."

The industries that would be worst affected if India were to accede to the Paris Convention would be pharmaceuticals and chemicals. Areas like biotechnology would also face the adverse impact of the activities of international monopolists. As V.B. Lal, deputy adviser for technology utilisation in the Council for Scientific and Industrial Research (CSIR), puts it, "The Americans will soon be marketing new seeds and asking for patents." The official stand of the Federation of Indian Chambers of Commerce and Industry (FICCI) is that "the Indian Patent Act

"Medical discoveries must be free of patents"

provides sufficient protection and we are not seeking any amendment". Insiders point out , however, that some industrialists are ready to believe that the floodgates of US technologies will be thrown open to Indians once our patent laws are amended.

The Indian Patent Act says: "Patents are granted to encourage inventions and to secure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practical without undue delay; and that they are not granted merely to enable patents to enjoy a monopoly for the importation of the patented article."

FEATURES OF INDIAN PATENT ACT

Significantly, the Act draws no distinction between Indian and foreign nationals in respect of entitlements to patents and affords equal rights to both. It specifies certain inventions (eg, those relating to atomic energy) as non-patentable. For certain substances, which can be used as food, medicine or drugs, or are produced through chemical processes, no patent is granted for the substances themselves; only the methods or processes of manufacture are patentable. The normal term granted for all patents is 14 years. In the case of manufacturing processes of substances used, or capable of being used, as food, medicine or drug, the term is five years from the date of filing the application or sealing it, whichever is shorter. The Act has the same powers against the government as against any other agency. It provides for judicial relief in the case of infringement of a patent and the courts, in such situations, would grant an injunction as well as either damages or an account of the profit. In short, the Act strikes a balance between the interests of the inventor and those of the consumer.

However, the Americans have found certain provisions, like compulsory licensing, duration, process patents and use by government in public interest, as "extremely detrimental" to their interests, and "major irritants in the way of greater involvement in the growth of Indian business and industry". Robert Pines, the US deputy assistant secretary of commerce, who is reported to have met almost all the Indian secretaries of the relevant economic ministries to argue out the American case, in his meeting with the Confederation of Engineering Industry (CEI) on 15 November, listed inadequate patent and trademark protection in India as one of the key irritants for American businessmen.

Compulsory licensing is a provision that is invoked "if the reasonable requirements of the public with respect to the patented invention have not been satisfied or if the patented invention is not available to the public at a reasonable price". The Americans insist that this provision is not only a deterrent to registration of patents and transfer of technology to India but also that it amounts to confiscation of the patent.

Several countries like France, the UK, Switzerland, Sweden, Israel and Greece have this provision in their legislation. However, it has been rarely used. UN studies have found that in various periods ranging from 1910 to 1963, no more than 101 applications for compulsory licences from 19 countries were received. This totalled less than 0.01 per cent of the total number of patents issued. In India, there has not been a single instance of the government revoking a patent under the provision. In any case, all legislations provide for compensation to the patent holder after taking into account "the nature of the invention, the expenditure incurred by the patent holder in making the invention, in obtaining the patent and keeping it in force and all other relevant factors".

ORIGINAL IDEA

The idea of patenting processes rather than products comes from the German patent law of 1877, which said that the grant of a patent for a chemical product per se had a deadening effect on research since it precluded attempts to arrive at the same product by other alternative processes. The German example was followed by Austria, Brazil, Holland, Hungary, Japan, Mexico, Norway, Poland and the Soviet Union. A switch-over to the product patent law at the current stage of India's development would stunt R&D efforts in the country.

As for the provision for use and acquisition of a patent by the government, first, the patent holder has the right to be compensated. Second, if there is dispute — about either the government's right to use the patent or the compensation payable — the matter is to be judicially decided by the high courts. Also, either party can refer the dispute for a decision. Here again, these provisions merely exist and have never been invoked.

Alarmed by the American pressure, and the signals from the prime minister's office, a section of the 'swadeshi' pharmaceutical industry has sponsored a national working group on patent laws to lobby for a status quo. Also, there are strong reservations about joining the Paris Convention. According to Krishna Iyer, former Supreme Court judge, "an unholy alliance is emerging between a group in the Paris Convention and GATT which says, 'Concede or face sanctions'. India, he says, must not succumb to this.

JUDGES NOT IN FAVOUR

According to Rajeev Dhavan of the Public Interest Legal Support and Research Centre, the Convention "will ensure the patentee guaranteed markets for a substantial period of time, in countries where he does not have to spend a single paisa for manufacturing a product". Legal opinion is strongly against acceding to the Convention. Four former justices of the Supreme Court, Y.B. Chandrachud, M. Hidayatullah, J.C. Shah and V.R. Krishna Iyer, who are known to have differed in the past over several issues, have unanimously disfavoured it. In fact, Shah has opined that joining the Convention would be legally impermissible because it is in violation of the directive principles of state policy enshrined in Article 39 of the Constitution of India.

The Science Advisory Council to the prime minister has opined that there is "no real need at the present juncture to join the Paris Convention before certain detailed studies are completed". It is also argued by the opponents of the Convention that non-accession to it has in no way hindered the induction of technology into India because the number of foreign collaborations approved per year has increased from 183 in 1978 to 957 in 1986.

Opponents of the Convention argue that India has reached a stage of economic development where it may soon become a major exporter of technology to the Third World and even the developed nations. This, according to them, has been possible only because of the protection afforded by the Indian Patents Act of 1970. The advantage gained over the past 18 years should not be frittered away by buckling to American pressures.

As the late Indira Gandhi had said at the 34th session of the world health assembly, "My idea of a better-ordered world is one in which medical discoveries would be free of patents and there will be no profiteering from life or death."

■ ANOOP SAXENA

An International Hotel that values guests as individuals.

Ramada Inn Palm Grove, Bombay

Aloke? Me again!
Had a great day. The hotel is most conveniently located. Near the airport ... very close to the factory site. The deal's been finalised ...

It was a good idea to select the Ramada Inn Palm Grove. Beautiful room, excellent service ... everyone is so pleasant and helpful.

Me? I'm going to the Health Club first thing tomorrow morning. Why don't you join me there? It's a great place to start the day.

Yes, I agree, this is a really good 5-star hotel at most affordable tariffs.

I'll be flying in often. And staying here everytime ... for sure ...

Ramada Inn Palm Grove
Juhu Beach, Bombay 400 049.
Phone: 6149361.
Telex: 011-71419 PALM IN
Cable: PALMFRONDS.

RAMADA®
INTERNATIONAL HOTELS

—NEXT TIME, RAMADA®—

RATAN BATRA RIPG 87C-3

REDEFINING SERVICE STANDARDS, FOR A VERY IMPORTANT REASON.

THIS.

We believe in establishing a lasting, one-to-one relationship with all our clients that is far deeper than what the canons of business dictate a normal business relationship should be. A friendship based on unreserved respect. Unqualified commitment. And unstinting service. For our staff, it means meeting the toughest deadlines — not by taking short cuts, but by working longer hours. It means offering well considered advice, and need-specific solutions. ***At Khimline, we try harder to get into our customers' minds, which is why we now enjoy a place in their hearts.***

Khimline®

THE FRIENDLIER COMPANY TO DEAL WITH.

A Joint Venture with **SULZER**

For more information contact
KHIMLINE PUMPS LTD.
Kolshet Road, Thane, Maharashtra 400 607 INDIA. Ph. 501361 (Three Lines) Telex 011-72137 Grams 'KHIMLINE' THANE. Fax: 202-3419
Branches at BOMBAY, BARODA, CALCUTTA, MADRAS, NEW DELHI

AS

Collaboration with Texas Air

SAS is making a $ 100 million investment n Texas Air and is also collaborating with that airline on routing and reservaions for the domestic American market. Texas Air, together with its subsidiaries, Continental Airlines and Eastern Airlines s among the largest domestic carriers in North America. It will now offer SAS passengers direct linkage to a number of points in the continental US. SAS is seeking to increase its presence on the American continent also through acquisition of a 40 per cent shareholding in Aerolinas Argentinas.

PRICE WATERHOUSE

Possibility of outside capital

The new chairman of Price Waterhouse worldwide, Joseph Connor, has indicated that his firm will need to raise outside capital if it is to compete with other financial service organisations. So far, because of the partnership structure of accountancy firms, it has not been possible for them to raise capital from non-accountant investors. However, the European Community regulations have now been amended to allow accountancy practices to sell 49 per cent of their shares to outsiders. In the UK, it is expected that by 1990, accountancy firms will be allowed to sell up to 25 per cent of their shares to outsiders.

RENAULT

French dispute with European Commission

The French government plans to write off 12 billion francs (Rs.2,500 crores) of state loans to the nationalised car company, Renault. The debt write-off and the injection of a further 20 billion francs of state funds into the company is being closely scrutinised by the European Commission to ensure that it does not give Renault an unfair competitive advantage over other European car manufacturers.

Earlier a British government plan for a debt write-off for the state-owned Rover car company also ran into opposition from the European Commission. The French government's move to bail out the nationalised Renault is also facing severe criticism from the private sector car manufacturer, Peugot, which argues that the massive state aid to Renault will distort competition not only in the European market but even in the domestic French market.

SANTORI

Tie-up with Allied Lyons

Japan's biggest liquor company, Santori, has entered into a share swap and joint marketing agreement with Allied Lyons of UK. Santori will be investing $ 150 million in Allied Lyons and Allied Lyons will be investing 6 billion yen in Santori. A joint marketing company called Santori Allied Lyons will import and distribute in Japan Allied Lyons liquor brands like Teachers, Ballantyne, Canadian Club and Courvoisier.

FIRST BOSTON

Merger with Credit Suisse First Boston

The Wall Street investment bank, First Boston, is being merged in its European offshoot Credit Suisse First Boston. Company sources say that with the growing internationalisation of the world's capital markets, the previous rationale of First Boston handling American business and CSFB handling European business is not relevant any more. As part of the restructuring process, the Saudi Arabian billionaire, Suleiman Ollayan, will be taking a 30 per cent equity stake in the merged company.

R.J.R. NABISCO

Biggest ever leveraged buy-out

Wall Street has been stunned by two enormous leveraged buy-out bids for R.J.R. Nabisco, the leading American tobacco and foods group. The group's tobacco division, R.J. Reynolds, makes Winston cigarettes while Nabisco division includes biscuits like Ritz, Oreo, Huntley and Palmers, and Peek Freans.

Of the two leveraged buy-outs, each of which is in the region of $ 20 billion, one is from the management led by company chairman Ross Johnson, backed by the Wall Street firm Shearson Lehman Hutton. Arrayed against them is a leveraged buy-out bid by the Wall Street specialist, Kohlberg Kravis Roberts. KKR is backed by Wall Street heavyweights, Morgan Stanley, Merrill Lynch and Drexel Burnham Lambert.

PHILIP MORRIS

Bid for Kraft Cheese

The US tobacco company, Philip Morris, manufacturer of Marlboro cigarettes, is planning to extend its food interests through a $ 11 billion takeover bid for Kraft Cheese, Philip Morris already has a very large presence in the food industry after its takeover of the leading food company, General Foods, which produces Maxwell House Coffee and Miller beer.

Kraft is opposing the bid and is seeking to implement a poison pill recapitalisation plan which will make the company much more difficult to acquire.

HOOVER

Takeover by Maytag

The leading vacuum cleaner manufacturer, Hoover, is being acquired by rival home appliance producer, Maytag, in a $ 1 billion transaction. The combined group would have sales in excess of $ 3 billion per annum and is expected to be a leader in the world appliance market. Earlier Maytag had taken over the Magic Chef group which is also a leading manufacturer of home appliances.

LLOYDS BANK

Link with Abbey Life

Lloyds Bank is hiving off its insurance and retail financial services division to the leading UK insurance company, Abbey Life. The consideration is the issue of 380 million new Abbey Life shares to Lloyds Bank which will give the bank a 58 per cent holding in Abbey Life. Following this, the insurance company is being renamed Lloyds Abbey.

■ ABHIJIT SEN

When the going gets hot, keep your engine cool.

The rigours of peak hour traffic place a heavy burden on your engine. That's when you need high performance VEEDOL lubricants to keep your car cool... even if you lose yours.

TIDE WATER OIL CO. (INDIA) LTD.
CALCUTTA ■ BOMBAY ■ DELHI ■ MADRAS

Performance Oils. Nothing less.

ARMS-TW-V-19-REV

At more than 3 MIPS Aurelec's 20 MHz 2AT6-XL surpasses all AT's

Aurelec Data Processing Systems announces the fastest ever **AT**, the **2AT6-XL**, which at 20 MHz outperforms even an **80386** based system running at 16 MHz, or offers performance equivalent to a **3AT6** running at 20 MHz! It is impossible to ignore such outstanding performance, even in a confusing computer market where vendors emphasise price over quality, performance and technical support. The **2AT6-XL** is so powerful that Mainframe terminology is required to describe its power: the **2AT6-XL** offers **3.24 MIPS** (Million Instructions per Second) at an unbeatable price. No wonder **Aurelec** has sold, simply by word of mouth, more than 75 **2AT6-XL** systems even before its formal announcement. The perceptive buyers know that the time saved more than pays for this speedier computer.

The **2AT6-XL** offers you much more computer for just a little more cost. You get **Hercules** and **CGA Graphics, 1.2 MB 5-¼" or 1.44 MB 3.5" Drives, Enhanced 101-key keyboard, LIM-EMS 4.0 and OS/2 support, 3.24 MIPS performance**, and the best price/performance ratio ever offered on a microcomputer. Further, the **2AT6-XL** accompanies you in your growth path with its guaranteed **SUPERLAN** connectivity. **SUPERLAN** is the time proven, high performance multi-user Local Area Network on which hundreds of **Aurelec** computers are running all over the country, at a wide variety of prestigious locations.

The **2AT6-XL** is the ultimate result of the latest in computer technology.

Technical details are very important, but there is also an equally important question of back-up service. When you buy **Aurelec** products, you also buy into the finest computer back-up service network in South India, where **Aurelec** has more branch offices/service centres than any other computer manufacturer.

Aurelec **2AT6-XL: Naturally outstanding**

aurelec
data processing systems

Archana Centre, 29 Mount Road
Madras 600 015
Tel: 418051 Telex: 041-21008 ADPS IN

ZENITH aurelec

AURELEC DATA PROCESSING SYSTEMS, AUROVILLE: (0413) 25855 • CALICUT: 60936 (PP) • COCHIN: 361960 • COIMBATORE: 22085 • MADRAS: 418051 • MADURAI: 35858 • PONDICHERRY: 24853 • TRICHY: 33266 • DEALERS: INFONET SERVICES, COIMBATORE: 24332 PP • COLT COMPUTER CENTRE (P) LTD., MADRAS: 472089 • THE COMPUTER SHOPPE, MADRAS: 447539 • EASO JOHN & ASSOC., MADRAS: 451236 • MICROHOUSE COMPUTER SYSTEMS, MADRAS: 459129 • PC INDIA, MADRAS: 867029 • ALPHA COMPUTER SYSTEMS, PONDICHERRY: 25177 • LAN COMPUTER MART, TRICHY: 27111 • ZENITH COMPUTERS LTD., BOMBAY: 6360304 • AHMEDABAD: 464810 • BANGALORE: 76548 • CALCUTTA: 483561 • HYDERABAD: 66102 • NEW DELHI: 3712756 • PUNE: 43044 • GOA: 7581

Bajaj Auto

Equity doubles after bonus issue; dividend halved; sales and profit lower; new products to be launched

The company has recommended a dividend of 40 per cent on enhanced capital after a bonus issue in the ratio of 1:1. Last year it had recommended a dividend of 80 per cent on a pre-bonus capital. The dividend outgo remains the same at Rs.7.53 crores because the new shares allotted will also rank for full dividend. The company has subdivided its Rs.100 (face value) paid-up equity shares into 10 shares of Rs.10 each.

The company's working during the year was adversely affected by a seven-month strike at its Waluj (Aurangabad) factory. Consequently, sales have fallen by 12 per cent to Rs.507.78 crores (previous year: Rs.575.28 crores). Due to the higher cost of raw materials and other inputs the operating profit slumped to Rs.29.53 crores (Rs.96.62 crores), a decrease of 25 per cent. The company paid interest of Rs.17.70 crores (Rs.16.22 crores). The gross profit is down by 30 per cent at Rs.78.92 crores (Rs.13.31 crores). The provision for depreciation went up to Rs.42.68 crores (Rs.27.76 crores). After provision for taxation of Rs.7 crores (Rs.21 crores), the net profit dropped by more than 50 per cent.

The company's production of 2- and 3-wheelers was lower at 510,635 (601,091). The installed capacity is 620,000. During the year, the company purchased 7,906 Priya Scooters (3,805). The company is awaiting government clearance to enhance the capacity of its Waluj factory from 300,000 to 1,000,000. The Kawasaki Bajaj KB-100 motorcycle was launched in February 1988 and reports indicate that it has been well received. The company proposes to launch three new 2-wheeler models during 1989.

The company's Waluj plant commenced its normal operations after the management and workers signed a settlement valid until December 1991. During the year, the company built a track for testing vehicles under road conditions. Two technical assistance agreements with foreign companies were also signed. Both these collaborations provide for technical knowhow transfers and will not involve any significant import of CKD packs or components. The company has imported and installed a VAX-8800 mainframe computer system at its Akurdi (Pune) plant. This will enable the company to further computerise its various operations, and provide speedier flow of information leading to improved efficiency.

The average sale price per scooter rose to Rs.9,420 from Rs.9,099 and the average cost price rose to Rs.7,505 from Rs.7,060. The raw material cost as a percentage of sales was 50 per cent compared to 47 per cent. The cost of raw materials such as ferrous and non-ferrous metals increased from Rs.34,250 per tonne to Rs.38,885 per tonne. The total foreign exchange earned by the company was Rs.50.54 crores.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
GROSS SALES	507.78	575.28
OTHER INCOME	45.05	32.45
OPERATING PROFIT	96.62	129.53
INTEREST	17.70	16.22
GROSS PROFIT	78.92	113.31
DEPRECIATION	42.68	27.76
TAXATION	7.00	21.00
NET PROFIT	29.24	64.55
CASH PROFIT	71.92	92.31
EQUITY	18.81	9.40
RESERVES & SURPLUS	195.82	184.40
GROSS BLOCK	387.11	312.29
INVESTMENTS	43.70	49.14
EPS (%)	155	687
DIVIDEND (%)	40	80
MARKET PRICE (Rs)		
CURRENT	412.50	
1988: HIGH	585.00	
LOW	182.00	

Hind Cocoa

Lower dividend; marginal increase in sales; fall in operating and net profits; equity doubled; work on new project commences

The company recommended a dividend of 20 per cent on an enhanced capital of Rs.8.40 crores, arising after a bonus issue in the ratio of 1:1. Last year it paid a dividend of 30 per cent. The company's sales stood at Rs.73.70 crores (previous year: Rs.73.42 crores). The company's results were adversely affected due to inadequate monsoons in many parts of the country. There was a substantial drop in the growth of the chocolate market. Hence operating profits were 10 per cent lower than the previous year at Rs.10.53 crores (Rs.11.75 crores). Net profit was lower by 16 per cent at Rs.3.74 crores (Rs.4.46 crores), due to higher interest of Rs.1.69 crores (Rs.1.48 crores). The provision for taxation was lower at Rs.3.40 crores (Rs.4.10 crores). The company's equity has increased from Rs.4.20 crores to Rs.8.40 crores due to 1:1 bonus shares allotted in April 1988. The reserves of the company stood reduced at Rs.9.69 crores (Rs.11.67 crores).

		(Rs crores)
Year ended 30 June	**1988**	**1987**
GROSS SALES	73.20	73.42
OPERATING PROFIT	10.53	11.75
INTEREST	1.69	1.48
GROSS PROFIT	8.84	10.27
DEPRECIATION	1.70	1.71
TAXATION	3.40	4.10
NET PROFIT	3.74	4.46
CASH PROFIT	5.44	6.17
EQUITY	8.40	4.20
RESERVES & SURPLUS	9.69	11.67
GROSS BLOCK	22.20	18.90
CAPITAL WORK IN PROGRESS	3.60	2.94
EPS (%)	45	106
DIVIDEND (%)	20	30
MARKET PRICE (Rs)		
CURRENT	122.00	
1988: HIGH	215.00	
LOW	67.00	

Chocolate continues to be the company's main product and accounted for 64 per cent of sales. Malted food, viz Bournvita, accounted for 30 per cent of the total sales. During the year there was considerable new product activity. In the chocolate group the company launched Crackle, Orange, Strawberry Krisp, Mello and Wildlife Bar. Choc-O-Cheer, a food drink, was launched and is believed to be doing reasonably well. The company entered biscuits markets with the launch of Cadbury Cookies and Milky Bite Biscuits. The company is planning to enter the lucrative ice cream business in the summer of 1989. The plant is likely to be located in Hyderabad.

In addition to the two factories in Thane and Pune, the company has been granted the necessary permission to set up a factory at Malarpur in Madhya Pradesh. Work on the project has commenced and commercial production is expected to begin by mid-1989. The price of cocoa beans, a major input, increased from Rs.29,435 to Rs.31,045 per tonne during the year. The company launched a "Grow More Cocoa" campaign in the four south-

n states. This is expected to help the mpany obtain a regular supply of this tical raw material at reasonable prices.

iturgia Biochemicals

igher dividend; equity reduced substan· ılly; slight increase in sales and net ofit

he company has declared a dividend of 5 per cent for the year ended March 1988 previous year: 22 per cent). The divi- end is paid on an equity capital of s.3.38 crores, whereas in the previous ear it was on an equity of Rs.5.25 crores. The reduced capital came about after he RBI approved the cancellation of the quity share capital held by the overseas artner, John & E Sturge Ltd of UK, for a otal consideration of Rs.4.86 crores. turge's entire shareholding of 1,868,735 quity shares (Rs.10 face value + Rs.16 remium) has been repaid from the quity and reserves of the company. As a esult of this the earning per share is igher at 87 per cent (46 per cent).

The company registered sales of Rs.24.58 crores, a 10 per cent increase over the previous year. The company has made an operating profit of Rs.6.88 crores (Rs.6.29 crores). After depreciation of Rs.1.74 crores (Rs.1.68 crores) and taxation of Rs.1.45 crores (Rs.1.40 crores), the net profit is Rs.2.93 crores (Rs.2.43 crores), a growth of 21 per cent.

The production of citric acid was higher at 3,783 tonnes compared with 3,414 tonnes in the previous year because of the favourable market trend throughout the year. The plant ran at 81 per cent of its installed capacity of 4,650 tonnes. The average selling price was Rs.36,445 per tonne (Rs.35,255 per tonne). The company's calcium carbonate plant ran at 76 per cent of its installed capacity of 35,000 tonnes per annum. The average selling price for the year was Rs.3,865 per tonne (Rs.3,470 per tonne).

The company is planning to modernise its citric acid plant for the optimum utilisation of its registered capacity of 5,000 tonnes a year. The company is also modernising and revamping its calcium carbonate plant at Rishikesh (UP). Moreover, the company has successfully commissioned an anaerobic effluent treatment plant to treat the effluents from its citric acid plant at Surat.

(Rs. crores)

Year ended 31 March	1988	1987
GROSS SALES	24.58	22.41
OTHER INCOME	0.44	0.37
OPERATING PROFIT	6.88	6.29
DEPRECIATION	1.74	1.68
TAX	1.45	1.40
NET PROFIT	2.93	2.43
CASH PROFIT	4.67	4.11
EQUITY CAPITAL	3.38	5.25
RESERVES & SURPLUS	5.02	6.27
GROSS BLOCK	22.90	19.46
TOTAL CAPITAL EMPLOYED	18.61	16.07
EPS (%)	87.00	46.00
DIVIDEND (%)	35.00	22.00
MARKET PRICE (Rs)		
CURRENT	107.50	
1988: HIGH	120.00	
LOW	62.00	

TRENDS

Tata Unisys

Tata Unisys has done reasonably well in the first half year ended June 1988. Sales at Rs.15.16 crores are 27 per cent higher. Profits have kept pace with sales. The operating profit is up by 26 per cent at Rs.2.55 crores. The interest burden has increased to Rs.0.67 crores (Rs.0.46 crores). The provision for depreciation has remained at the same levels but tax provision is higher at Rs.20 lakhs (Rs.10 lakhs).

The profit after deducting all these expenses is higher at Rs.0.95 crores compared with Rs.0.73 crores in the corresponding period last year.

The company has not been able to improve its margins, even though it achieved higher sales and profits. The selling and administrative expenditure has risen to Rs.9.34 crores (Rs.6.50 crores).

The company made some major breakthroughs in the international software market. It has signed a deal with an international bank (Banque Indo Suez) to develop software for the bank's international network. The company expects a revenue of Rs.2 crores, initially, from this contract.

The company has constituted a committee, to try and develop new markets for its B-23 system. It has also bagged a prestigious Rs.34-crore government order.

(Rs. crores)

	Jan-June 1988	Jan-June 1987	Jan-Dec 1987
SALES	15.16	11.93	27.12
TOTAL INCOME	15.16	11.93	27.12
RAW MATERIAL COST	0.39	0.94	1.44
SALARY & WAGES	2.88	2.47	5.51
OTHER EXPENSES	9.34	6.50	15.35
OPERATING PROFIT	2.55	2.02	4.82
INTEREST	0.67	0.46	1.20
GROSS PROFIT	1.88	1.56	3.62
DEPRECIATION	0.73	0.73	1.77
TAX	0.20	0.10	0.30
NET PROFIT	0.95	0.73	1.55
OP/SALES (%)	16.80	16.90	17.70
RM/SALES (%)	2.50	7.80	5.30

The merger of Burroughs and Sperry Corporation into Unisys has greatly benefited Tata Unisys. It has broadened its range of products, thus offering a greater variety to cater to the growing needs of the market.

Soon it is going to become the sole distributor of Sperry Corporation's products in India. This will appreciably increase the revenues of the company.

NOCIL

The company has turned out excellent results for the first half of the current year. The overall profitability has improved substantially.

Sales at Rs.156.44 crores are 17 per cent higher. The operating profit has jumped to Rs.31.16 crores from Rs.20.71 crores in the corresponding period last year. But the interest burden too has increased substantially to Rs.5.15 crores (Rs.3.89 crores).

The company has made substantially higher provisions this time. While provision for depreciation rose to Rs.7.26 crores (Rs.6.73 crores), tax provision jumped to Rs.7 crores (Rs.2.20 crores).

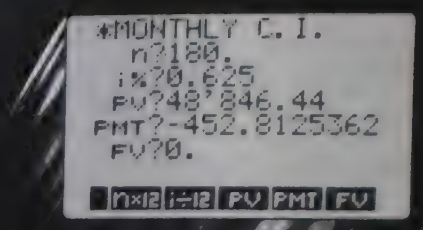
Even after these higher provisions, the company managed to earn a higher net profit of Rs.11.75 crores (Rs.7.89 crores).

The operating margins have improved by more than 4 points to 19.92 per cent (15.48 per cent). While higher sales realisation was one of the reasons for this, internal cost controls too contributed significantly. The raw material cost as a

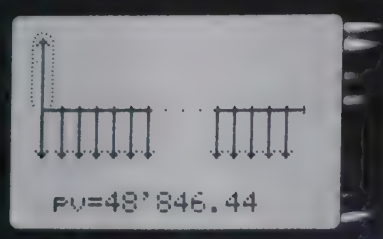
DRAMATIC TECHNOLOGY **CASIO**

GRAPH IT AND UNDERSTAND IT INSTANTLY!

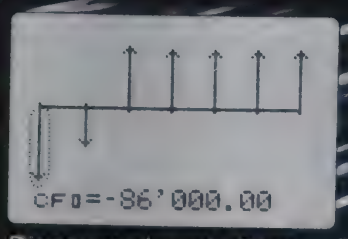
THE WORLD'S MOST POWERFUL FINANCIAL CALCULATOR.



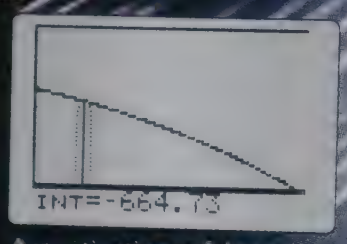
Calculation process



Loan



Discounted cash flow analysis



Amortization of loans

FINANCIAL CONSULTANT
FC-1000

FC-100

Financial functions
- Compound interest calculations (savings, loans, leasing)
- Amortization of loans
- Investment appraisal (NPV and IRR)
- Annual percentage rate/annual effective rate conversions
- Cost/selling price/margin calculations

Statistical functions
- Standard deviation
- Regression analysis

FC-200

Programming functions
- 262 program steps/26 memories
- 10 independent program areas

Financial functions
- Compound interest calculations (savings, loans, leasing)
- Amortization of loans
- Investment appraisal (NPV and IRR)
- Annual percentage rate/annual effective rate conversions
- Cost, selling price/margin calculations

Statistical functions
- Standard deviation
- Regression analysis

It speeds financial calculations—compound interest, amortization, investment appraisal, bond, and depreciation—and a graphic function lets you quickly spot a trend or change!

Casio's new FC-1000 Financial Consultant comes to the aid of the financially-oriented businessman with a large 16-column × 8-line dot matrix display. The financial graph function lets you quickly identify a trend or a change in calculations such as compound interest, amortization, investment appraisal, bond and depreciation. Menus enable easy step-by-step operation. And screens centralize all the financial data so you can instantly confirm or simulate a calculation. In all, 2,470 program steps maximize your power to solve difficult calculations quickly, easily and accurately.

For further information and contact

India : **Thakral Computers (P) Ltd.**
117/118, Dalamal Tower, 211, Nariman Point, Bombay-400 021. Tel : 2871340, 232104. Telex : 011-2937

Singapore **THAKRAL EMPORIUM (S) PTE. LTD.**
77 High Street #01-06, High Street Plaza, Singapore 0617
Tel 3379338 (8 lines) Telex THAKRAL RS 23884

Hong Kong **ONFLO MARKETING CO., LTD.,**
2/F Hotel Miramar 118-130 Nathan Road
Tsim Sha Tsui Kowloon Hong Kong
Tel 3-7987131 Fax (852)-3-7998917
Thx 95458 ONFLO HX Cable ONFLOTRON HONG KONG

Nepal **RAINBOW PHOTO FINISHERS PTE. LTD.**
Gopalraj Purushotamlal P.O. Box 772 Kathmandu Nepal
Tel off 2-24589, 2-24074 Thx 2339 GRFL NP

U A E **JUMBO ELECTRONICS CO LTD.**
Jumbo House P.O. Box 3426 Dubai
Tel 422555 (15 lines) Telex 45845 JECOL EM

Saudi Arabia **MAHMOOD SALEH ABBAR CO.**
Head Office Jeddah Saudi Arabia · P.O. Box 461-JEDDAH 21411
Tel 6512768 Telex 601790 ABARJD SJ

Oman **ARABIAN CAR MARKETING CO. LTD.**
P.O. 4305 RUWI Sultanate of Oman Tel 793741 To 50 Telex 3565 BAHWAN ON

CASIO COMPUTER CO., LTD.
Tokyo, Japan

			(Rs. crores)
	Jan-Jun 1988	Jan-Jun 1987	Jan-Dec 1987
ALES (GROSS)	156.44	133.76	288.14
THER INCOME	2.64	2.25	9.74
OTAL INCOME	159.08	136.01	297.88
AW MATERIAL COST	62.88	55.24	107.09
ALARY & WAGES	6.77	6.35	12.03
THER EXPENSES	58.27	53.71	133.33
PERATING PROFIT	31.16	20.71	45.43
NTEREST	5.15	3.89	9.42
GROSS PROFIT	26.01	16.82	36.01
DEPRECIATION	7.26	6.73	12.60
TAX	7.00	2.20	6.05
NET PROFIT	11.75	7.89	17.36
OP/SALES (%)	19.92	15.48	15.77
RM/SALES (%)	40.19	41.30	37.17

percentage of sales went down to 40.19 per cent (41.30 per cent). The production of ethylene and agrochemicals has been higher.

The company has raised the price of MEG by Rs.1,500 per tonne. This will be reflected in the results of the second half. It has also increased the price of PVC by Rs.2,250 per tonne. This is in line with the worldwide rise in prices due to scarce output and higher demand.

The company plans to introduce two new pesticides, Phosphamidon and DDVP, in the second half; the excellent monsoon makes this an opportune time.

The company's diversification plans are slowly taking shape. It is investing in the equity of a new project for the manufacture of BOPP films.

With the price hike and proposed new introductions, the second half will probably be as good as the first one, if not better.

Peico Electronics

The company has gone back into the red. Though sales are higher, profits have taken a beating. Sales are higher by 10 per cent at Rs.170.27 crores but the operating profit is 17 per cent lower at Rs.12.85 crores (corresponding period in the previous year: Rs.15.57 crores). The interest burden has risen to Rs.12.04 crores (Rs.10.89 crores). The provision for depreciation is Rs.4.96 crores (Rs.4.55 crores). There is no tax liability.

The company incurred a loss of Rs.4.15

			(Rs. crores)
	Jan-Jun 1988	Jan-Jun 1987	Jan-Dec 1987
SALES	170.27	154.20	385.93
OTHER INCOME	1.56	1.41	3.61
TOTAL INCOME	171.83	155.61	389.54
RAW MATERIAL COST	94.86	81.10	226.97
SALARY & WAGES	21.09	18.08	39.76
OTHER EXPENSES	43.03	40.86	87.14
OPERATING PROFIT	12.85	15.57	35.67
INTEREST	12.04	10.89	22.68
GROSS PROFIT	0.81	4.68	12.99
DEPRECIATION	4.96	4.55	9.33
TAX	—	0.02	0.20
NET PROFIT (LOSS)	(0.15)	0.11	4.03
OP/SALES (%)	7.55	10.10	9.24
RM/SALES (%)	55.71	52.59	58.81

crores. But after bringing forward Rs.4 crores from last year's balance sheet, the net loss is Rs.15 lakhs compared with a profit of Rs.11 lakhs in the corresponding period of the previous year. The company has resorted to this window dressing as operating margins are lower at 7.55 per cent (10.10 per cent). The ratio of raw material cost to sales is higher at 55.71 per cent (52.59 per cent). The wage bill is also higher at Rs.21.09 crores (Rs.18.08 crores). The other expenses too have risen to Rs.43.03 crores (Rs.40.86 crores). The company has, during the year, introduced a new range of entertainment items under the name "Moving Sound" and a new range of radios under the name "Mega". Projects for the manufacture of new colour TV components are in various stages of implementation.

The Pune factory is expected to add to profits this year. It will produce advanced medical ultrasound equipment.

SAE (India)

Both the sales and the profits of the company rose sharply in the first half of the financial year.

Sales have jumped to Rs.41.57 crores (corresponding period of the previous year: Rs.29.46 crores). The operating profit has increased to Rs.5.06 crores (Rs.3.73 crores). Margins slid down to 12.17 per cent (12.66 per cent). The company paid higher interest charges of Rs.2.14 crores (Rs.1.93 crores) and made a higher provision for depreciation — Rs.81 lakhs (Rs.62 lakhs). The provision for tax was higher at Rs.40 lakhs (Rs.19

			(Rs. crores)
	Jan-Jun 1988	Jan-Jun 1987	Jan-Dec 1987
SALES(NET)	41.57	29.46	70.77
OTHER INCOME	0.08	0.10	0.17
TOTAL INCOME	41.65	29.56	70.94
RAW MATERIAL COST	19.71	13.24	32.93
SALARY & WAGES	3.40	2.88	6.35
OTHER EXPENSES	13.48	9.71	21.69
OPERATING PROFIT	5.06	3.73	9.97
INTEREST	2.14	1.93	3.80
GROSS PROFIT	2.92	1.80	6.17
DEPRECIATION	0.81	0.62	1.30
TAX	0.40	0.19	0.77
NET PROFIT	1.71	0.99	4.10
OP/SALES (%)	12.17	12.66	14.09
RM/SALES (%)	47.41	44.94	46.53

lakhs). Despite this the net profit has appreciated to Rs.1.71 crores (Rs.99 lakhs).

The raw material cost has increased to Rs.19.71 crores (Rs.13.24 crores). As a percentage of sales, the cost of raw materials rose from 44.94 per cent to 47.41 per cent.

The company still remains the leader among manufacturers of power transmission towers. The government's increasing emphasis on power generation augurs well for the company's products. To meet the expenditure for its expanding business, the company has launched a rights equity issue of 553,500 shares at a premium of Rs.50 each. The company has reserved the option of retaining 15 per cent oversubscription.

After the issue, its equity capital will stand at approximately Rs.2.35 crores while reserves will shoot up to Rs.13.85 crores.

The company made its last bonus issue in 1983 in the ratio of 1:1.

Elecon Engineering

The company has posted higher sales and profits in the first half of the current year. For the first time, turnover crossed Rs.60 crores in the first half. Sales at Rs.64.44 crores are 30 per cent higher than the turnover of Rs.49.69 crores achieved in the corresponding period last year. But the operating profit has risen only marginally.

Higher costs and lower margins have combined to reduce the company's profitability. The raw material cost rose sig-

	(Rs. crores)		
	Jan-Jun 1988	Jan-Jun 1987	Jan-Dec 1987
SALES (NET)	64.44	49.69	112.87
OTHER INCOME	0.51	0.19	0.19
TOTAL INCOME	64.95	49.88	113.66
RAW MATERIAL COST	44.20	31.81	76.61
SALARY & WAGES	4.35	3.80	8.31
OTHER EXPENSES	8.34	6.51	11.87
OPERATING PROFIT	8.06	7.76	16.87
INTEREST	2.46	2.42	5.04
GROSS PROFIT	5.60	5.34	11.83
DEPRECIATION	2.90	3.39	7.34
TAX	1.43	0.94	1.81
NET PROFIT	1.27	1.01	2.68
OP SALES (%)	12.51	15.62	14.95
RM/SALES (%)	68.59	64.02	67.87

nificantly from Rs.31.81 crores to Rs.44.20 crores. The wage bill too is higher and selling and distribution expenses have jumped to Rs.8.34 crores (Rs.6.51 crores). After servicing an interest burden of Rs.2.46 crores (Rs.2.42 crores), the company has made a lower provision for depreciation — Rs.2.90 crores. The provision for tax is higher at Rs.1.43 crores (Rs.0.94 crores).

Profits have kept pace with the growth in sales. They have increased to Rs.1.27 crores (Rs.1.01 crores). The margins stood at 12.51 per cent of sales (15.62 per cent).

This year the company has managed to bag a few bulk orders, including a Rs.29-crore order from the NTPC.

Judging by the results of the first half year, the company should end the year with higher sales than the record Rs.100 crores achieved last year.

RESULTS ANNOUNCED

Ceat Tyres

The company has performed better in all areas during the year ended 30 June 1988. It produced 2.6 million tyres, more than any other company in the industry. The company announced a dividend of 27.5 per cent (previous year: 25 per cent) on an increased equity of Rs.14.76 crores. The capital was increased by Rs.5.44 crores from Rs.9.32 crores after conversion of debentures on 1 March 1988.

The total income has increased to Rs.372.63 crores (Rs.320.20 crores), a hike of 16 per cent. The gross profit at Rs.41 crores (Rs.28.99 crores) shows a better margin at 11 per cent of sales, compared to 9.85 per cent before. After providing Rs.5.60 crores (Rs.7.29 crores) for depreciation and Rs.15.33 crores (Rs.9.40 crores) for tax, the company reports a net profit of Rs.20.07 crores (Rs.12.30 crores), an impressive jump of 63 per cent.

Ceat appears to have carved a niche for itself in a highly competitive market. It reports excellent domestic response to the recently introduced formula I radial tyres, and has made further inroads in the quality conscious US and West German markets. Exports were valued at Rs.12.90 crores (Rs.12 crores).

Blow Plast

The leader in the moulded luggage industry, Blow Plast, has turned in a good performance for the year ended 31 July 1988, with turnover going up to Rs.82.19 crores (previous year: Rs.75.54 crores). Gross profit, however, is lower at Rs.2.5 crores (Rs.5.87 crores in 1986-87). The profit figures for 1986-87, it must be noted, included a realisation of about Rs.2.5 crores from the sale of investments.

After depreciation of Rs.83.54 lakhs (Rs.85.54 lakhs), and taxation of Rs.6.5 lakhs (Rs.61 lakhs), the net profit is Rs.33.13 lakhs (Rs.3.07 crores). Dividend has been pruned to 15 per cent (30 per cent). During the year, the company maintained its premier position in moulded luggage, toys and furniture, and also bagged the top exporter award of the Plexconcil for the fifth consecutive year.

VIP Industries

The company's turnover in a year of industrial strife rose marginally to Rs.68.9 crores (Rs.67.45 crores) during 1987-88. Although troubled labour relations led to a two-month lock-out at the company's Nashik factory, it managed to maintain its sales levels. The company declared a dividend of 12 per cent.

Gross profit is higher at Rs.6.84 crores (Rs.6.38 crores), but depreciation of Rs.2.14 crores (Rs.2.06 crores), and interest of Rs.3.82 crores (Rs.3.29 crores) have pulled down the profit before tax to Rs.87.32 lakhs (Rs.1.03 crores). After adjustments and taxation of Rs.14 l (Rs.16.5 lakhs), the net profit is Rs. lakhs (Rs.96.65 lakhs).

Ahmedabad Advance Mills

The company has wiped out its accu lated losses and has declared satisfact results for the year ended 30 June 19 No dividend was declared.

Sales increased marginally by 2.45 cent to Rs.73.16 crores (Rs.71.40 cror but the gross profit declined by 28 cent to Rs.2.86 crores (Rs.4 crores). the company reported a profit of Rs.2 lakhs against a loss of Rs.88 lak (1986-87). This was arrived at after p viding Rs.2.26 crores (Rs.2.34 crores) depreciation and making other adju ments.

Voltas

The company's performance during t year ended 31 August 1988 is better, wi turnover at Rs.544.7 crores (previo year: Rs.458.4 crores) and gross profit Rs.29.9 crores (Rs.24.4 crores). Divide has been hiked by six points to 22 p cent. After interest of Rs.11.19 cror (Rs.10.61 crores), depreciation of Rs.3.8 crores (Rs.2.91 crores), and taxation Rs.5.12 crores (Rs.4 crores), the com pany's net profit is Rs.9.7 crores (Rs.6.8 crores). While the dividend payout Rs.2.81 crores (Rs.2.04 crores), the com pany has transferred Rs.6 crores to r serves (Rs.2 crores), and carried forwar Rs.2.01 crores (Rs.1.12 crores).

Ballarpur Industries

The company improved its turnover dur ing the year ended 30 June 1988 to Rs.37 crores (Rs.342 crores in the year before) and earned a gross profit of Rs.21.6 crores (Rs.23.91 crores). Dividend ha been maintained at 22 per cent.

After depreciation of Rs.15.91 crore (Rs.18.09 crores), taxation of Rs.91 lakh (Rs.90.5 lakhs), and balance brought for ward from the previous year, the amount available for appropriation is Rs.11.1 crores (Rs.11.72 crores). While dividend takes away Rs.3.3 crores, the company has transferred Rs.51 lakhs to the genera reserves.

INTRODUCING BHUTAN BOARD

SOUTH ASIA'S FIRST WOOD-BASED GRADED PARTICLE BOARD.

Now, South Asia gets the chance to use the most sophisticated particle boards anywhere.

Boards manufactured by Bhutan Board Products Limited, a joint venture of the Royal Government of Bhutan.

Boards that are created in an advanced computerised plant that employs proven technology used and valued the world over. Supplied, installed and commissioned by M/S SIEMPELKAMP of West Germany. Pioneers and world leaders in the field.

Boards that come in a vast range to meet all requirements. From doors to desks, flooring to ceilings, partitions to panelling, and kitchen cabinets to audio speaker cabinets.

Boards that are as tough as they are economical. As user-friendly as they are attractive. As dimensionally stable as they are uniformly thick. And as versatile as they are durable.

Bhutan Board. The finest graded particle boards available. Now within your reach.

BHUTAN BOARD PRODUCTS LTD.

(A JOINT VENTURE UNDERTAKING OF THE ROYAL GOVT. OF BHUTAN)

Post Box 91, Phuntsholing, Bhutan.

4mm (UF) Veneered-Wall Panelling

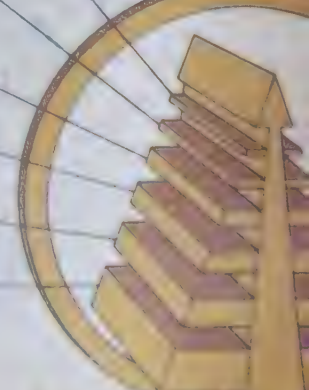
8mm (PF/UF) Plain/Laminated– False Ceiling.

12mm (PF/UF) Veneered/ Laminated–Panel Inserts.

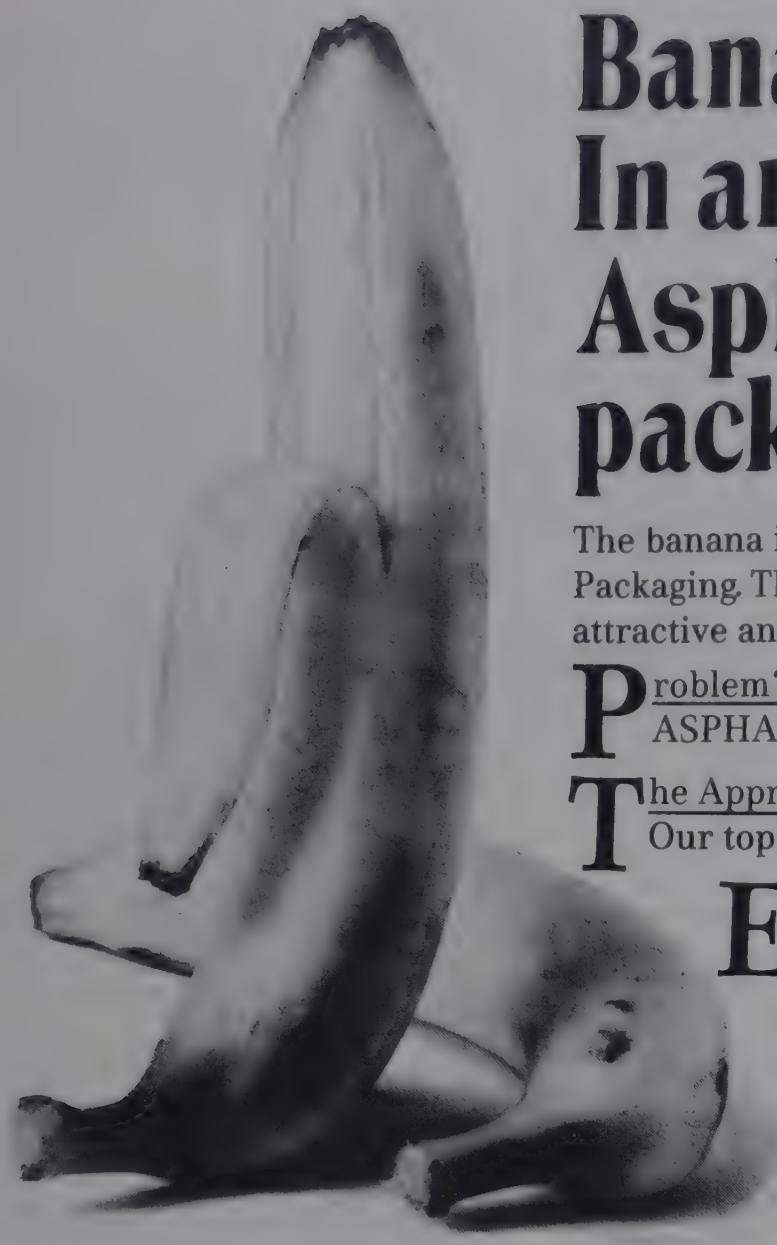
18mm (PF/UF) Veneered/ Laminated– Shutters/Shelving.

25mm (PF/UF) Veneered Laminated– Furniture

35mm (PF) Plain – Cavity Flooring



Liaison Offices: Bombay: Rikhav Bldg., R A Kidwai Marg, Wadala West, Tel: 413 30 93. Calcutta: Malancha Bldg. Suite 1/C 4/1 Elgin Road
Delhi: 6C, 6D Gopala Towers, Rajendra Place, Tel: 573 5493/5496



Bananas ?!!! In an ad for Asphalt packaging ?!

The banana is a classic example of Perfect Packaging. The peel is light, protective, attractive and easy to unpack.

Problem? To pack MOLTEN ASPHALT in paper bags.

The Approach to the solution: Our top brains studied the Banana.

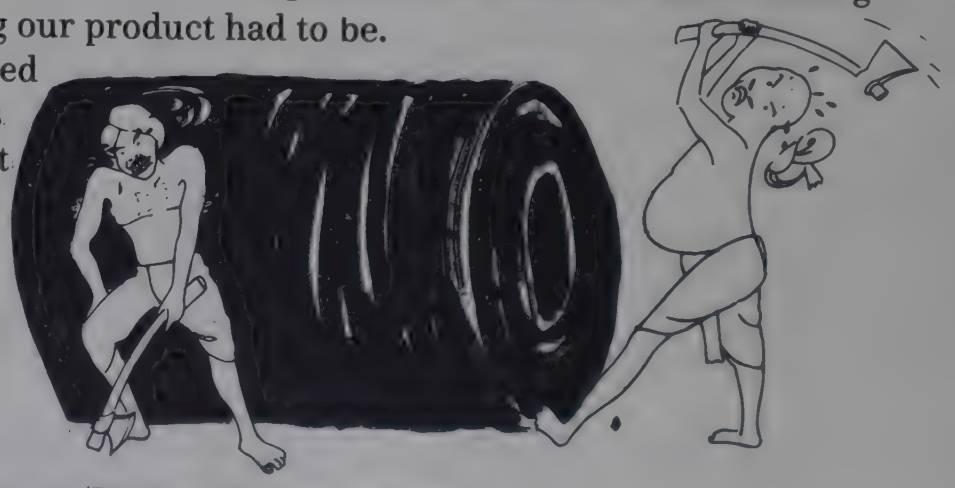
Eccentric?

Crazy?

May be,
but then so was the problem.

Asphalt is sticky and we had a feeling that the end user wanted Asphalt and not Paperised *Damber*. An unusual problem, the solution required some radical Brainstorming.

The banana peel represented everything our product had to be. The team absorbed its lessons and applied it to paper. The resulting breakthroughs went into TARPAK. It is very Strong, yet Light and easy to Handle. The attractive TARPAK is a revolution in Asphalt packaging. It costs less than 30% of the conventional methods, and best of all getting the Asphalt out is as easy as, well... **peeling a banana.**



Paper Bags available for MOLTEN wax, Special cements (Portland, Sulphate resistant, Oil well & Rapid hardening) Chemicals in fine powder and granule form, China clay, Carbon black, PVC Resin, Gypsum, Hydrate Lime, Fertilizers Food grains & perishables like Wheat, Maize, Rice, Sugar, Flour, DV Salt, Soya meal, Beet pulp and for any other product you can think of.

JAYANT

JAYANT PAPER MILLS LIMITED

PACKING COMPLEX
205, Kakad Chambers, 132, Dr. Annie Besant Road,
Worli, Bombay-400 018.
Gram: JAYANTMILLS. Telex: 011-76366-JPM-IN
Phones: 4936457-4938140-4933841-4935870

dotographic

Nippon Denro Ispat

This is a company which has carved out a name for itself in the business it is currently in — galvanised plain and corrugated sheets — as well as in the capital market. It was the first galvanising plant to be set up in India and declared a 20 per cent dividend in the first year of operations. In the capital market it is known to invite public subscription to its capital after it has completed a project — not before.

This time, Nippon Denro Ispat Ltd (NDIL) proposes to issue 814,000 secured fully convertible debentures of Rs.250 each, totalling Rs.20.35 crores. The issue which opens on 6 December will finance a 125,000-tpa cold rolling mill complex, a 50,000-tpa PVC and colour coated steel sheet plant, and the expansion and modernisation of the existing galvanising line to increase the capacity to 125,000 tpa of GP/GC sheets. While the first project has commenced trial runs, the colour coating plant is expected to follow suit in early 1989.

The company declared a dividend of 20 per cent in 1985-86, 22 per cent in 1986-87 and a 12 per cent interim in 1987-88. Its monopoly operation enabled it to do this. Till early 1987 it was the only plant making GP/GC sheets in India.

Anticipating competitors in the marketplace, the company decided to make available a range of products to cater to different segments of the market. Says R. Ramamurti, president, "We knew that all these lines were coming up. The only way we could score over the competition was by providing a wide range of products and by product differentiation." One of the first steps taken was to ensure supply of raw materials — cold rolled steel. To avoid shortage of this important raw material, NDIL had to stock several months supply mostly through imports. This meant deployment of expensive working capital which added to its interest cost. "With the installation of a cold rolled mill, we don't have a problem any more. Moreover, we will sell to outside consumers," says Ramamurti.

According to Ramamurti, the modernisation and expansion of the galvanising line would make the investment cost per tonne of NDIL "the lowest in the industry and also mean a substantial saving in operational costs".

The plant would be the first in India to produce a variety of hot dip coatings. Ramamurthi says that the company will be the first in the country to produce and market PVC/colour coated steel sheets with applications in automobile bodies, domestic appliances and in construction. The annual demand in India for paint-coated steel sheets is around 100,000 tonnes.

Grasim Industries

"Get a blue chip company share for Rs.35." This message from the company on several billboards in the country's metros heralds Grasim Industries' 1,678,571 secured, redeemable, partly convertible debenture issue of Rs.70 each for cash at par amounting to Rs.11.75 crores. The issue opens on 12 December.

The object of the issue is to partly finance the expansion of the company's cement plants located in Madhya Pradesh from 1 million tonnes to 2 million tonnes at a cost of Rs.145 crores.

Grasim today is a highly diversified company and reported a turnover of Rs.675.67 crores during 1987-88 and a pre-tax profit of Rs.21.99 crores during the same year. Compare this to the turnover it achieved in 1967-68 (Rs.45.18 crores) and pre-tax profits (Rs.5.30 crores) and it is evident that today the company is one of India's mega corporations. At a press conference in Bombay, Aditya Vikram Birla, chairman, proclaimed that Grasim is the largest producer of both viscose staple fibre (of various types) and rayon grade pulp made from bamboo and hardwood. He also said that the company was the second largest manufacturer of caustic soda in India and after the expansion of the cement plant would become one of the largest producers of this building material.

The partly convertible debenture has a face value comprising two parts — a convertible portion of Rs.35 and a non-convertible portion of an equal amount. The convertible portion will automatically be converted into one equity share (Rs.10 paid-up) on 31 March 1989. Thus the conversion premium is Rs.25 against a market price of Rs.90.

A host of new diversification projects for which the company has secured Letters of Intent and MRTP approval will help the company maintain its lead in the Indian corporate sector once they are commissioned. According to Grasim's prospectus the following projects are on hand:

- 6,000 tonnes per annum of hydrogen peroxide
- a gas-based sponge iron project with a licensed capacity of 600,000 tonnes per annum
- a 13,860 tonnes per annum poly-aluminium chloride project
- a 600 tonnes per annum hydrzine hydrate project
- a 6,600 tonnes per annum chlorosulphuric acid project
- a licensed capacity of 5,000 spindles for various types of worsted

These projects are in an embryonic state and the company is yet to finalise the financial package for them.

According to a calculation made by the company, a shareholder with 100 shares before 1966-67 now holds over 1,100 shares without having to make any additional cash investment. This is on account of six bonus issues (inclusive of the recent 3:4 bonus issues) that the company has made in the past 21 years.

Amrit Protein Foods

This is a new company promoted by the existing UP-based Amrit Banaspati Company. Amrit Protein Foods (APF) will enter the market with an issue of 1.5 million equity shares of Rs.10 each for cash at par. The issue opens on 12 December. The object of the issue is to provide part of the finance required for setting up a plant to make 19,800 kilolitres of soya milk beverages and soya paneer. The total cost of the project is Rs.14.50 crores.

When it commences production in early 1989, APF will be the second company to enter the yet uncertain area of soya milk and soya foods. It may be recalled that Noble Soya House Ltd, a joint venture by Bhiwandiwalla of Great Eastern Shipping Company and Godrej, which launched its range of Great Shake soya milk did not meet with great success.

Naresh Kumar Bajaj, chairman of APF, is unfazed by the earlier experience of Noble Soya. Says Bajaj, "We have a different concept. Ours is a food company and not a soft-drink company." According to him the company will introduce successively and at short intervals soya milk, soya foods (paneer), soya-based soft drinks and desserts.

He expects to hit paydirt because "we

THE ORIGINAL AMERICAN JEANS. NOW IN INDIA.

Slip into your Wrangler jeans. Feel it snuggle against your skin. Mould itself into your body shape. As only Wrangler can.

Simply because it's made so painstakingly. Thread by thread. So the special polyester core of the thread makes sure it doesn't shred for the entire life of the jeans. The button, the zipper, the rivets, the label are all pure, original Wrangler. Even the material is the same. As many as 70 cruel and minute checks precede any pair of jeans being branded Wrangler. From the classic regular 'Blues' to acid-wash to stone-wash jeans. After all, they are made for rather special people. People who would never accept second best. So when someone says you're looking so free, easy and extremely desirable in your Wrangler jeans, you know it'll stay that way.

WRANGLER IS THE REGISTERED TRADEMARK OF BLUE BELL INC.
A SUBSIDIARY OF V.F. CORPORATION U.S.A.

SHEER 20 101 88 A

have chosen a technology from Soya Technological System, a division of Danish Turnkey Dairies, Denmark which has perfected the process of removing the bugbear of soya products — the beany flavour. They have demonstrated this by setting up a plant which is working very successfully in West Germany."

Kanthal Bimetals

This is another project from the Swedish group Kanthal Hoganas. Following in the footsteps of its predecessor, Hoganas India Ltd, Kanthal Bimetals India Ltd (KBIL) proposes to make a public issue of 535,000 equity shares of Rs.10 each for cash at par after setting up a 100-tpa plant to manufacture thermo-bimetal strips at Hosur, Tamil Nadu. The issue opens on 12 December while the plant is expected to start commercial production by January 1989.

As in the case of Hoganas India, the KBIL product was originally imported from Hoganas, Sweden for the last two decades. Therefore, the company enjoys an initial advantage as it knows its market and the market is familiar with the company's product. If the KBIL plant delivers bimetal strips of international standard, success is assured, comments Virendra Sud, director of KBIL, who is also managing director of Hoganas India. "Our early experience has shown that technology transfer and absorption from the parent company does not pose any problem. We expect the plant to start production on schedule and we expect the product to be in the market soon."

The collaboration agreement between KBIL and Kanthal Sweden is fairly comprehensive and valid for eight years. It guarantees inter alia the achievement of full production capacity. But what is more important is that Kanthal Sweden has a 43 per cent stake in this project. This alone should ensure the full commitment of the technology transferers.

Tata Honeywell

This is a company which forms an important part of the "strategic plan for the Tatas" prepared by Ratan Tata, chairman Tata Industries Ltd.

Tata Honeywell (TH) is making a public issue of 250,000 equity shares of Rs.10 each for cash at par, totalling Rs.25 lakhs. The issue opens on 28 November. The object of the issue is to provide part of the finance for the company's project to manufacture digital process control systems with a capacity of 240 systems a year. The plant is being set up in Pune and the project cost is Rs.11.70 crores.

TH is a joint venture between Tata Industries and Honeywell Inc, USA. Tata Industries intends to play an important role in bringing to India frontier industries such as oil exploration, telecommunications, bio-technology and now process control equipment.

Tata Honeywell proposes to manufacture an advanced range of control equipment, the Honeywell TDC-3000 distributed control systems. The distributed control system has applications in power plants refineries and in the petrochemical and steel industries. According to the prospectus, the manufacture of the hardware through imports of the assemblies/sub-assemblies is scheduled to start in the first quarter of 1989.

Sparr Equipments

Sparr Equipments Ltd which is going public with a Rs.1.2-crore issue on 28 November is one of the leaders in the country in the manufacture of hydraulic water well drilling rigs. These rigs are generally considered far superior in efficiency and ability to mechanical and pneumatic rigs.

Sparr was founded in 1981 by two Bangalore-based technocrats A. Sugavanam, the chairman of the company and S. Ravichandra, currently its managing director. The company which has its manufacturing facility at Yeshwantpur, near Bangalore commenced production five years ago and has been doing consistently well ever since. In 1985 against sales of Rs.2.2 crores it earned a profit after tax of Rs.9.7 lakhs. By last year sales had jumped to Rs.8.9 crores and profits to Rs.62.7 lakhs, helped no doubt by the drought in the country.

But drought or no drought the company feels that there is a huge market for its equipment in the country since an increasing number of farmers are using bore wells or tube wells for irrigation.

The company has been doing well. Its shares have a high book value and the current issue of 600,000 equity shares is at a premium of Rs.10 each. The capital raised will be used to expand its existing factory and set up a new one at Nelamangala, also near Bangalore.

Does your subscription copy arrive late or sometimes never at all?

Sorry, we don't run the postal services. But we'd like to ensure that there's no hold up at our end.

- Print or type your name and address clearly so that any errors in your address can be corrected.
- Quote your subscription number in your letter. It may well be that your subscription has expired.
- Write to us for a replacement copy no later than six weeks from the date of the issue which has been misplaced.

Help us to help you

Business India

STOCKMARKET REVIEW

Watching for changing patterns

(For the period 7 to 19 November 1988.)

After a steady turn over the previous fortnight, prices on the stockmarkets continued their upward movement on heavy trading volume. *The Economic Times* All-India Index of Ordinary Share Prices rose 4 per cent to 368.3 (a record) and the Bombay Stock Exchange Index rose 2.8 per cent to 719.07 (also a record). Trading volumes in Bombay crossed a record Rs.120 crores during the special one hour new-year session on 9 November, while averaging Rs.85 crores during the fortnight.

Changed style. However, speculators have changed their style over the past month. The previous fortnight had been marked by steady prices and heavy volumes, which suggested that speculators were booking profits and realigning portfolios away from concentrations in just a few shares, with their net sales being absorbed mainly by institutions and the investing public. A study of price movements during the fortnight under review appeared to confirm this trend. Out of the 20 most heavily traded scrips in the B group in Bombay, the prices of 14 moved down, four moved up and two were unchanged. That this should happen while the market as a whole was strong implies that speculators were shifting their activities to new scrips over the fortnight while squaring off positions in the scrips they felt were well-priced. This has some important implications for investors, on which more below.

The scrips that currently attract the market's fancy are from the earlier inactive group such as Bajaj Hindustan, or are new scrips such as Tata Telecom and Invel Transmissions. Meanwhile, the BSE finally recognised the existence of speculation in the unspecified group by levying daily margins at the rate of 20 per cent on nine scrips in this group, including Finolex, Ingersoll Rand and South India Viscose. The BSE also raised the percentage of daily margins on 32 A group scrips from 10 per cent to 20 per cent for forward buyers and from 5 per cent to 10 per cent for short sellers.

The increased trading volumes have put pressure on the BSE clearing systems. As a result, settlements in Bombay were delayed by a week. This was bad news for badla financiers who will now receive a rate that is effectively 33 per cent lower than was expected at the start of the settlement on 7 November. As a result, they are certain to demand an increased rate in future settlements to offset losses from future possible delays. The badla session was, however, held in Calcutta, and the badla rate averaged 48 per cent. But the delay was good news for speculators, who greeted the BSE's announcement of a delay in the settlement period by marking prices up by about two per cent.

In the forward list, Tata Steel and ACC continued to be the most actively traded shares. The rise in the ACC share prices was, however, stemmed by institutional sales and sales by speculators in Calcutta where ACC has recently joined the forward list. Institutions sold on reports that the cement cartel has weakened and that cement prices have fallen to Rs.65 per bag over the past two weeks from Rs.72.50 per bag. ACC was Rs.389 at the fortnight's close, up from Rs.380 at its start, while Tata Steel rose from Rs.1,047.50 to Rs.1,092.50.

Pursuit of control. Modi Rubber continued to be the favourite of institutions seeking to consolidate their hold on the company in the face of the Modi family squabble. As a result of their buying, the scrip closed the fortnight at Rs.97, up from Rs.75. While there had always been little doubt that the public financial institutions would continue the shareholder activism that was earlier witnessed in the Shaw Wallace case, few expected such a vigorous pursuit for control. Perhaps the institutions, thwarted in the Shaw Wallace case, wished to leave less to chance. Small shareholders who often dearly desire a greater say in family-company matters (and usually penalise such family-controlled companies with lower price-earnings multiples in the marketplace) should be grateful.

Meanwhile, MRF continued to rise, unaffected by being traded only for spot delivery. The scrip closed at Rs.385, up from Rs.305. The third tyre share in the specified list in Bombay, Appollo Tyres, also rose sharply to Rs.69 from Rs.58. Apart from tyre company shares, the shares of Mangalore Chemicals and other fertiliser scrips were strongly traded in response to the improved fertiliser market. Mangalore Chemicals closed at Rs.55, up from Rs.41.75, while Southern P trochemicals closed at Rs.66.50, up fro Rs.53.

Among other forward shares, Baj Auto announced excellent progress at i annual general meeting, causing the scr — always a market favourite — to ri from Rs.382.50 to Rs.412.50. Glindia wa heavily traded in Bombay following new of new product developments — the scri rose to Rs.97 from Rs.84. Kirloskar Cun mins was also in the spotlight, rising t Rs.92.50 from Rs.78.25. In Calcutta, GK was actively traded, rising to Rs.18 fro Rs.10. The scrip was priced at Rs.6.25 on May. Another Calcutta-based scrip, Hir dustan Aluminium, which had been lan guishing of late following a decline i gross profit margins over the eigh months of the current year to Augus rose from Rs.125 to Rs.134 upon announ cement of a hike in aluminium prices b 17.5 per cent. Indian Aluminium also ros for the same reason from Rs.38.50 t Rs.48.

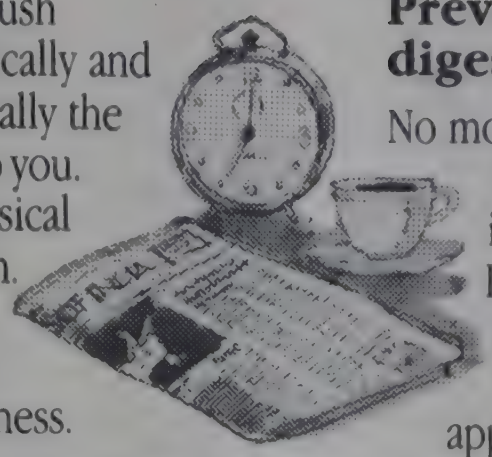
Corporate news continued to encour age markets, with Amal Rasayan, Am forge, Boots, J.B. Chemical, Tata Chemical and Z.F. Steering announcing strong improvements in performance Z.F. Steering rose to Rs.67 from Rs.56 while J.B. Chemical rose to Rs.42 fro Rs.34.

While the flow of strong corporate news and a generally favourable economic climate caused by the monsoons guarantee an active market over the coming year, this does not necessarily mean a strongly rising market. Once scrips are well-priced, the prices tend to peak out. Speculators — usually the first to sense such things — have recently been offloading a large number of actively traded scrips, and this should make small investors suitably cautious. On the other hand, speculator sales are also partly due to overbought positions — and thus too much risk exposure — in too few scrips, and such sales (which temporarily depress prices) then provide an opportunity for a small investor to get a good price. Speculators are also under pressure to sell shares because the BSE has levied high daily margins on some scrips. Such pressure is bound to increase as share prices rise and the value of forward positions consequently increases. This factor could also depress the prices of some actively traded shares in the short run even though the market may generally keep rising.

■

RAFIQ DOSSANI

Everyday you push yourself – physically and mentally. Naturally the pressure gets to you. Mental and physical fatigue. Tension. Digestion problems. Low resistance to illness.



That's why you need Chyawan Shakti –nature's own formula to fight symptoms of stress–created with over 46 precious herbs. Brought to you by Dabur.

Chyawan Shakti–combats stress, revitalises mind and body

The effects of stress on your nerves can be disastrous. Chyawan Shakti has ingredients like Draksha, Ashwagandha, Akarkara and Gokshur. These act as demulcents and tonics, while Kesar and other herbs build up physical vigour and invigorate the mind.

Prevents acidity and digestion problems

No more antacids and anti-flatulence pills. Natural ingredients like Akarkara, Lavanga, Madhu and Mukta Shukti Pishti prevent acidity, help digestion, stimulate appetite, relieve gastric and intestinal pains and help regular bowel movement.

Rich in Vitamin C to fight illness

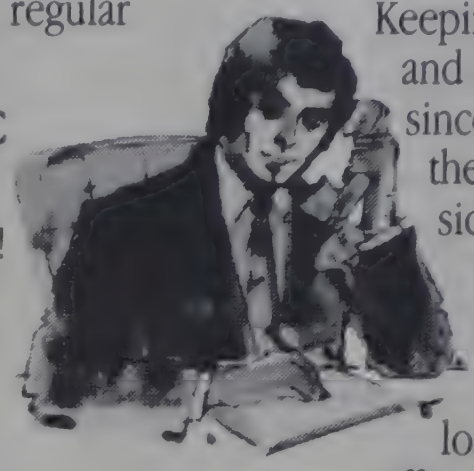
Who needs orange juice!

Chyawan Shakti has an abundance of Amla, the richest source of Vitamin C.

This, along with other herbs in Chyawan Shakti, acts as a powerful immuno-stimulant to build up resistance to common ailments.

Fountain of youth

Chyawan Shakti supplies you with Iron, Calcium, Minerals, Magnesium, Phosphorous and acts as an all-round health tonic.



Keeping you feeling young and raring to go. And since it is wholly natural, there are no harmful side effects. So go ahead and give it a try.

You have nothing to lose except the adverse effects of stress and strain!

SPECIALLY CREATED FOR PEOPLE WHO WORK HARDER

NEW Dabur CHYAWAN SHAKTI

AYURVEDIC TONIC
TO KEEP YOU GOING STRONG

everest/d88/DIL 371

Dabur INDIA LTD.
Harsha Bhawan, Block E,
Connaught Place,
New Delhi-110 001.

NATIONAL INDEX

Long overdue

The new Bombay Stock Exchange National Index (BSENI), which is ready and awaiting the finance minister's official inauguration — as and when he finds the time — is aimed at replacing the existing BSE sensitive index with one of a more national nature.

The new index, which was compiled by the office of the general manager, Research Analysis & Data Processing, BSE, after sifting data for months, has been compiled on the basis of an arithmetic mean. The basket of 100 scrips taken into consideration is inclusive of the 30 scrips that make up the BSE sensitive index. The balance is made up by 14 scrips quoted only in Bombay; 50 scrips quoted on the BSE as well as other exchanges and six others quoted on other exchanges but not on the BSE.

More accurate. "The BSENI has been created to overcome the drawbacks of the BSE sensitive index which arose because it is highly weighted in favour of companies with high market capitalisation," says a Bombay-based broker. Consequently, the index reflected largely the price movements of scrips such as Reliance Industries Ltd, Tata Chemicals, Century Spinning, and TISCO among others. Once in use, the BSENI will reflect a more accurate state of the country's premier secondary market.

In compiling the new index, the market price of each share in the basket was weighted with the number of shares outstanding. This was done to ensure that the impact of a given scrip on the index was proportionate to its market importance. The market value itself was determined by multiplying the price on a given date with the number of shares that were outstanding.

According to R.R. Nair, general manager of the BSE, "The index for a day is calculated as a percentage of the aggregate market value — of equity shares of all sample companies on that date — of the average market equity value of the same companies during the base period. The advantage is that this gives flexibility to adjust for price changes on account of rights and bonus share issues."

The BSENI basket of scrips

Scrip (centre)	Industry Group
ACC (B,C,D,A,M)	Cement
Madras Cement (B,C,D,A,M)	"
India Cement (B,M)	"
Arvind Mills (B,D,A)	Textiles
Bombay Dyeing (B)	"
Madura Coats (B,M)	"
Mafatlal Ind. (B,A)	"
Baroda Rayon (B,D,A)	Synthetic & woollen
Century Enka (B,D)	"
Indian Rayon (B,C,D,A,M)	"
Indian Organic (B)	"
JK Synthetics (B,C,D)	"
Raymond Woollen (B,C,D)	"
SI Viscose (B,M)	"
Birla Jute (B,C,D)	Jute
GE Shipping (B)	Shipping
CESC (C)	Power generation & supply
Tata Power (B,C,D.A)	"
Ballarpur Paper (B,C,D)	Paper & hardboard
Straw Products (B,C,D)	"
Tribeni Tissues (C)	"
Crompton Greaves (B,C,D,M)	Elec. equipment & cables
Incab Ind. (C)	"
Motor Industries (B)	"
Peico (B,C)	"
Siemens (B,C,D,M)	"
Ashok Leyland (B,C,D)	Transport & tr. equipment
Bajaj Auto (B)	"
Hind. Motors (B,C,D,M)	"
Mahindra & Mahindra (B,C,D)	"
Premier Auto (B)	"
Telco (B,C,D,A,M)	"
Bharat Forge (B)	Metals & metal products
Mukand Iron (B,C,D,A)	"
Sundram Fasteners (B,M)	"
Zenith (B)	"
Tata Steel (B,C,D,A)	Iron & steel
Hind. Aluminium (B,C,D)	Aluminium
Indian Aluminium (B,C)	"
Atlas Copco (B)	General engineering
Best & Crompton (B,M)	"
Escorts (B,C,D,A,M)	"
Ingersoll-Rand (B)	"
KSB Pumps (B)	"
Kirloskar Cummins (B)	"
Larsen & Toubro (B,C,D,A,M)	"
Revathi CP. (B)	"
SKF Bearings (B)	"
Voltas (B,C,D,A,M)	"
Atul Products (A)	Chem., fertilizer, pharm., & dyes
Bayer India (B)	"
Chloride India (B,C)	"
Colour Chem (B)	"
Garware Polyester (B)	"
GSFC (B,C,D,A,M)	"
Glindia (B)	"
Hind. Lever (B,C,D,A,M)	"
IEL (B,C)	"
Ion Exchange (B,D)	"
Jayant Vitamins (B,D)	"
National Organic (B,C,A)	"
Pfizer (B)	"
Polyolefins (B,A)	"
Procter & Gamble (B)	"
Reckitt & Colman (B,C)	"
Ranbaxy Labs (B,D,A)	"
Sandoz (B)	"
Southern Petro (B,C,D,A,M)	"
Tata Chemicals (B,A)	"
Zuari Agro (B,C,D)	"
Britannia Ind. (B,C,D)	Food prod.
Food Specialities (B,D)	"
Hind. Cocoa (B)	"
McDowell (B,D,M)	Sugar & distilleries
Sakthi Sugar (M)	"
Ceat Tyres (B)	Tyres & rubber goods
Dunlop (9B,C,D,M)	"
MRF (B,C,D,A,M)	"
Modi Rubber (B,D)	"
McLeod Russel (B,C)	Plantations
Tata Tea (B,C)	"
Tea Estates (B,M)	"
Brooke Bond (B,C)	Trading
Shaw Wallace (C)	"
Ambalal Sarabhai (B,D,A)	Miscellaneous
Asian Paints (B,C,D,A,M)	"
Bata India (C)	"
Colgate Palmolive (B)	"
East India Hotels (B,C,D)	"
Hind. Development (B,C,D,A)	"
Indian Hotels (B,M)	"
JK Ind. (B,C,D)	"
Pond's (India) (B,M)	"
Tata Oils (B)	"
Century Spg. (B,C,D,A)	Highly diversified
DCM (C,D)	"
Grasim Ind. (B,C,D,A,M)	"
ITC (B,C,D,A,M)	"
Kesoram Ind. (B,C,D)	"
Reliance Ind. (B,C,D,A,M)	"

B = Bombay
D = Delhi
C = Calcutta
A = Ahmedabad
M = Madras

I only fly Lufthansa.

Air cargo by Lufthansa means expert handling of your important goods to 161 destinations in 82 countries of the world. Professionally. Speedily. Economically.

Lufthansa Cargo

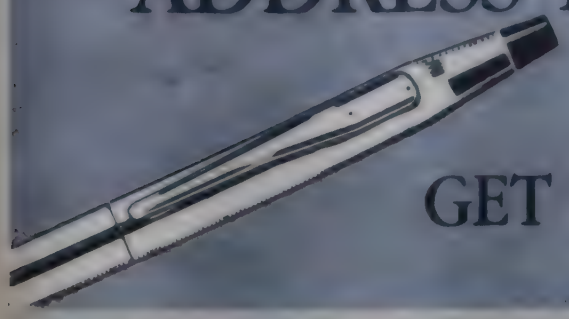
Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 18.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P SCOOTERS,10	07/87	9.94	-13.25	-3.81	4.50	6.24	2.00	-4.8						
ACC,100	07/88	55.95	101.32	281.09	389.00	399.00	120.50	0.6	-0.6	648.3	10.0	2.6	86	1:5
AHM CALICO 125	06/87	13.56	16.43	276.46	37.00	41.00	25.00	134.7		0.3	0.2	0.7	77	1:7
AHM ELECTRIC,100	03/88	18.30	65.26	456.61	145.00	150.00	120.00	35.5		4.1	16.0	11.0	87	1:5
ALFA LAVAL,10	12/87	5.21	15.07	38.93	87.50	90.00	46.00	5.8	1.4	15.1	18.0	2.1	86	1:2
ALLWYN NISSAN,10	06/87	16.54	0.15	10.09	11.00	12.50	3.76	-2.2	-1.3					
AMAL RASAYAN,10	03/88	1.46	2.81	28.99	132.50	137.50	42.00	12.2	-9.1	10.9	10.0	0.8		
AMB SARABHAI,10	03/88	22.20	-1.72	8.37	12.75	16.00	10.00	0.6		15.9			82	1:5
AMFORGE,10	03/88	5.33	8.92	26.99	61.50	72.00	23.00	3.8	3.5	16.2	22.0	3.6		
ANDHRA CEMENT,10	03/87	9.51	11.54	22.13	15.25	20.00	7.75	0.7	-4.0	21.8	10.0	6.6	87	1:2
ANDHRA VALLEY,100	03/88	10.51	38.33	464.70	248.75	260.00	142.50	110.9	121.8	2.2	16.0	6.4	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	18.00	24.00	15.50	2.2		8.2	10.0	5.6	87	2:5
ANNAPURNA FOILS,10	03/88	9.05	0.00	10.00	12.50	12.50	6.00							
APOLLO HOSP,10	06/87	5.44	0.14	10.26	13.75	17.00	8.50	1.5	3.2	9.2	10.0	7.3		
APOLLO TYRES,10	10/87	7.75	1.34	11.73	69.00	69.00	22.75	17.2	7.3	4.0				
APPLE LEASING,10	09/87	3.56	0.81	12.28	20.00	20.00	11.50	2.0	3.9	10.0	23.0	11.5		
ASEA,10	12/87	3.00	7.33	34.43	72.50	72.50	38.00	3.8		19.1	18.0	2.5		
ASHOK LEYLAND,10	12/87	21.39	72.03	43.67	71.00	72.00	29.00	3.6	1.7	19.7	18.0	2.5	78	1:2
ASIAN CABLES,10	12/86	3.03	5.00	26.50	50.00	53.75	30.00	4.3	7.7	11.6	17.0	3.4	81	1:3
ASIAN HOTELS,10	09/87	13.64	1.30	10.95	47.00	47.00	28.00	1.8	2.8	26.1	10.0	2.1		
ASIAN PAINTS,10	12/87	12.45	32.81	36.35	221.25	232.50	128.75	10.1	3.7	21.9	30.0	1.4	87	1:2
ASSAM CO,10	06/88	7.00	20.71	39.59	105.00	112.50	90.00	7.6	-5.5	13.8	40.0	3.8	86	1:1
ASSAM FRONTIER,10	06/88	3.00	8.90	39.67	132.50	132.50	91.00	12.0		11.0	50.0	3.8		
ASTRA IDL,10	06/88	2.50	2.17	18.68	42.00	45.00	27.00	2.2		19.1	10.0	2.4		
ATLAS COPCO,10	12/87	7.26	7.96	20.96	55.00	66.00	33.50	1.6	0.2	34.4	16.0	2.9	87	1:2
ATLAS CYCLE,10	06/87	1.15	4.73	51.13	117.50	117.50	36.00	5.0	4.6	23.5	20.0	1.7	87	1:2
AVERY INDIA,10	12/87	4.20	9.34	32.24	117.00	134.00	93.00	8.6		13.6	35.0	3.0	84	2:5
BAJAJ AUTO,10	06/88	18.81	195.82	114.10	412.50	412.50	182.50	15.6		26.4	40.0	1.0	87	1:1
BAJAJ PLASTIC,10	12/87	1.50	4.94	42.93	32.00	36.00	17.00	1.2	-3.8	26.7			86	1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.79	105.00	110.00	65.50	3.1	2.5	33.9	12.5	1.2	86	1:1
BAKELITE HYLAM,10	06/88	4.50	18.48	51.07	31.00	31.50	15.00	3.2		9.7	18.0	5.8	80	2:3
BALLARPUR,10	06/88	13.98	268.90	202.34	61.00	61.00	34.00	3.4	2.0	17.9	22.0	3.6	75	1:5
BARODA RAYON,100	06/88	12.14	20.14	265.90	367.50	375.00	140.00	35.5	-0.7	10.4	15.0	4.1	82	1:2
BASF,10	12/87	2.84	11.14	49.23	115.00	115.00	63.33	7.0	4.8	16.4	20.0	1.7	86	1:2
BATA INDIA,10	12/87	10.50	17.18	26.36	87.00	87.00	52.25	3.7		23.5	15.0	1.7	87	1:1
BATLIBOI,10	09/87	2.79	3.90	23.98	15.50	18.00	10.50	-0.5			10.0	6.5		
BAYER INDIA,100	12/87	16.22	11.19	168.99	560.00	640.00	285.00	27.2	25.5	20.6	16.0	2.9		
BEST & CROM,10	03/88	4.73	18.85	49.85	70.00	79.00	30.00	1.6		43.8	9.6	1.4	82	3:5
BHADRA PAPER,10	09/87	10.57	17.51	26.57	39.00	44.00	22.50	4.2		9.3	20.0	5.1		
BHARAT FORGE,10	09/87	5.27	24.50	56.49	187.50	192.50	103.00	10.2	7.8	18.4	25.0	1.3	81	1:1
BHARAT GEARS,10	07/87	4.03	6.98	27.32	23.50	23.50	10.00	2.1	-2.5	11.2	12.5	5.3		
BIHAR ALLOY,10	12/87	8.20	-11.24	-3.71	38.00	42.00	12.75	1.4		27.1				
BIMETAL,10	06/88	1.91	7.73	50.47	117.50	122.50	50.00	16.4		7.2	30.0	2.6	81	1:2
BINDAL AGRO,10	12/87	3.79	2.85	17.52	102.50	120.00	52.00	11.3		9.1	50.0	4.9		
BIRLA JUTE,10	03/88	20.37	83.19	50.84	51.00	51.00	32.00	0.1		510.0	14.0	2.7	86	1:1
BIRLA YAMAHA,10	08/87	8.00	0.17	10.21	10.00	18.00	8.25	0.2	-1.8	50.0				
BLOW PLAST,10	07/88	2.00	3.64	28.20	47.50	62.50	29.00	1.7		27.9	15.0	3.2	87	1:1
BLUE STAR,10	06/88	3.55	9.53	36.85	65.00	66.25	37.00	8.1		8.0	18.0	2.8	86	3:5
BOM BURMAH,100	09/87	5.52	14.56	363.77	460.00	510.00	330.00	36.6	21.7	12.6	20.0	4.3	78	1:4
BOM DYEING,10	03/88	11.24	55.99	59.81	135.00	159.50	94.00	17.2		7.8	30.0	2.2	79	1:1
BOM SUBURBAN,100	03/88	5.85	71.00	1313.68	332.50	340.00	150.00	104.8		3.2	20.0	6.0	81	1:3
BOOTS,10	03/88	8.10	6.76	18.35	125.00	145.00	64.00	5.0	2.7	25.0	18.0	1.4	87	1:1
BOROSIL GLASS,10	12/87	2.25	6.83	40.36	75.00	96.00	50.00	5.3		14.2	20.0	2.7	82	1:2
BRITANNIA,10	11/87	12.38	20.98	26.95	117.50	125.00	75.00	6.4	2.6	18.4	24.0	2.0	87	2:5
BROOKE BOND,10	06/87	24.73	22.90	19.26	115.00	125.00	74.50	5.8	5.4	19.8	30.0	2.6	86	3:5
BURROUGHS,10	06/88	3.00	11.76	49.20	217.50	237.50	115.00	12.7		17.1	15.0	0.7		
C.E.S.C.,10	03/87	18.94	62.17	46.70	16.40	18.50	12.50	5.6		2.9	16.0	9.8		
C.P TOOLS,100	12/87	4.57	9.43	308.35	470.00	790.00	405.00	57.0	7.9	8.2	18.0	3.8	77	1:3
CABLE CORP,10	12/87	9.00	10.99	22.21	68.00	78.00	28.00	5.2	3.2	13.1	16.0	2.6		
CARRIER AIRCON,10	03/88	6.25	0.00	10.00	31.00	34.00	10.50							
CEAT TYRES,10	06/88	9.32	82.95	80.75	110.00	140.00	52.50	21.5	7.7	5.1	27.5	2.5	86	1:2
CEMINDIA,10	09/87	1.28	7.27	66.80	125.00	135.00	82.50	10.2	7.5	12.3	27.0	2.2	84	3:5
CENTURY ENKA,100	12/87	16.61	65.10	698.46	2260.00	2440.00	1060.00	84.0	100.7	26.9	38.0	1.7	88	2:5
CENTURY SPIN,100	12/87	26.62	203.09	862.92	1495.00	1535.00	617.50	59.9	23.8	25.0	24.0	1.6	86	2:3
CHAMPAGNE,10	12/87	2.50	-1.46	4.16	15.50	30.00	12.00	-3.2						
CHLORIDE,10	06/87	20.65	13.55	16.56	78.00	80.00	60.00	4.5	5.2	17.3	31.0	4.0	86	3:5
CIFCO FINANCE,10	07/87	4.80	0.41	10.85	9.00	11.00	3.50	1.6		5.0	14.6	15.6		
CITURGIA,10	03/88	3.38	5.02	24.85	111.25	120.00	62.00	8.6		12.9	35.0	3.1		
COLGATE,10	12/87	15.72	15.18	19.66	321.25	335.00	160.00	9.6	6.6	33.5	50.0	1.6	87	1:1
COLOUR CHEM,100	03/88	7.94	12.09	252.27	450.00	460.00	320.00	37.7		11.9	20.0	4.4	80	2:5
COMET STEEL,10	03/87	8.13	0.00	10.00	18.50	20.00	9.00							
COROM FERT,10	03/87	24.32	36.61	25.05	31.50	38.00	21.00	-0.5	-3.6		6.0	2.5	86	1:2
COSMO FILMS,10	03/88	2.32	7.24	41.21	48.75	77.50	41.25	5.5		8.9	18.0	3.7		
CROMPT GREA,100	06/88	9.60	62.92	755.42	620.00	620.00	285.00	64.3	56.4	9.6	18.0	2.9	79	1:3
CYANAMID,10	11/87	5.25	10.28	29.54	65.00	72.80	34.50	2.5	1.5	26.0	10.0	1.5		
DCM MILLS,10	06/88	20.02	44.71	29.42	34.00	49.00	28.75	-3.6					71	4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 18.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year
DCM TOYOTA,10	06/87	15.00	-7.25	5.17	12.00	13.50	6.50						
DEEPAK FERT,10	03/88	14.82	7.05	14.76	48.50	51.50	23.00	3.0		16.2	16.8	3.9	
DEEPAK NITR,10	10/87	2.43	4.01	26.50	45.00	53.00	27.50	4.0	1.9	11.2	15.0	3.3	85
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00						
DHARAMSI,10	12/87	6.24	10.44	26.73	37.00	38.00	14.00	1.0	1.5	37.0	10.0	2.7	78
DR.REDDYS,10	12/87	1.37	0.81	15.91	70.00	87.50	46.25	4.5		15.6	20.0	2.9	
DUNCAN AGRO,100	12/86	2.03	14.11	795.07	150.00	176.00	150.00	92.1		1.6	15.0	10.0	77
DUNLOP,10	03/88	18.99	64.48	43.95	94.00	94.00	65.00	10.6		8.9	30.5	3.2	76
E. MERCK,10	12/87	5.94	5.04	18.48	70.00	77.50	44.00	2.2		31.8	16.0	2.3	88
E.I.HOTELS,10	03/88	23.84	37.31	25.65	57.50	62.50	36.00	2.9		19.8	20.0	3.5	84
EICHER MOTORS,10	04/87	3.96	1.02	12.58	16.00	18.50	5.50	6.4	-4.8	2.5	12.0	7.5	
EID PARRY,10	06/88	6.28	6.72	20.70	47.00	52.50	29.50	4.5		10.4	20.0	4.3	
ELECON ENG,10	12/87	5.65	24.76	53.82	70.00	77.00	42.00	4.6	2.2	15.2	15.0	2.1	87
ENFIELD,10	06/88	5.04	9.45	28.75	10.00	11.50	8.25	-10.4					85
ENGLISH ELECT,10	03/88	9.00	16.38	28.20	58.50	66.00	47.75	4.9		11.9	15.0	2.6	87
ESCORTS,10	12/87	27.65	91.43	43.07	70.00	73.00	36.00	0.3	2.4	233.3	22.0	3.1	86
ESKAYEF,10	11/87	7.50	14.26	43.52	151.25	162.50	97.00	7.7	4.0	19.6	25.0	1.7	86
ESSAR SHIPPING,10	12/87	34.87	37.98	20.89	31.00	33.00	15.50	2.2		14.1	20.0	6.5	
EXCEL,10	09/87	4.62	7.12	25.41	125.00	128.00	34.00	1.3	3.6	96.2	10.0	0.8	84
FAG PRECISION,100	12/87	3.36	7.09	311.01	300.00	300.00	105.00	9.8	12.8	30.6	10.0	3.3	
FERRO ALLOYS,100	06/88	5.52	18.78	440.22	680.00	680.00	122.50	37.5	63.4	17.6	15.0	2.3	80
FGP,10	03/88	4.89	5.82	21.90	32.00	37.50	23.75	4.1	3.7	7.8	16.0	5.0	87
FICOM ORGANIC,10	09/87	1.29	3.07	33.80	205.00	250.00	125.00	17.0	9.7	12.1	30.0	1.5	87
FINOLEX,10	11/87	3.24	13.72	94.22	377.50	405.00	154.00	25.1	34.6	15.0	40.0	1.1	88
FIRST LEASING,10	11/87	3.77	8.78	33.29	16.00	20.00	14.00	6.4		2.5	25.0	15.6	83
FLAKT INDIA,10	12/87	3.40	2.85	18.38	65.00	87.50	44.00	4.3		15.1	20.0	3.1	86
FOOD SPECIAL,10	12/87	19.20	20.16	20.50	172.50	180.00	93.75	5.6		30.8	25.0	1.4	86
FORBES FORBES,10	06/88	4.25	4.96	21.67	42.50	46.00	22.00	2.4	-0.2	17.7	15.0	3.5	82
FULFORD,10	12/87	0.80	2.28	77.00	370.00	425.00	50.00	8.8	1.2	42.0	22.0	0.6	86
G.E.SHIPPING,10	06/88	67.37	39.18	15.82	43.75	45.00	20.50	2.4		18.2	15.0	3.4	81
G.K.W.,10	12/86	24.08	20.83	18.66	18.00	18.00	5.50	-1.7	-1.5				83
G.T.C.INDUST,10	06/87	5.00	9.32	28.64	17.00	18.00	12.50	3.9	3.8	4.4	25.0	14.7	72
GABRIEL,10	11/87	2.64	3.33	22.61	22.50	37.00	17.00	1.7	1.7	13.2	18.0	8.0	78
GAMMON INDIA,10	07/87	2.16	13.44	72.22	155.00	167.50	29.00	1.6	5.1	96.9	15.0	1.0	82
GARDEN SILK,10	03/88	10.01	63.07	73.01	70.00	160.00	66.25	14.0		5.0	30.0	4.3	
GARWARE NYLON,10	06/86	9.72	13.31	23.69	48.00	56.00	20.00	2.6	2.6	18.5	15.0	3.1	83
GARWARE POLY,10	06/88	8.30	23.66	38.51	115.00	127.50	72.00	7.0		16.4	20.0	1.7	
GARWARE SHIP,10	03/88	3.75	0.03	10.08	31.00	31.50	10.50	-3.6					
GEN ELECTRIC,10	03/88	7.20	18.92	36.28	60.25	61.50	26.00	3.9	1.9	15.4	12.0	2.0	
GENELEC,10	03/86	2.16	5.79	36.81	65.00	68.00	43.75	6.5		10.0	14.7	2.3	84
GEORGE WILL,10	06/87	6.30	19.69	41.25	105.00	115.00	82.50	7.6	10.0	13.8	35.0	3.3	86
GERMAN REME,10	12/87	3.26	4.93	25.12	76.00	77.00	30.00	2.9		26.2	10.0	1.3	82
GLINDIA,10	06/88	20.00	30.27	25.14	97.00	104.00	51.50	5.1		19.0	20.0	2.1	80
GODFREY PHILIPS,10	12/86	2.60	3.24	22.46	40.00	45.00	10.00	3.4	2.4	11.8	25.0	6.2	75
GOETZE,10	06/88	6.93	12.40	27.89	52.00	52.00	25.00	5.5		9.5	22.0	4.2	78
GOKAK PATEL,10	06/88	6.52	16.51	35.32	81.00	85.00	60.00	10.7	4.2	7.6	20.0	2.5	87
GOOD NEROLAC,10	06/87	3.24	5.08	25.68	75.00	75.00	45.00	4.2		17.9	20.0	2.7	78
GOODYEAR,10	12/87	7.48	24.67	42.98	83.00	85.00	48.00	11.6		7.2	30.0	3.6	77
GRAMOPHONE,10	09/86	1.81	-16.59	-81.66	9.00	9.00	4.00						
GRASIM,10	03/88	37.78	101.81	92.52	92.00	93.50	46.60	4.1	4.1	22.4	27.5	3.0	88
GREAVE COTTON,100	06/88	6.57	22.51	442.62	570.00	590.00	295.00	85.2	80.8	6.7	22.0	3.9	86
GUJ ALKALIES,10	03/88	10.72	22.59	31.07	70.00	70.00	29.00	2.4	-1.3	29.2	26.0	3.7	87
GUJ AMB CEM,10	06/88	19.99	4.01	12.01	26.00	28.00	11.00	2.1		12.4	11.0	4.2	
GUJ NARMADA,10	06/88	86.97	103.48	21.63	61.00	62.00	27.00	2.7		22.6	18.0	3.0	
GUJ STATE FERT,10	12/87	26.95	170.03	73.06	155.00	174.00	75.00	10.1	5.2	15.3	30.0	1.9	87
HARRISON,10	03/88	9.10	15.62	27.16	70.00	75.00	36.00	5.6	3.0	12.5	25.0	3.6	87
HERDILLIA CHEM,10	06/88	7.35	36.31	59.40	67.00	72.00	41.00	7.6		8.8	21.0	3.1	78
HERO HONDA,10	06/88	15.60	1.94	11.24	33.50	35.00	15.00	1.2		27.9			
HIND ALLOY,10	12/87	5.89	2.20	13.74	71.25	81.00	28.75	2.4	2.9	29.7	20.0	2.8	
HIND ALUM,10	12/87	15.89	166.84	114.87	134.00	136.00	72.50	8.8	5.3	15.2		1.8	88
HIND BROWN,100	04/86	5.47	23.08	521.94	825.00	900.00	265.00	84.2		12.9	23.0	2.8	78
HIND CIBA,100	12/87	17.71	31.79	279.50	640.00	691.00	332.50	38.1	15.5	16.8	20.0	3.1	80
HIND COCOA,10	06/88	8.40	9.69	21.54	122.00	122.00	67.50	4.5		27.1	20.0	1.6	87
HIND DEVELOP,10	12/87	8.92	82.99	103.04	101.00	107.00	65.00	5.8	6.5	17.4	20.0	2.0	86
HIND DORR-OLIVER,10	11/87	2.38	10.79	55.34	162.50	215.00	95.00	18.4		8.9	37.5	2.3	86
HIND FERODO,10	12/87	5.50	1.19	12.19	20.00	23.00	16.00	1.3		15.4	5.0	2.5	83
HIND LEVER,10	12/87	93.32	80.17	19.66	83.00	92.00	59.50	5.0	2.2	16.6	25.0	3.0	87
HIND MOTOR,10	03/88	26.35	52.67	29.99	31.50	34.00	15.50	-1.0			7.5	2.4	86
HMM,10	04/87	14.16	8.12	15.73	167.50	185.00	121.00	7.6	6.5	22.0	55.0	3.3	87
HOECHST,100	12/87	9.58	25.35	364.61	630.00	680.00	437.00	14.3	3.1	44.1	10.0	1.6	82
HOGANAS,10	10/87	1.15	0.00	10.00	52.00	62.00	34.00		-1.6				
HOTEL LEELA,10	06/88	8.97	-3.39	8.66	18.00	19.50	11.50	-2.4					
HOUSING DEV FIN,100	06/88	20.00	33.00	285.00	180.00	180.00	65.00	65.5		2.7	17.0	9.4	
HYD ALLWYN,10	07/87	8.10	10.70	23.21	18.00	18.00	7.50	3.7	4.2	4.9	15.0	8.3	
ICIM,10	12/87	4.16	5.86	24.02	29.50	40.00	21.00	2.3		12.8			
ICI,10	09/87	40.67	72.49	27.74	84.00	90.00	39.00	1.2	0.8	46.0	12.5	2.3	76

Company / Face value	Year Ended	Equity Rs Cr	Reserves Rs Cr	Book value Rs	Price 18.11.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Dividend %	Yield %	Bonus Year	Bonus Ratio
EMENT,10	03/88	4.90	46.92	105.76	25.00	27.00	14.50	3.0		8.3	12.0	4.8	70	2:5
YPSUM,10	04/87	4.50	0.00	10.00	16.00	17.00	9.50							
OLYFIBRES,10	12/87	29.75	-2.73	9.08	7.00	8.50	4.24							
TEAMSHIP,10	03/88	4.95	-65.15	-121.62	15.80	15.80	4.15	-16.9					75	1:1
ALUM,10	12/87	41.16	49.09	21.93	48.00	48.00	24.00	0.9	1.2	53.3	14.0	2.9	77	2:5
DYESTUFF,100	03/88	7.50	35.98	579.73	320.00	335.00	177.50	618.0	10.6	0.4	15.0	4.7	80	1:4
HOTEL,10	03/88	9.92	42.12	52.46	132.50	140.00	95.00	6.8		19.5	30.0	2.3	82	2:5
ORGANIC,10	03/88	18.40	17.03	19.44	49.50	50.50	15.00	-6.2	0.2				85	1:2
OXYGEN,10	09/87	14.60	29.94	30.51	44.00	44.00	29.00	2.2		20.0	16.0	3.6	85	1:3
RAYON,10	06/88	16.14	160.90	109.89	88.00	90.00	46.00	3.1		28.4	28.0	3.2	80	1:4
SEAMLESS,10	12/87	2.21	4.01	28.14	110.00	135.00	47.00	9.5	5.9	11.6	18.0	1.6		
ULF FERT,10	03/88	165.00	0.00	10.00	22.00	22.00	10.50							
,10	06/88	5.09	14.58	38.64	272.50	291.25	135.00	8.7		31.3	26.0	1.0	86	1:1
ISSAN,10	12/87	6.00	1.21	12.02	27.00	28.50	18.00	5.6		4.8	10.0	3.7		
SOLL,10	12/87	7.89	21.32	37.02	320.00	370.00	212.50	11.0	4.6	29.1	30.0	0.9	86	1:1
XCHANGE,10	04/88	3.46	7.20	30.81	72.50	87.00	38.75	4.3		16.9	20.0	2.8	88	4:5
A,10	06/87	12.00	0.83	10.69	17.00	17.00	8.75	2.4		7.1				
	06/88	33.17	144.82	53.66	49.00	64.00	30.00	7.5		6.5	35.0	7.1	81	1:5
EMICAL,10	06/88	3.00	2.79	19.30	42.00	42.00	21.00	4.4		9.5	20.0	4.8		
DUST,10	08/88	13.76	16.78	22.19	66.00	66.00	25.00	12.0		5.5	20.0	3.0	67	1:1
YNTHETIC,10	03/88	27.25	207.02	85.97	91.00	93.00	45.50	3.1		29.4	20.0	2.2	83	1:3
NT VITAMIN,10	06/88	3.87	5.11	23.20	43.00	54.00	24.50	4.8		9.0	21.0	4.9	87	2:5
ANI BRAKES,10	06/88	3.90	-4.84	-2.41	26.00	31.00	14.50	1.3		20.0				
ANI STEEL,10	08/88	1.13	11.41	110.97	550.00	550.00	250.00	31.9		17.2	85.0	1.5	88	1:1
INATOR,10	08/87	3.55	19.61	65.24	125.00	150.00	36.00	6.9	10.5	18.1	15.0	1.2	84	1:1
ORAM,10	03/88	8.85	52.23	69.02	71.00	71.00	32.50	3.4		20.9	23.5	3.3	79	1:2
DAY DIST,10	06/87	6.00	8.88	24.80	41.00	56.00	33.00	3.1	1.0	13.2	20.0	4.9		
TIC ENGG,10	08/88	1.20	18.15	161.25	342.50	410.00	161.25	31.3		10.9	40.0	1.2	88	1:1
TIC HONDA,10	01/88	9.99	2.63	12.63	31.00	37.50	16.75	-5.9	0.6					
CUMMINS,10	09/87	27.10	37.16	23.71	92.50	96.25	48.00	3.7	1.3	25.0	20.0	2.2	86	1:1
PNEUMATIC,10	09/87	3.85	3.36	18.73	55.00	62.50	15.00	1.8	1.3	30.6	12.5	2.3		
OSKAR OIL,10	06/88	6.71	11.55	27.21	47.00	55.00	12.00	4.4		10.7	6.0	1.3	76	3:7
CKNER WIND,10	12/87	4.50	3.27	17.27	112.50	122.50	81.25	4.4	2.9	25.6	21.0	1.9	88	1:2
PUMPS,10	12/87	4.35	11.98	37.54	327.50	398.25	220.00	12.3	6.3	26.6	20.0	0.6	86	1:1
ME,10	06/88	2.10	6.86	42.67	142.50	142.50	61.25	5.3		26.9	27.5	1.9	86	2:5
SEN TOUBRO,10	09/87	56.37	235.96	56.23	132.00	148.50	75.50	4.9	2.2	26.9	20.0	1.5	86	3:5
TON,10	06/88	15.75	8.19	15.20	82.00	84.00	52.00	4.6		17.8	22.0	2.7		
YD STEEL,10	03/87	3.38	4.13	22.22	38.00	38.00	17.00	4.7	4.5	8.1	21.0	5.5		
L,10	10/87	21.05	8.64	14.10	14.25	19.50	9.00	-2.9					80	4:5
CNEIL MAGOR,10	06/86	2.74	41.38	161.02	47.00	47.75	43.75	2.3		20.4	7.0	1.5		
DRAS CEMENT,100	12/87	3.02	18.65	717.55	750.00	860.00	315.00	-153.3	-79.5					
DURA COATES,10	06/88	21.96	92.32	52.04	97.00	97.00	60.00	6.2		15.6	30.0	3.1	86	1:2
FATLAL FINE,100	03/88	14.48	24.38	268.37	207.50	225.00	140.00	6.0		34.6	16.0	7.7	80	1:3
FATLAL IND,100	03/88	18.20	52.98	427.04	335.00	350.00	200.00	14.4	12.2	23.3	20.0	6.0	78	1:5
HIN & MAHIN,10	10/87	19.26	102.06	62.99	117.50	124.00	48.50	5.5	2.3	21.4	22.0	1.9	84	2:3
HINDRA UGINE,10	06/88	7.30	17.78	34.33	96.25	100.00	48.00	6.6		14.6	25.0	2.6	88	1:2
NGALAM CEM.,10	12/87	7.11	11.31	25.91	29.50	29.50	13.00	2.8	1.7	10.5	15.0	5.1		
NGALORE CHEM,10	03/88	12.45	13.98	21.23	55.65	55.65	15.25	0.1		556.5	10.0	1.8		
STERSHARE,10	06/88	150.00	63.00	14.20	19.25	21.00	9.25	4.2		4.6	13.0	6.8		
THER PLATT,10	06/88	10.24	8.57	18.42	66.75	85.00	27.35	3.8		19.1	25.0	3.6	87	3:5
X INDIA,10	09/87	2.79	0.94	13.37	52.50	58.00	30.00	4.3	1.8	12.2	18.0	3.4		
AY & BAKER,10	12/87	4.50	7.16	25.96	56.00	58.00	34.00	3.1	1.2	18.1	10.0	1.8		
AZDA INDUST,10	08/87	4.32	2.32	15.37	14.50	18.50	11.00	4.5	2.2	3.2	25.0	17.2		
CDOWELL,10	06/88	7.74	33.05	52.70	97.50	105.00	72.50	11.2		8.7	20.0	2.1	86	1:1
C LEOD RUSSEL,10	06/87	6.25	17.13	37.41	98.75	130.00	86.25	8.1	5.2	12.2	45.0	4.6	87	1:1
TAL BOX,10	03/87	14.68	-12.54	1.46	8.50	10.00	4.24	-4.0	-5.0				87	1:2
ES INDIA,10	12/87	0.64	0.91	24.22	165.00	180.00	52.00	9.8	4.8	16.8	30.0	1.8	87	3:5
KFOOD,10	12/87	1.14	4.49	49.39	245.00	290.00	75.00	8.9	24.8	27.5	25.0	1.0	87	1:1
GDI INDUSTRIES,10	09/88	2.17	12.98	68.34	35.00	85.00	35.00	-11.9			12.0	3.4	88	1:5
GDI RUBBER,10	04/88	10.38	41.59	50.07	97.50	100.00	43.00	14.3		6.8	25.0	2.6	84	2:5
GDI XEROX,10	04/88	17.46	0.17	10.10	64.00	75.00	21.50	2.9		22.1				
CTOR INDUST,100	12/87	38.05	46.32	221.73	650.00	700.00	447.50	29.4	14.5	22.1	12.0	1.8	86	1:1
F,10	09/87	3.86	23.30	70.36	365.00	365.00	127.00	26.1		14.8	40.0	1.0	75	1:2
UKAND IRON,10	06/88	9.82	72.22	83.54	123.00	125.00	73.50	12.1		10.2	23.0	1.9	88	1:2
MYSORE CEMENT,10	06/87	11.48	19.23	28.75	26.00	28.00	18.00	1.1	0.5	23.6	17.5	6.7	85	2:5
NAGAR FINANCE,10	09/87	2.44	2.70	21.07	14.00	14.00	10.75	5.5	0.4	2.5	23.0	18.4		
NATION PEROXIDE,100	03/88	2.30	9.02	142.03	1250.00	1575.00	820.00	77.8		16.1	30.0	2.4		
NATIONAL RADIO,100	12/87	6.82	2.77	141.64	175.00	175.00	97.50	10.6		16.5				
NIRLON,10	09/87	15.76	27.08	27.16	12.00	14.75	5.00	-27.1	-0.1				82	1:2
NOCIL,100	12/87	36.00	55.62	254.50	950.00	980.00	390.00	46.2	32.6	19.7	20.0	2.1	86	1:2
ORISSA CEMENT,10	12/87	5.40	31.50	68.33	35.00	35.50	29.25	7.3		4.8	20.0	5.7	87	1:1
ORKAY,10	03/88	41.29	59.15	24.33	41.50	51.00	17.00	1.7		24.4	21.0	5.1		
OSWAL AGRO,10	06/87	28.52	81.67	38.64	121.00	129.50	57.00	2.8		43.2	50.0	4.1	87	3:5
OSWAL FURANE,10	12/87	18.00	0.00	10.00	63.50	75.00	22.25							
OTIS ELEVATORS,10	11/87	5.04	9.62	29.09	217.50	225.00	161.25	7.6	2.6	28.6	25.0	1.1	85	1:1
PARKE DAVIS,10	11/87	7.53	3.66	14.86	46.00	55.00	31.00	2.3		20.0	25.0	5.4	78	3:5
PEICO,10	12/87	33.32	53.59	26.08	32.00	40.00	21.50	1.2	-1.2	26.7	10.0	3.1	82	1:5
PFIZER,10	11/87	11.72	15.65	23.35	85.00	90.00	50.00	0.3	0.4	283.3	10.0	1.2	77	4:5
POLYCHEM,10	03/88	4.10	9.92	36.94	99.00	106.00	55.00	13.2	13.1	7.5			86	1:2
POLYOLEFINS,100	12/87	19.30	24.65	227.72	880.00	920.00	515.00	53.0	45.1	16.6	28.0	3.2	88	1:2
PONDS,10	06/87	6.68	11.38	27.04	195.00	250.00	127.50	5.4	3.8	36.1	40.0	2.1	87	1:1
PREMIER AUTO,10	06/88	16.20	103.38	73.81	56.50	58.00	23.00	6.9		8.2	25.0	4.4	86	1:1
PROCTER & GAM,10	06/88	3.71	9.29	35.04	420.00	430.00	257.50	12.5		33.6	50.0	1.2	88	4:5
PSI DATA,10	09/87	1.38	0.65	14.71	38.00	38.00	10.25	1.8		21.1	17.0	4.5		
RALLIS,10	04/88	9.52	30.00	41.51	110.00	120.00	60.00	5.9	3.2	18.6	27.5	2.5	77	3:1
RANBAXY,10	12/87	5.22	12.72	34.37	82.50	92.50	68.00	5.2	2.6	15.9	20.0	2.4	88	2:5
RAYMONDS,10	03/88	22.47	50.11	32.30	66.00	66.00	41.50	3.8	1.0	17.4	25.0	3.8	87	1:1
RECKITT COLMAN,10	12/87	4.20	13.80	42.38	150.00	155.00	92.50	12.7	7.6	11.8	30.0	2.0	88	1:1
REGENCY CERAMIC,10	04/87	3.97	-1.29	6.75	14.50	24.00	10.00	-3.9	-2.7					
RELIANCE,10	06/88	158.26	898.32	66.76	174.50	231.00	89.00	5.1		34.2	55.0	3.2	83	3:5
REMINGTON,10	03/88	2.67	4.34	26.25	34.00	34.00	24.75	4.1	2.6	8.3	20.0	5.9	86	1:2
REVATHI C.P.10	06/88	1.60	3.12	29.50	130.00	140.00	51.50	7.2		18.1	20.0	1.5	87	1:1
ROCHE PRODUCTS,10	12/87	4.81	5.38	21.19	78.75	87.50	34.00	2.3	1.4	34.2	14.0	1.8	80	1:3
ROSS MURARKA,10	06/87	3.74	3.29	18.80	15.00	17.00	10.50	4.7	3.4	3.2	26.0	17.3		
S.I.VISCOSE,100	03/88	11.03	13.08	218.59	635.00	650.00	215.00	74.0		8.6	25.0	3.9	87	1:2
SAMTEL,10	12/87	2.74	7.92	38.91	97.50	105.00	33.25	6.3	9.2	15.5	25.0	2.6	88	1:3
SANDOZ,10	12/87	5.30	19.68	47.13	92.50	93.75	59.00	3.0		30.8	16.0	1.7	84	2:7
SANDVIK ASIA,100	12/87	5.78	7.54	230.45	720.00	720.00	575.00	23.6	10.7	30.5	20.0	2.8	84	1:1
SCINDIA,20	06/87	18.95	3.79	24.01	6.50	8.00	1.76	-30.9					77	2:5
SEARLE,10	12/87	3.48	14.57	51.87	182.50	195.00	92.00	8.0	1.2	22.8	20.0	1.1	86	1:1
SESA GOA,10	03/87	5.15	9.42	28.29	39.00	45.50	16.00	7.0	-4.5	5.6	18.0	4.6	86	2:5
SHAW WALLACE,10	06/88	12.00	17.66	49.43	87.00	87.00	52.00	10.8	7.3	8.1	35.0	4.0	87	1:1
SHRI RAM FIBRES,10	09/87	10.33	22.69	31.97	63.00	63.00	34.50	2.7		23.3	20.0	3.2	82	1:2
SIEMENS,10	09/87	20.77	33.08	25.93	108.00	120.00	56.50	3.8	2.2	28.4	16.0	1.5	86	1:4
SILTAP CHEMICAL,10	03/88	1.80	-0.76	10.00	57.50	80.00	47.50	-4.2						
SIPTA COATED,10	10/87	9.42	1.84	11.95	22.00	25.50	15.00	3.1	2.6	7.1	15.0	6.8		
SKF BEARINGS,100	12/87	12.35	30.44	346.48	2390.00	2420.00	1058.00	87.8	68.1	27.2	22.0	0.9	86	2:5
SOUTHERN PETRO,10	12/87	34.00	267.86	88.78	66.50	68.00	22.75	1.5	-7.2	44.3	15.0	2.3	86	1:1
SPARTEK,10	06/88	2.85	6.19	31.72	90.00	110.00	58.00	13.2	5.0	6.8	25.0	2.8		
SPECIAL STEEL,100	12/87	7.59	10.79	242.16	775.00	825.00	575.00	104.7	67.3	7.4	15.0	1.9	73	1:1
STANDARD MILLS,100	03/88	11.06	75.27	780.56	345.00	390.00	190.00	37.0		9.3	16.0	4.6	82	2:5
STANDARD MOTOR,10	12/86	2.32	3.98	27.16	10.25	11.85	7.50	-16.1					85	1:1
STRAW PRODUCTS,10	12/87	10.14	73.61	82.59	46.00	48.00	29.50	4.0	1.3	11.5	20.0	4.3	72	1:2
SU-RAJ DIAMOND,10	04/88	4.77	4.37	19.16	61.00	65.00	15.00	9.1		6.7	15.0	2.5		
SUND CLAYTON,10	05/88	9.48	23.99	52.16	47.50	52.50	29.25	9.0		4.8	25.0	5.3	87	2:3
SUND FASTENERS,10	03/88	3.19	11.70	46.68	81.00	82.50	53.75	7.4		10.9	25.0	3.1	88	3:5
SUND FINANCE,10	03/88	6.00	11.46	29.10	48.00	48.00	25.50	7.8		6.2	20.0	4.2	86	1:1
SUPREME INDUST,10	06/88	1.80	3.70	30.56	260.00	215.00	137.50	25.4		10.2	35.0	1.4	87	1:1
SWAD POLYTEX,10	09/86	3.90	36.01	102.33	38.00	42.50	21.50	8.5	8.7	4.5	30.0	7.9		
SYNTH & CHEM,10	03/88	5.81	4.80	18.26	57.00	62.00	26.50	3.9	2.6	14.6	21.0	3.7		
TATA CHEMICALS,10	03/88	37.18	150.35	50.44	109.00	119.00	56.00	7.3		14.9	30.0	2.8	85	2:5
TATA LOCO,100	03/88	90.97	212.99	334.13	775.00	785.00	340.00	45.0	6.8	17.2	23.0	3.0	82	2:5
TATA OIL,25	03/88	8.11	19.78	75.30	75.00	87.00	55.00	4.2	4.3	17.9	10.0	3.3	81	1:5
TATA POWER,100	03/88	21.22	66.24	421.60	390.00	390.00	175.00	89.1	111.3	4.4	16.0	4.1	75	1:5
TATA PRESS,10	03/88	1.57	5.86	47.32	52.00	55.00	33.00	4.5	2.1	11.6	18.0	3.5		
TATA STEEL,100	03/88	136.01	476.33	450.22	1092.50	1097.50	566.75	67.8	39.7	16.1	25.0	2.3	88	2:5
TATA TEA,10	12/87	12.21	54.82	54.90	162.00	164.00	105.00	8.9	2.1	18.2	45.0	2.8	79	1:3
TATA UNISYS,10	12/87	4.38	3.62	18.26	87.50	107.50	60.00	3.5	2.2	25.0	22.0	2.5	87	2:5
TEXMACO,10	12/86	1.87	11.06	99.14	45.00	45.00	17.00	-208.6						
TINPLATE,10	03/88	10.14	8.26	18.15	21.00	24.00	15.50	2.6		7.5	10.0	4.8		
TUBE INVESTMENT,10	12/87	5.73	28.62	59.95	39.00	40.00	22.00	7.0		5.6	20.0	5.1	85	1:3
TUTICO ALKALIES,10	12/87	12.94	-2.63	7.97	15.50	20.00	11.00		-1.3					
TVS SUZUKI,10	02/88	23.10	-8.59	6.28	20.00	22.00	8.50		1.4					
TWENT CENT.10	03/88	8.88	8.76	29.34	20.50	20.71	12.14	4.2	1.9	4.9	25.7	12.5	88	2:5
UNION CARBIDE,10	12/87	32.58	38.04	21.68	25.00	22.50	10.00	1.1		22.7	12.0	4.8	80	1:2
UNIT BREWERIES,10	06/87	4.00	9.53	33.82	43.00	43.00	36.50	5.4		8.0	15.0	3.5	88	1:1
UNIT PHOSPHORUS,10	12/87	2.80	2.66	19.50	59.00	61.00	32.50	0.4	-1.1	147.5	10.0	1.7		
UPCOM CABLES,10	12/87	5.92	0.04	10.07	37.50	49.00	21.75	0.1	0.9	375.0				
VAM ORGANIC,10	04/88	5.16	11.72	32.71	127.00	143.00	78.00	9.2		13.8	30.0	2.4		
VARELI,10	03/88	7.29	13.49	26.50	33.75	62.50	29.50	5.7	6.8	5.9	22.0	6.5		
VIDEOCON,10	09/88	2.75	1.59	15.78	60.00	70.00	18.87	6.5		9.2	18.0	3.0		
VINDHYA TELE,10	03/88	3.90	3.34	18.56	140.00	145.00	68.00	11.3	7.8	12.4	20.0	1.4		
VOLTAS,100	09/88	12.78	31.29	344.84	560.00	580.00	230.00	75.9	16.3	7.4	22.0	3.9	81	1:4
VST INDUSTRIES,10	09/87	6.03	12.00	29.90	22.50	30.50	19.00	4.6	2.3	4.9	29.0	12.9	77	3:5
WAL NAGAR,100	09/87	3.00	35.39	127.97	12.50	12.50	7.00	1.1	-5.8	11.4			82	1:2
WARREN TEA,10	03/88	3.00	11.49	39.48	62.50	70.00	50.50	8.9		7.0	30.0	4.8	86	1:5
WIMCO,10	12/87	8.45	9.56	21.31	26.50	30.00	11.00	-5.8	-4.6				70	1:5
ZENITH,10	06/87	9.15	13.04	30.31	79.00	81.00	36.00	2.5	3.5	31.6	30.0	3.8	87	1:4
ZF STEERING,10	06/88	2.25	0.80	13.56	67.00	67.00	30.00	3.3	2.0	20.3				
ZUARI,10	12/87	12.43	49.38	49.73	85.00	90.00	34.00	3.5	0.3	24.3	25.0	2.9		

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share. Yield: dividend as a percentage of market price

HOW TO OWN THE BEST BUSINESS ADDRESS IN U.P.'S FASTEST GROWING TRADE CENTRE.



GET THE EDGE OVER YOUR COMPETITORS. BOOK YOUR OFFICE SPACE NOW.

Lucknow. The business centre for India's single largest market.

Lucknow is today Uttar Pradesh's fastest growing business centre, with improved communication and transport facilities, and an ever widening sphere of commercial possibilities.

Pioneer Plaza—the modern commercial complex in the heart of Lucknow.

The Pioneer Plaza is just the kind of commercial complex Lucknow needs.

Located in the centre of the city, it is just a few minutes' walk from Hazratganj, the major shopping mall.

So every public and business amenity is within your reach. Making it the ideal address for banks, public sector undertakings, government and corporate offices.

Facilities that make business sense.

At the heart of the Pioneer Plaza is the Business Centre which provides every kind of secretarial facility. Everything, from FAX to computers is being installed for the convenience of the occupants of the Plaza.

Other distinctive features of the Plaza include free hold land, a spacious lobby in marble, covered basement parking and open parking, six automatic elevators, fire-fighting facilities with three independent fire escapes, attached toilets for all units and stand-by generators for essential services.

Fidelia Constructions— impeccable credentials.

The Pioneer Plaza project has been undertaken by Fidelia Constructions (P) Ltd., a company promoted by the well known industrialist family—the Jaipurias. Dr. Raja Ram Jaipuria, who has rich and valuable experience in Financial Planning and Management heads the show as Chairman & Managing Director. Until recently, Dr. Jaipuria was also Chairman & Managing Director of Swadeshi Polytex Ltd., proven the most cost-efficient polyester fibre plant in the country. The Board includes Dr. Ramesh C. Vaish, who is a Chartered Accountant & Vice Chairman of Jaiprakash Industries Ltd., one of the largest constructio companies in the country, with several prestigious overseas contracts. Shri Shailendra Swaroop, who is a Director in companies like Modi Xerox, Ester India Ltd Bihar Sponge Iron Ltd., and Samtel Colour Ltd., and Senior Advocate Supreme Court of India, is also on the Board. Assisting the Board is a team of highly qualified Civil Engineers and other professionals—all with impeccable credentials.

Renowned architects.

The Board has also engaged the designing and structural expertise of M/s. Kothari & Associates to benefit its activities. The firm's list of architectural achievements includes the designing of the Bank of Baroda—New Delhi's 14-storeyed office building, Reserve Bank of India Headquarters, Jaipur, office building for Deptt. of Electronics, New Delhi, ONGC Works at Dehra Dun, Hotel Centaur, New Delhi, Shakti Bhawan, Lucknow's 15-storeyed office building, Escorts Heart Institute, New Delhi, Indira Gandhi Institute of Medical Sciences, Patna,and other buildings that have come to be known for their architectural excellence.

Pioneer Plaza. A profitable investment.

Today, real estate is the most profitable investment you can make. Especially when you consider the added benefits of Pioneer Plaza. So it makes sense to invest now and watch your money multiply as the construction progresses.

Space availability and payment modes

You can book office space of a minimum size of 500 sq. ft. At prices that will make you smile. For your convenience, two payment plans have been introduced. An Interest Free Payment Plan and a Cash Down Payment Plan.

For more information, mail the coupon below. And book your space in the best business address in Lucknow.

BOOKING OPEN!

PIONEER LUCKNOW Plaza

FIDELIA CONSTRUCTIONS PVT. LTD.

Name

Address

Tel. No.

I'd like to own the best business address in U.P.'s fastest growing trade centre. Please send me more information.

Marketing and Site Office : 20, Vidhan Sabha Marg, Lucknow 226 001. Tel : 36516-19. Telex : 535-436 FAST IN PIONEER

Regd. Office : Jai Market, 55/55, Generalganj, Kanpur.

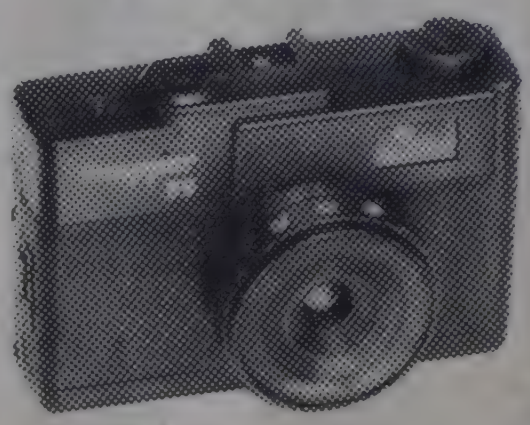
everest/d88/FCPL/366

pany	Face Value	Market lot	Type	Rate %	Size Rs lacs	Price Rs	Date	Yield %	Interest due date	Redemption date	Book closure
A	100	10	NCD	13.5	252.0	90.00	17/11/88	15.00	30.6,31.12	17/9/93	31/12/88
OK LEY.A	64	5	NCD	13.5	521.0	55.00	15/11/88	15.71	31.3,30.9	3/4/96	16/9/88
OK LEY.B	64	5	NCD	13.5	1043.0	55.00	15/11/88	15.71	31.3,30.9	3/4/96	16/9/88
OK LEY.C	100	5	NCD	15.0	815.0	100.00	15/11/88	15.00	31.3,30.9	3/4/91	16/9/88
SH IND	75	10	CD	15.0	300.0	58.00	18/11/88	19.40	31.3,31.7	17/3/94	18/7/88
LIBOI	100	25	NCD	15.0	510.0	88.75	18/11/88	16.90	30.4,31.10	11/4/93	15/10/88
LA JUTE	200	5	NCD	13.5	999.0	170.00	01/11/88	15.88	30.9,31.3	7/2/69	15/9/88
E BLEND	200	10	NCD	13.5	625.0	167.50	18/11/88	16.12	31.1,30.6	4/11/96	1/6/88
NT. CONST.	100	10	NCD	15.0	1750.0	83.75	17/11/88	17.91	1.1,1.7	4/10/95	14/6/88
REDDY'S	100	10	CD	15.0	163.0	92.50	17/11/88	16.22	30.6,31.12	4/6/96	16/6/88
NLOP	150	5	NCD	13.5	120.0	140.00	18/11/88	14.46	15.7,15.1	1989/91	31/12/88
HOTELS	50	10	NCD	13.5	1566.0	43.50	14/9/88	15.52	10.4,10.10	10/4/94	21/9/88
ECON ENG	45	5	NCD	13.5	247.0	41.25	15/11/88	14.73	30.6,31.12	12/3/94	1/6/88
SAR SHIP	75	10	NCD	13.5	1667.0	80.00	16/11/88	12.66	15.4,15.10	15/4/94	21/6/88
.P.	100	5	NCD	13.5	168.0	80.00	16/11/88	16.88	31.3,30.9	19/11/92	13/9/88
RRO ALLOY	250	2	NCD	13.5	750.0	222.50	01/11/88	15.17	30.6,31.12	1991	8/6/88
RBES	100	10	NCD	13.5	600.0	86.25	18/11/88	15.65	1.4,1.10	2/4/94	10/9/88
RDEN SILK	100	10	NCD	12.5	2197.0	72.00	18/11/88	17.36	31.3,30.9	1995/97	1/9/88
ASIM IND	120	5	NCD	13.5	100.0	111.00	18/11/88	14.59	31.3	1997	15/3/88
J ALKALI	140	5	NCD	13.5	700.0	128.75	15/11/88	14.68	28.2,31.8	1/8/93	17/8/88
ND FERODO	100	5	CD	13.5	206.0	84.00	15/11/88	16.07	30.6,31.12	14/12/92	10/6/88
DECHST	100	5	NCD	15.0	383.0	105.00	17/11/88	14.29	1.5,1.11	14/9/91	12/4/88
C.	500	1	NCD	15.0	500.0	500.00	16/11/88	15.00	1.7,1.1	1990/91	14/6/88
D HOTEL	75	10	NCD	13.5	1123.0	70.00	17/11/88	14.46	1.4,1.10	26/4/92	23/8/88
D HOTEL	100	10	NCD	12.5	2708.0	86.00	18/11/88	14.53	15.6,15.12	14/6/94	3/5/88
D RAYON	80	5	NCD	12.0	801.0	71.00	17/11/88	13.52	30.6,31.12	6/4/93	10/6/88
D RAYON	112	5	NCD	13.5	1668.0	103.00	16/11/88	14.68	30.6,30.12	18/2/95	10/6/88
K. SYNTH	120	4	NCD	13.5	1875.0	110.00	18/11/88	14.73	1.1,1.7	1/4/92	1/6/88
NDAL STR	100	10	NCD	15.0	600.0	91.00	18/11/88	16.48	30.6,31.12	14/4/94	15/6/88
ALY STEEL	100	5	NCD	15.0	67.0	100.00	15/11/88	15.00	30.6,31.12	7/6/91	19/6/88
ESORAM	90	5	NCD	13.5	1890.0	77.00	16/11/88	15.78	30.6,31.12	11/3/95	6/9/88
LOCK WIND	100	10	CD	13.5	138.0	86.25	18/11/88	15.65	28.2,31.8	1993/95	17/8/88
OTH FOOD	100	10	CD	15.0	475.0	82.50	18/11/88	18.18	31.3,30.9	1991/95	7/9/88
& T RTC	60	5	CD	13.5	360.0	57.00	08/11/88	14.21	1.1,1.7	1990/94	13/9/88
& T-IV	60	10	CD	13.5	2626.0	57.00	09/11/88	14.21	1.4,1.10	1/10/88	13/9/88
AKME	75	10	NCD	13.5	202.0	72.50	18/11/88	13.97	30.6,31.12	9/6/94	1/6/88
ML	115	5	CD	13.5	828.0	71.00	12/10/88	21.87	30.4,30.10	1991/93	16/4/88
YKA LABS	100	10	NCD	15.0	240.0	90.00	16/11/88	16.67	30.6,31.12	1993/96	15/6/88
AY & BAKER	100	5	NCD	15.0	300.0	105.00	17/11/88	14.29	30.6,31.12	9/9/94	16/6/88
AZDA IND	100	10	NCD	13.5	625.0	71.25	17/11/88	18.95	1.4,1.10	5/4/93	6/9/88
UKAND	125	5	NCD	13.5	437.0	118.75	17/11/88	14.21	1.1,1.7	1988/92	10/6/87
RESTIG FOOD	150	10	CD	13.5	25.0	60.00	21/10/88	33.75	31.12,30.6	1992/94	5/6/87
AYMOND WOOL	400	1	CD	12.0	480.0	340.00	25/10/88	14.12	31.3,30.9	1989/93	1/9/88
AYMOND WOOL	400	1	NCD	13.5	1920.0	365.00	17/11/88	14.79	30.4,31.10	30/10/92	1/9/88
EL F CUM	100	10	NCD	15.0	3000.0	142.00	09/11/88	10.56		30/9/95	11/8/88
ELIANCE E	100	5	NCD	13.5	5335.0	86.00	18/11/88	15.70	30.4,31.10	30/6/97	17/4/88
ELIANCE F	100	10	NCD	15.0	27000.0	98.50	18/11/88	15.23	20.2,31.8	30/9/95	11/8/88
ANDOZ	100	10	NCD	13.5	69.0	93.00	17/11/88	14.52	30.6,31.12	24/4/95	11/6/88
TEELAGE	100	10	NCD	13.5	132.0	85.00	18/11/88	15.88	1.5,1.11	1994	12/10/88
TATA PRESS	120	5	NCD	13.5	195.0	105.00	17/11/88	15.43	31.3,30.9	11/11/96	14/9/88
TATA STEEL	200	5	NCD	13.5	2011.0	205.00	18/11/88	13.17	1.4,1.10	1/3/92	11/3/88
TATA UNISYS	100	10	CD	12.0	250.0	82.50	18/11/88	14.55	1.1,1.7	1998	10/6/87
TTAN WATCH	200	10	NCD	13.5	1312.0	167.50	18/11/88	16.12	15.6,31.12	5/3/97	15/11/88
TRANSPORT CO	100	10	NCD	15.0	400.0	74.00	17/11/88	20.27	31.3,30.9	1993/96	13/9/88
T K PHARM	100	10	NCD	15.0	143.0	90.00	15/11/88	16.67	30.5,30.11	1/3/92	12/5/88
TVENT CENT	100	5	NCD	13.5	300.0	77.50	7/7/88	17.42	30.4,30.10	23/8/90	21/9/88
UNITECH	100	15	NCD	15.0	264.0	86.00	17/11/88	17.44	30.6,31.12	25/4/94	16/6/88
UNIV LUGGAGE	100	10	NCD	15.0	144.0	80.00	02/11/88	18.75	1.6,1.12	26/3/96	12/11/88
USHA MARTIN	100	5	NCD	13.5	934.0	80.00	18/11/88	16.88	31.3,30.9	29/10/95	15/9/88
V.I.P. IND	100	10	NCD	15.0	960.0	90.00	18/11/88	16.67	31.1,31.7	22/4/93	8/7/87
VARELI TEXT	100	10	NCD	15.0	862.0	90.00	18/11/88	16.67	31.3,30.9	1993/95	1/9/88
VARUN SHIP	100	10	NCD	15.0	175.0	82.50	17/11/88	18.18	31.5,30.11	20/8/93	16/11/88
VOLTAS	300	1	NCD	15.0	900.0	300.00	27/10/88	15.00	28.2,31.8	1/3/91	2/8/88
VOLTAS	150	2	CD	13.5	300.0	137.50	6/10/88	14.73	30.6,31.12	1991	2/6/88
W.I.ENTER	100	5	CD	15.0	615.0	91.25	18/11/88	16.44	1.10,1.4	12/6/95	16/9/88

Note: CD: convertible debenture; NCD: non-convertible debenture including debentures that were earlier partially convertible for which the conversion is over.
Debenture yield is calculated as a percentage of market price without adjusting interest due component. This can make a significant difference in actual return.
The fact that the debenture market is generally active can be surmised from the dates of last business done. Hence readers are advised to seek suitable professional advice before deciding.
All care is taken to ensure accurate and up-to-date information.

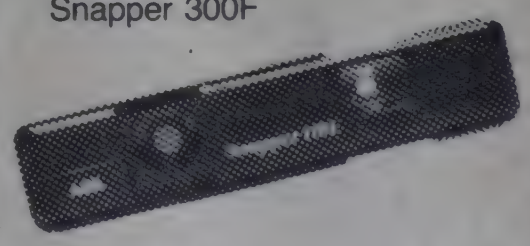
The unforgettable corporate gift

Snapper CAMERAS



Snapper 35

Snapper 300F



Snapper 110E

Everybody loves a Snapper !

For further details contact:
AGFA-GEVAERT INDIA LIMITED
- 17, N.A. Sawant Marg, Colaba, Bombay 400 005. Tel: 2028812
- 18/A Shivaji Nagar, P.B. No.6211, New Delhi 110 015. Tel: 503993 Tlx: AGIL 031 4116
- 2-A, Shakespeare Sarani, P.B. No.9230, Calcutta 700 071. Tel: 444595 Tlx: AGIL 021 2250
- 611, Anna Salai, P.B. No.1071 Madras 600 006. Tel: 478211 Tlx: AGIL 041 7609

ULKA-11377

No luck again

In Investor Contest 277, although L&T slumped from Rs.145.00 (7 October) to Rs.131.00 (11 November), many contestants predicted its price correctly. Many contestants also anticipated the fall in Telco's price from Rs.752.50 (7 October) to Rs.745 (11 November). But in the case of the remaining four scrips, most estimates were wide of the mark. We hope to have some winners in the next round.

How to enter

On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict t prices of each of these shares as on 23 December 1988, and send in your entry by 13 December 1988. The winne in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry whicl has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 23 December 1988, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 23 December 1988, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 13 December 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of **the Business India group of publications** is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 18 November 1988 (Rs)	Variations permitted from correct prices up to (Rs)	Prices as on Friday, 23 December 1988 (Please fill) (Rs)
ACC	Bombay	389.00	4.00	
Apollo Tyres	Delhi	66.25	1.00	
Bajaj Auto	Bombay	412.50	5.00	
Tata Chem	Bombay	109.00	1.00	
Tata Steel	Bombay	1,092.50	7.00	
SPIC	Madras	66.00	1.00	

Name: _____

Address: _____

_____

_____

_____

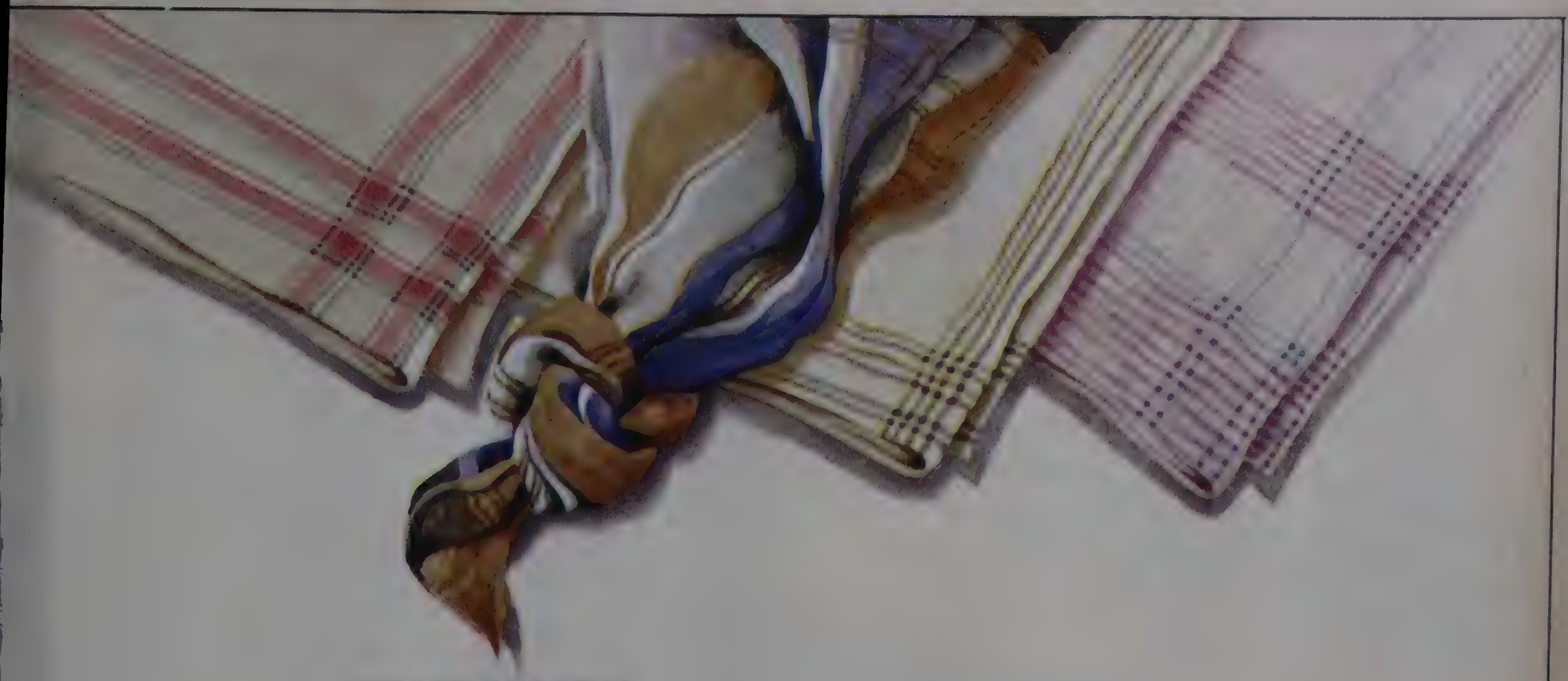
_____

Age: _____

Profession: _____

Date: _____

IC280



WHAT MAKES TEXTEL THE IDEAL MESSAGING SYSTEM.

The TEXTEL doesn't forget. Ever. If the power fails, a battery back-up protects any message stored in its memory. No other messaging system can deliver this. And that's just one reason why TEXTEL is the ideal messaging system.

The TEXTEL ensures quick, efficient, and inexpensive messaging within any organisation that has dispersed operations. It stores, sends, and receives messages over the telephone line, at speeds up to 20 times that of telex. Night-time transmission and other automatic functions make for enormous money savings.

In addition, the TEXTEL doesn't need air-conditioning, corrects errors automatically, and allows normal telephone use. Not to mention its ability to handle forms, automatic printout of messages, personal security codes, and a built-in directory. And it functions as a long-haul terminal, too.

The TEXTEL is a product of India Tele-Comp Limited (ITL), a venture of the Dalmia group; and British Telecom, world leaders in telecommunications.

The TEXTEL is the only contemporary system specifically designed and dedicated to messaging. It doesn't perform a whole lot of functions, but it does one thing very well. And if messaging is what you need, that's something to remember.

TEXTEL

The dedicated messaging system.

HTA-6090C

For more information mail the coupon to:

INDIA TELE-COMP LIMITED

L-12, South Extension Part-II, New Delhi-110 049, Ph: 6462199, 6411764

Regional Offices:
New Delhi: B6/16, Local Shopping Complex, Safdarjung Enclave, New Delhi-110 029. Ph: 602318, 6872849.
Bombay: 101, Mittal Court, 'C' Wing, Nariman Point, Bombay-400 021. Ph: 245112, 2041465, 2028079.
Calcutta: Ph: 440098, 440099. Madras: 479854, 475451,

Tell me more about the Textel as my ideal messaging system.

Name _____

Designation _____

Company _____

Address _____

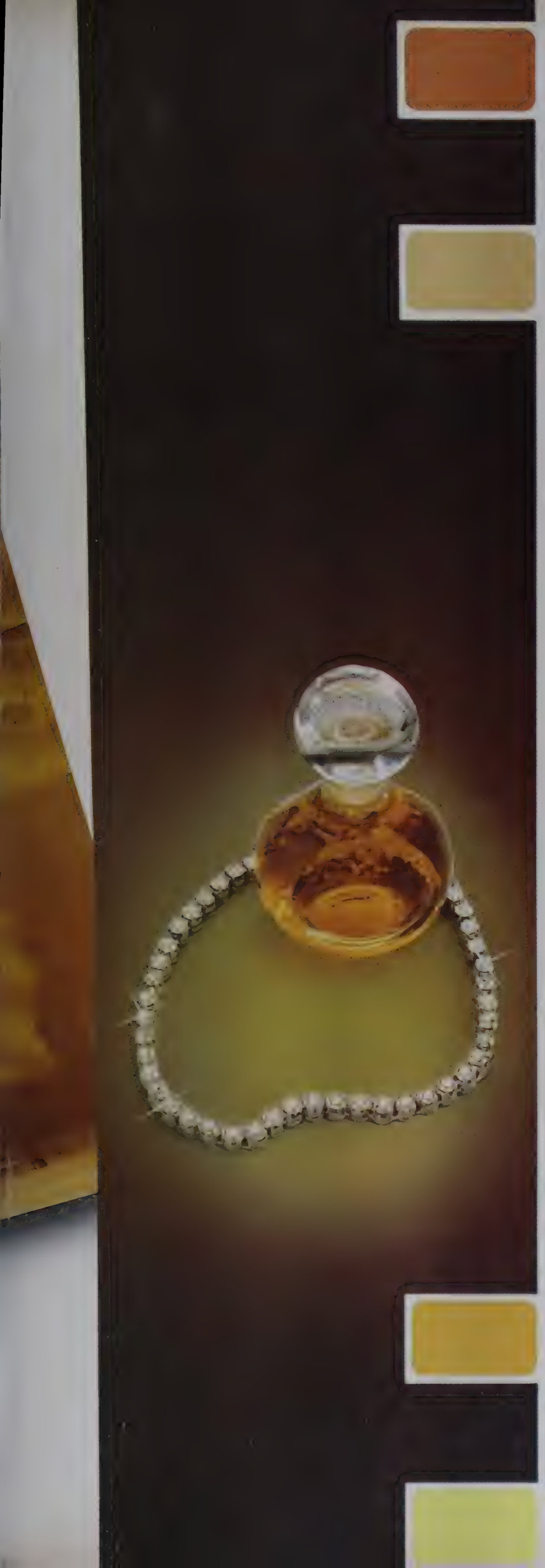
_____

Tel _____

"What did you buy at Antwerp?" he asked. "Picture postcards. And some diamonds," she said. "Here's to the postcards." They laugh. They charm.

The Silk People

LINTAS (C)/BPLS/43 A/2840



Elegant. Exclusive. Enchanting.
The Silk People.

And the wall finish to
complement their style.

Luxol Silk.

The softest sheen. In shades
of sophistication. With a feel
richer than ever before.

Luxol Silk.

For walls that are Silk to the
touch.

Drape your walls with Luxol Silk
— the richest emulsion in the world.

Luxol Silk

from **BERGER PAINTS**

BELIEVE ME, THERE'S ABSOLUTELY NO BUREAUCRACY IN MY COUNTRY!
YOU GOT A DEAL! WHEN DO WE START?!
AS SOON AS I CHECK UP WITH MY P.M., MY M.L.A.s, THE SECRETARIE AND THE LABOUR UNIONS.
NRI
INVESTORS PACKAGE
JORAN

19 NOVEMBER 1988

A deserted beach

Aah! Out in the open at last, breathing all that fresh air. I mean, there is a limit to the amount of fragrance emanating from brokers' armpits that one can inhale in a lifetime. And with volumes on Dalal Street outnumbering the combined volumes of trading on the supposedly better-established exchanges of Hong Kong and Singapore, I figured that it would be good to get out for a while into the Indian backwaters and infuse clean air into my lungs. Besides, CJ isn't a bad sort of chap to be around with.

"Well," said CJ, looking up at the gentle blue sky, "sure beats Bombay doesn't it?"

"Yes," I retorted, "but if only they would build better roads. It was a rather bumpy ride and a bit long too. Obviously, certain people have been driving around these areas once again what with their decision to revive their proposal for a city across Bombay Harbour."

"Oh, come on, where is your spirit of adventure? You guys always claim that you are in the pioneering field of merchant banking and yet you can't even take a few bumps. How do you handle a situation where an issue you underwrite fails?"

"Pioneering we are, yes", I replied a bit taken aback at this unexpected onslaught, "but adventurous — now that we leave to others who want to fly miniature planes or teach their five-year old daughters how to drive Marutis. And, as far as issues failing is concerned, the question does not arise because we just sell the unsold shares to those mutual funds which seem to be forever starved of floating stock."

The shadow of a cloud passed across CJ's face. "Mutual funds," he muttered, "mutual funds. And here I am whiling my time away on some deserted beach."

"In 1986 when the first offshore fund was launched, we were all told that the sky is the limit. That billions of dollars were going to come rushing into India. And look what's happened — barely two hundred million dollars later, no one wants to touch Indian equities. No foreign investor wants to give our booming stockmarket a serious thought. Why, CJ? Why has it ended like this?"

CJ watched a crab scurrying across the golden sands. "The answer, my friend, is very simple. We had the wrong people market our country and the offshore funds. But the government has realised its folly and is now making amends."

"You mean private sector companies are finally going to get their approvals to launch their funds? That should be good business for us in the new issues market."

"Hold your horses, guy, that's not what I'm saying. What the government has finally decided to do though is to appoint a professional public relations guy who will drum up enthusiasm for India to such an extent that it will create a lasting demand for the shares of the closed-ended funds that are already listed on the LSE and the NYSE."

"Well I'm glad that they have finally hired the guys at Saatchi and Saatchi. After all if they can sell Thatcherism to unemployed millions, surely they can sell unemployed millions to the Thatcherites."

"No, no, they have not hired Saatchi. And they haven't hired the guys at Goodwell Investor Relations either."

"Not film stars and playback singers again I hope," I remarked. "What the government has decided to do though," said CJ ignoring my remark, "is to send out the various chief ministers on NRI-yatras and see which one has the maximum positive effect on the share prices of the funds and who can promise the largest addition of NRI projects for the country. The guy who generates the maximum benefits will be given a sole agency to sell all future NRI bonds and government offshore bonds. My sources tell me that a foreign passport of an unnamed country will also be arranged."

"You're not serious are you, CJ," I queried, worried about how the NRIs would feel when they realised that the greatest PR men of all time — people who have fooled hundreds of millions of people for over 40 years — have been let loose among them as a cat among the pigeons.

"Oh, no, the die is cast. The ball has been set rolling and, apparently, with the general election just round the corner and no one quite sure who will get to hang on to their seats of power, the CMs are more than willing to take on this challenge."

26 NOVEMBER 1988

The Mousetrap

Well, the game goes on. Every trading day the index opens higher than the previous day's closing. In the din of the floor there is that deafening silence as eyes turn, ears perk up, while everyone waits to see what Big Brother is going to do. But Big Brother watches in quiet content. The market slips slightly below the opening highs but still ends the day comfortably over the previous closing.

The wheels keep on turning, spinning faster and faster — everyone is on a roll. Employees are making as much as their annual salaries in one fortnight. But within this frenzy of speculation there is the reality of rising corporate earnings. They ask me if the higher prices are justified by these higher earnings. I do not have an answer. But what I have is a fear of the unknown — the unrecorded transactions by illiquid investors who are betting away their lives. If the music were to stop, if the party were to end, then who will foot the bill? Who will be left holding worthless pieces of paper?

MICO. The spark that moves millions.

Millions of vehicle owners all over the country get off to a flying start. Everyday. With MICO.

MICO spark plugs incorporate the late international technology from Bosch, West Germany – pioneers and leaders in spark plug technology.

An excellent example of this is the MIC Super – India's first bi-metal electrode spa plug.

MICO spark plugs are available in eve part of the country.

So when you fit a spark plug, stick to proven quality. Buy MICO. And ride on confidently!

MICO

LICENCE BOSCH

MICO makes a matching spark plug for *every* Indian vehicl

To a high tech company, technology is a business. To a superte company, it's a religion. We don't just market technology at Hinditr We live, breathe and worship technology. We live by a set of commandmer and understand our moral responsibilities. We realise that once you ventu into supertech, you become dependent on it. Your productivity and pro hinge on it. And your customers expect a service capability that far excee

average of the industry.So our total dedication to customer support goes
yond warranties and service contracts. For instance, our engineers often
rk round the clock to help you in a crisis. Or as a stop-gap measure, we will
en make alternative arrangements to help you tide over an unexpected
mputer system failure. Because customer support isn't a mere slogan at
nditron. It's our first and most cherished commandment.

Hinditron. Beyond high tech, there's supertech.

HINDITRON

NIPPON DENRO ISPAT

A festive bonanza for investors

ISPAT CONVERTIBLE DEBENTURES

Highlights

- A fast growing dividend paying company – **20%** dividend in the first year of operation followed by **22%** in the second year and already an **interim** of **12%** in the current year.
- Excellent track record of growth in assets and turnover
  - Turnover increased from **Rs.48 crores** to **Rs.87 crores** and slated to cross **Rs.225 crores** for 17 month period ending 31st March 1989.
  - Total assets increased by **360%** from **Rs.28 crores** as on 31st October 1986 to **Rs.130 crores** as on 30th April, 1988 in just 18 months and slated to reach **Rs.250 crores by 31st March 1989.**
- Modern Computer Controlled Cold Rolling Mill Complex with 6 Hi-Reversible Mill from Hitachi Ltd, Japan to manufacture Cold Rolled Steel Coils and Sheets in widths upto 1250 mm including high value added ultra thin gauge – **first of its kind in the country.**
- **Cold Rolling Mill already commissioned ahead of schedule** and trial production commenced.
- **100% import substitute product** to cater to the exacting demand of automobiles, railway, heavy earthmoving and material handling equipment and other core industries, electrical home appliances, consumer durables, etc.
- **First in the country** to set up a plant for manufacture of PVC / Colour Coated Steel Sheets.

Debenture Features

- **Face value of Rs.250 each.**
- **14% INTEREST P.A. FROM DAY ONE to all applicants.**
- **Fully Convertible** – 50% conversion at the end of six months from the date of allotment into 5 Equity Shares of Rs.10 each at a premium of Rs.15 per share. Balance 50% conversion at the end of 18 months from the date of allotment at a premium as may be decided by CCI.
- **High Capital Appreciation** – First Conversion at a premium of only Rs.15 against market price of Rs.48 (as on 28.10.88 in Calcutta Stock Exchange).
- **Fully Secured.**
- **Listing in Stock Exchanges at** – Calcutta, Bombay and New Delhi.

Issue opens on :

For Non-Resident Indians :
3rd December, 1988

For Indian Public :
6th December, 1988

ISPAT

NIPPON DENRO ISPAT LIMITED

Park Plaza, 71 Park Street, Calcutta-700 016

We're the first. We are the future.

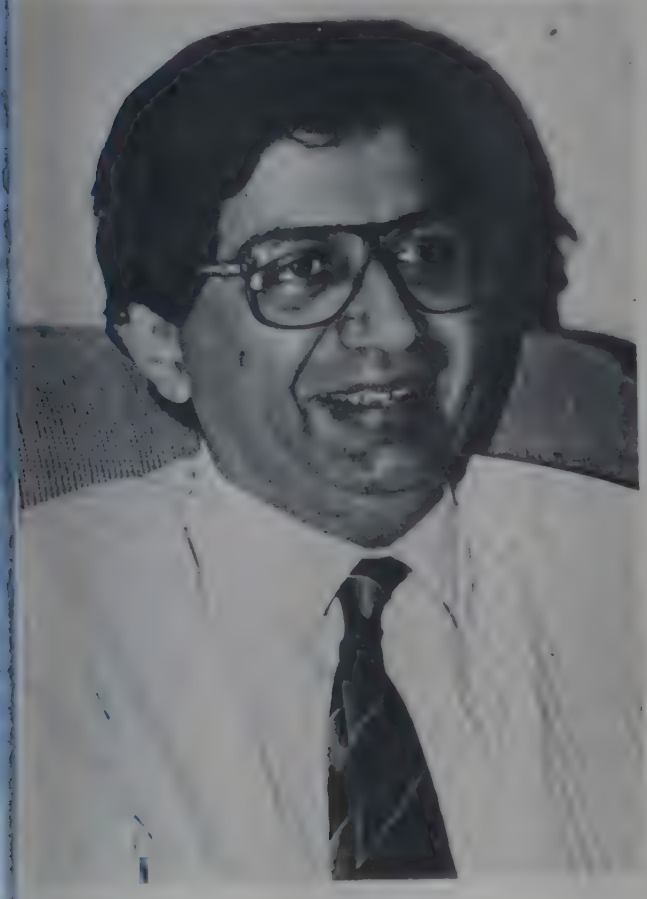
PRESSMAN

Youngest and tallest

Hoshang Billimoria *is deputy chief executive officer of Tata Sons, Bombay*

At 6 feet 3 inches, Hoshang Billimoria, deputy chief executive officer of Tata Sons, the holding company of Tatas is among the tallest at the top at Bombay House, the Tata power centre. At 37, he is also among the youngest.

However, as an avid collector of exotic varieties of goldfish, Billimoria stands alone. Not many corporate high-flyers share this hobby. He himself is a bit shy about it and feels that goldfish collectors



are generally not taken seriously. "It is a relaxing hobby," he says, "not only are these fish fascinating but watching a cool aquarium after a full day's work helps bring one's blood pressure down." Over the years he's acquired many varieties from various parts of the world. He even tried breeding them, but did not succeed. "They lay eggs, but the eggs don't hatch," he laments.

Rare distinction. Breeding goldfish must be one of the few things that Billimoria did not succeed in doing. He's had an impressive career that led him four months ago through the portals of Bombay House as the deputy to Tata Sons' chief executive officer, Minoo Mody. He's unabashed when stating that he's had a brilliant academic career and a natural aptitude to do the right things at the right time. He topped Bombay University's B.Com examination in accounting and then went to England to do his chartered accountancy with the prestigious Ernst & Whinney. Here he had the rare distinction of winning the highly rated Deloitte Plender Prize at both the intermediate and final examinations.

"I've always been highly ambitious," he says. In 1977, just back from England, he was picked up by S. B. Billimoria & Co, one of the top accounting firms in the country. Two years later, at age 28 he was made one of the seven partners of the 85-year old firm.

Though he had always wanted to be an accountant 15 years as a chartered accountant brought along frustrations for Billimoria. "Auditing, to be honest, can't fulfil the creative urge in you. It is not a creative profession. Even at Billimorias he says, "I tried to present myself to my clients as an advisor rather than just an accountant. I tried to give my job a general management direction."

A desire to "get into more entrepreneurial environment led Billimoria to Tata Sons. "I'd been talking to Minoo Mody for a while," he says, "and things just worked out four months ago."

Tremendous clout. Tata Sons is basically an investment company that originally promoted most of the present day large Tata companies. Over the years its holdings in the larger companies like Tisco and Telco have shrunk to less than 3 per cent. However, it still has tremendous clout as an apex consultant body and the chairmen of most Tata companies sit on its board. It is the only company whose chairmanship J.R.D. Tata has not relinquished.

However, the highly successful Tata Consultancy Services, Tata Consulting Engineers, are all independently run divisions of the company. It also has a large holding in Tata Unisys, of which Mody is currently the chairman. Billimoria's work mainly involves strategic and long-term corporate planning for all these companies. He sits on the managing committees of the consultancy services and assists Mody with his companies.

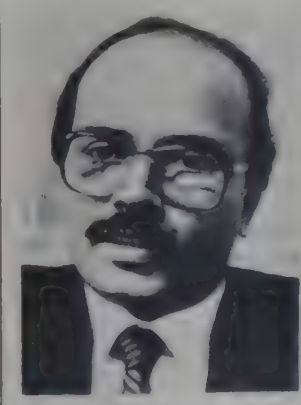
Had he expected such a powerful position at such a young age? "Well I've always been ambitious," Billimoria says, "and I knew I'd do well in whatever I took up. So I did not really surprise myself."

■ N. RADHAKRISHNAN

FRONTRUNNERS

It is just over a year since **S. Parmeshwar**, 26, started working. But already at Cyanamid India, where he's a manager, his responsibilities are awesome. Says Parmeshwar, "My brief is to develop human resources for a company which is expanding rapidly." He seems ideally suited for the job, with master's degrees in personnel management and industrial psychology.

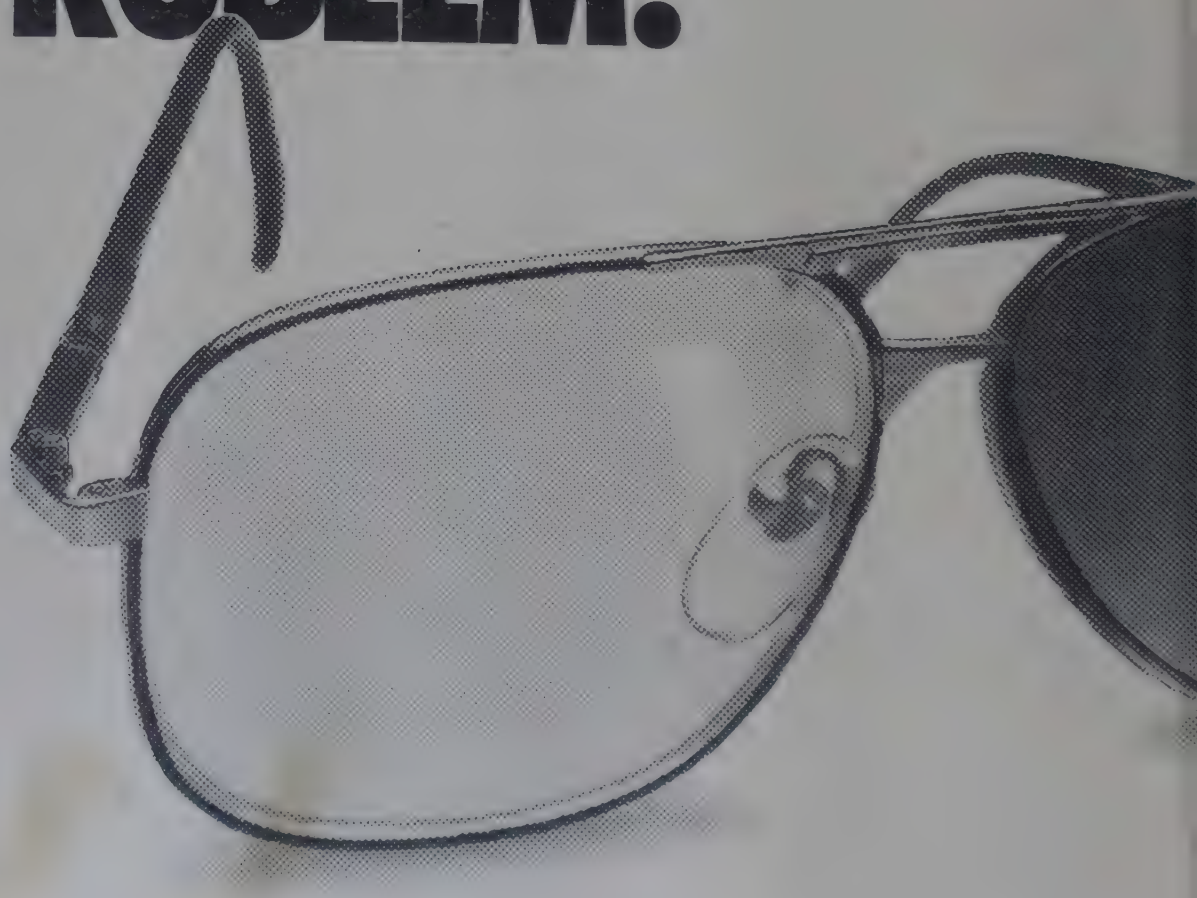
At Voltas, where he started out in April last year, he helped establish a psychological assessment centre. "Through this, we were able to spot people with managerial abilities among non-managerial staff." Parmeshwar's work at Voltas has been the subject of a recent study by IIM Ahmedabad.



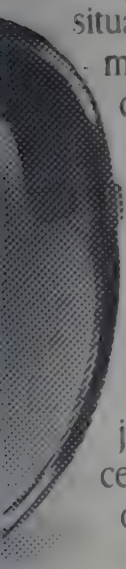
In 1981, **Sailesh Haribhakti**, then 25, gave a talk at the Indian Institute of Management, Ahmedabad, on the dividend distribution policies of different companies. So impressed were the mavens of management that they offered him a position as a visiting professor, making him one of the youngest to lecture there. This year Haribhakti also became the youngest ever president of the prestigious Bombay Management Association, a chair normally occupied by senior management experts.

A chartered accountant by education, he has taken the auditing firm founded by his father, Haribhakti & Co, into newer areas like management services and computer consultancy. As a result, the firm's revenues jumped sevenfold in the last 10 years. "Worldwide, auditing has become management oriented," he says, "and that is the direction we are moving in and is the reason for our success." Doesn't the lack of a formal management degree hamper his style? "No," he says when you are a good chartered accountant all management degrees are superfluous."

BUYING MULTIPLE BRANDS OF PCs SHOULDN'T MEAN YOU'RE MULTIPLYING YOUR MAINTENANCE PROBLEM.



INTRODUCING



As an EDP manager of a large organisation that uses a variety of PCs, you are constantly faced with a big maintenance problem – of interfacing with different computer organisations for your maintenance services. The situation is particularly difficult when more than one of your PCs break down.

Dealing with one computer company is bad enough, but the problem is multiplied when you have to get your maintenance service from numerous sources. Now all that is a thing of the past. All you have to do now is contact just one computer maintenance centre. A computer company that offers a unique maintenance programme.

Call Eiko. Book the finest computer maintenance engineers.

Call Eiko. No matter what your brand of PC.

Get yourself a maintenance service reputed to be the best in the country. Best of all, it comes to you from one single source.

Eiko PC Care

Backed by a full-fledged computer manufacturing company.

By a network of skilled service engineers.

By the facility to offer the best spares whenever you want it. To cut down repair time by a phenomenal amount.

Everything to take on where the others left off.

Find out more.
Ask any Eiko PC Care customer

Ask Procter & Gamble, Nuware India, Kirloskar, C.D.O.T., Indian Organic Chemicals Ltd., Dabur India, Vedanta Printers, Chandan Auto Agencies, Mohini Wines...

Some names you know, others you don't know. But all satisfied Eiko clients. Because their PCs are the best maintained PCs in the country.

The best maintenance service for your PC

Yes, I want more details of Eiko PC Care.

Name .....

Company : .....

Address : .....

.....

Tel. No. : .....

BI 4

Eiko Computers Pvt. Ltd.

10/5 Lakshminarayan Complex, 5th Floor, Palace Road, Vasanthnagar, Bangalore 560 052. Phone: 24969/70538 ■ 117/118, Dalamal Towers, 211 Nariman Point, Bombay 400 021. Phone: 232577/233296 ■ 1207-9, Pragathi Towers, 26 Rajendra Place, New Delhi 110 008 ■ Cisons Complex, 150 Montieth Road, Egmore, Madras 600 008. Phone: 861483 ■ 113/5A, Hazara Road, Calcutta 700 026. Phone: 482487/265802/268998.

Contract-EC-272-88

What does a Faridabad automobile tycoon have in common with a pharmaceutical stockist in Nellore?

"I want a transport company
– having a national network
– providing timely, reliable service
– with computerised operations
– and having professional manpower"

They both rely on

ECONOMIC TRANSPORT ORGANISATION

Economic House, 1st Flank Road, Chinch Bunder, Bombay 400 009.

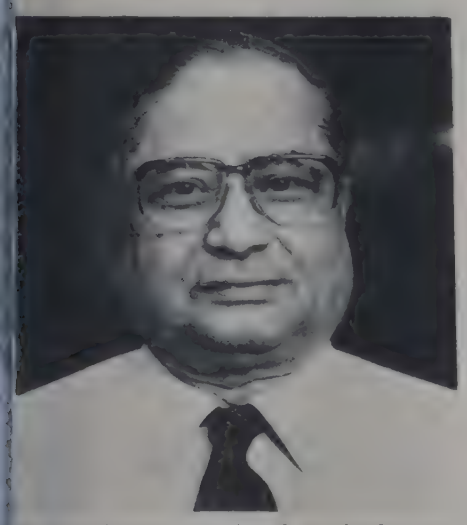
Over 350 branches in India

"I want a transport company
– giving personalised service
– with good godown facilities
– willing to deliver even my small parcels
– and having a wide network of stations"

Your reliable business link.

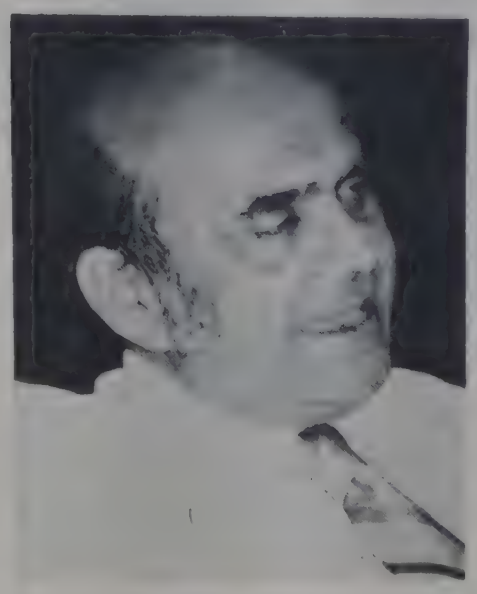
ARMS-ETO-10

.T. Narasimhan, the eldest
n of T.T. Krishnamachari, is
tering the 50th year of his
sociation with the company
s father founded. A fact very
w people know. It is also rela-
vely unknown that he took
er the indenting agency in
40 and built it up along with
s younger brother T.T. Vasu
to the industrial conglome-
te that the TTK group is to-
y. Getting him to talk about
s 50 years is a difficult job.
ıt once he gets going he is full
fascinating memories. His
es twinkle when he talks
out the time he used to travel
roughout the south with his
les bag, to reach melas and
anties. He used to play Tamil
m songs to attract the crowd
nd when the gramophone



roke down, he had to belt out
he songs himself. "The Indian
narket place with its thousands
f towns and villages is the most
xciting in the world. And its
reatest strength is the loyalty
t displays. But with the kind of
ncreases in raw material
rices, how can we produce
uality products at affordable
rices to create a consumer so-
iety," asks the man who intro-
luced pressure cookers and
ondoms to India.

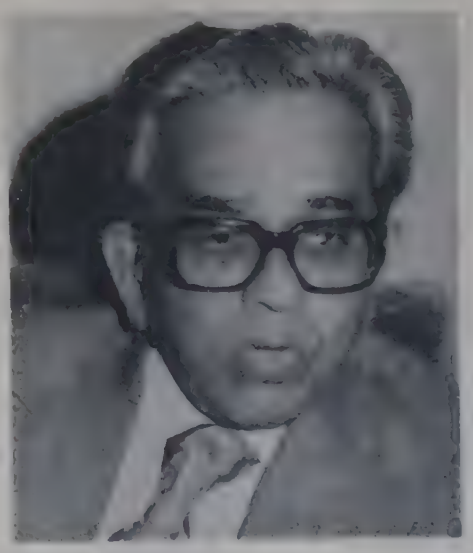
Selling rayon and clicking pic-
ures are two things **Nirbhay
Jain** has perfected into an art.
While Century Rayon of which
he is the president is doing
ather well this year, Jain has
aken time off to hold his sec-
ond exhibition of nature photo-
graphs in Bombay. Fifty two
pictures of subjects ranging
rom the Lodhi Gardens in De-



lhi to a Jewish temple in Cochin
are on show at the city's pres-
tigious National Centre for the
Performing Arts. "I took up na-
ture photography after seeing
the incredibly beautiful Pindari
Glacier from the Kumaon hills
while on a trek five years ago,"
he says. "Since then I've been
capturing nature on film both
for myself and others." And
three years ago a look at Ansel
Adams's famous book on
Yosemite convinced him, he
says, that unlike popular belief,
nature can be best captured in
black and white. Like his last
exhibition two years ago, the
photographs on display this
time also are in black and white.

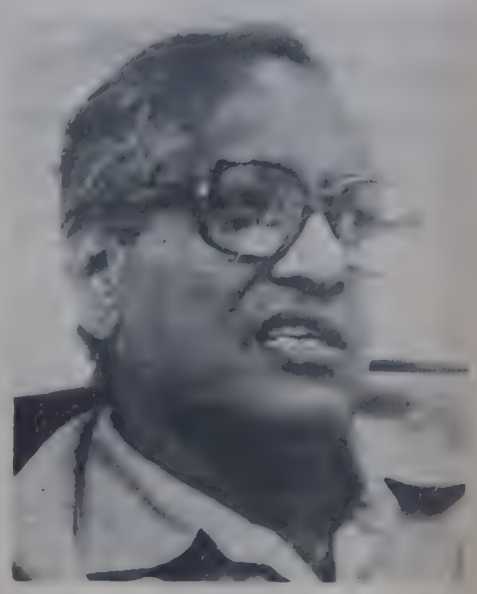
What does the labour do
when their leader for over two
decades decides to call it a day?
In the case of 1,700 workmen of
the Madras-based Ennore
Foundaries Ltd, when their
union leader for two decades,
S.C.C. Anthony Pillai retired re-
cently they decided to create
history. They invited a man who,
strictly in the trade union sense,
had been their adversary for
years, to lead them. **C.S.S.
Setty**, who for seven years was
the managing director of EFL,
was last fortnight elected presi-
dent of its employees union.
Setty, who's in semi-retirement,
claims he was surprised by the
workers' invitation. "But I did
take my time to decide," he says
and then goes on to add, "I was
popular then because I used to
mingle with my workers, spend
a lot of time with them and be
totally accessible when needed.
This they haven't forgotten and
I am thankful to them for that."

The latest person to be bitten
by the corporate bug is the for-
mer chief justice of the Supreme
Court, **Y.V. Chandrachud**. He's
been appointed to the board of
the newly- floated Amrit Protein
Foods. But the man who for
seven years occupied the high-
est judicial post in the country
insists that he is not too en-
amoured of his new calling. "I
don't like sitting on the board of
companies," he claims. "I have
been invited to the boards of
several companies in the past,
but I have stayed away. Amrit
was an exception because of an
old connection." The connection
is Khaitan and Co, Delhi solici-
tors to the company. For some
time now Chandrachud has also
been the chairman of the Pune-
based Sakal Newspapers, a
newspaper company owned by
the brother of Maharashtra
chief minister Sharad Pawar.
"Sakal was on a different basis,"



he says. "It involves the news-
paper business and a consider-
able amount of intellectual
inputs go into it," he says.

"Celebrations Ahoy," **Va-
sant Sheth**, chairman of Great
Eastern Shipping Co Ltd, must
be saying to himself these days.
Not only is the helmsman of
India's largest private sector
shipping company celebrating
the 40th anniversary of Great
Eastern and a year of record
profits, but also his prize deco-
ration from the King of Norway.
Sheth was appointed the
Knight First Class of the Royal
Norwegian Order of Merit by
King Olav last month, in recog
nition of his contribution in fur



thering economic co-operation
between Norway and India.

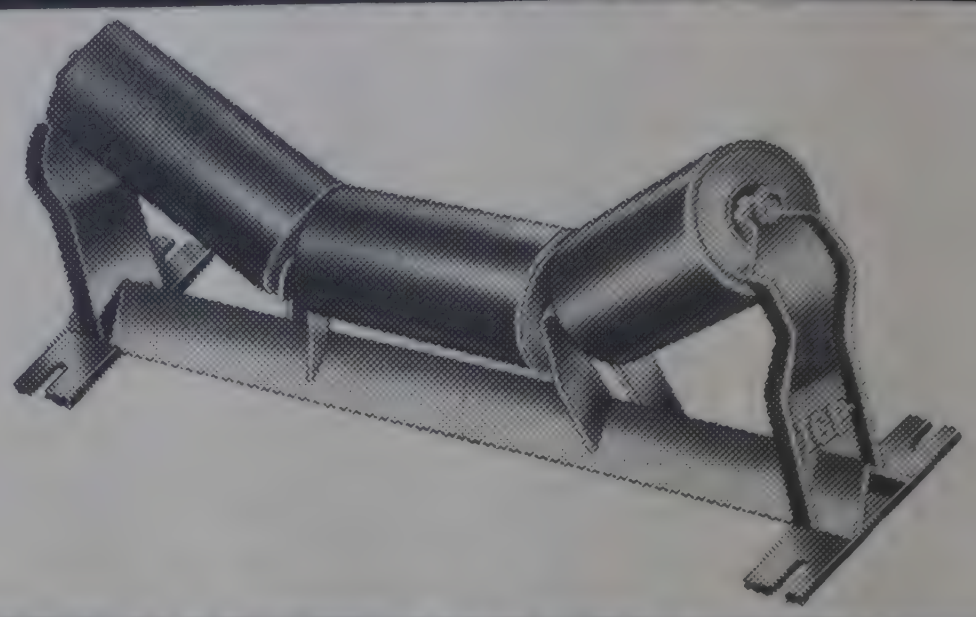
Sheth, who has had business
links with Norwegian com-
panies since 1949, also set up
Great Wilhelmsen Ltd (a joint
venture between Great Eastern
and the Norwegian company,
Wilhelmsen A/S) in 1974 — this
company services the Indian
offshore industry. He has also
been the chairman of the Indian
classification society, Det Nor-
ske Veritas, for the past 11 years.

**Srinivasan (Sundar)
Swamy** has every reason to feel
pleased with himself. The Ad-
vertising Convention '88 organ-
ised by the Madras Advertising
Club, of which he is president,
was a great success. For the first
time the scope of the conven-
tion was expanded to a two day
event. "Again for the first time
we had people drawn from out-
side the club for the steering
committee. After all it is the
advertisers who provide us with
our livelihood, and we wanted
them involved, he says. Swamy
did have his moments of panic.
"True to Murphy's Law, if some-
thing can go wrong, it will," he
says. There were problems of
getting confirmations from
speakers, some dropping out at
the last minute, and problems
getting sponsors for lunches,
dinners and coffee breaks. The
theme of the convention was
"Advertising — the competitive
age" a subject which interested
many and which was well-pre
sented by speakers like S.R.
Ayer, M.S. Ahluwalia, Bal
Mundkar, and Mohammad
Khan. "It really was two days
well-spent," says Swamy

Spiraget®

CONVEYOR IDLERS & PULLEYS

SIMPLY THE BEST
FOR CONVEYING

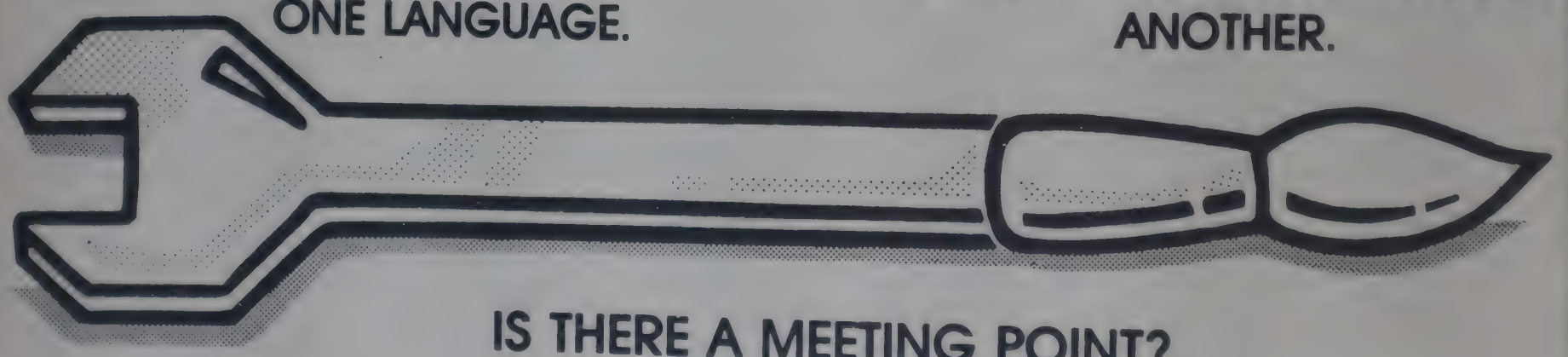


IGP **IGP Engineers Private Limited**

(Material Handling Division) 134, Angappa Naicken Street, Madras – 600 001.
Phone: 589744/589764/589784/587947/589824
Grams: 'SPIRAGET', Telex: IGP 7117

ENGINEERS SPEAK ONE LANGUAGE.

ADVERTISING PROFESSIONALS ANOTHER.



IS THERE A MEETING POINT?

Yes! TECH-COM 88, the advertising Seminar at Oberoi Towers, Bombay on December 16th and 17th 1988

At last, industrial communication without the mumbo-jumbo! The Institute of Engineers (India), Maharashtra State Centre, in association with The Advertising Club, Bombay, have organised a seminar on, "Marketing Technology Products - New Vistas in Advertising Communication." It's the perfect forum to bridge the communication gap between engineers, technocrats, entrepreneurs, members of specialised bodies and advertising professionals, industrial photographers and printers.

The seminar promises to be very invigorating, effective and constructive.

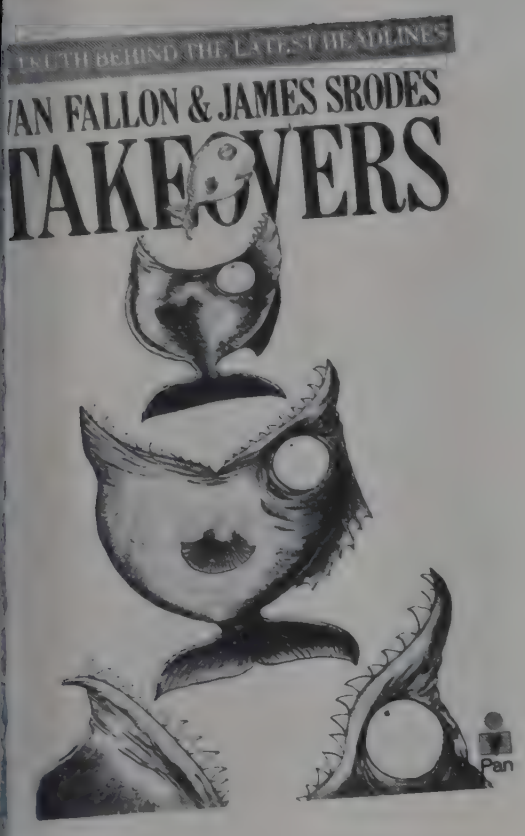
Seats are limited. So register immediately with The Institute of Engineers (India) Maharashtra State Centre, 15, Haji Ali Park, K Khadye Marg, Mahalaxmi, Bombay 400 034.

Delegate Fees are Rs.850 for members of I.E.(I) and The Ad Club and Rs.950 for non-members.

TECH COM

LINTAS SM G 150 1318

cial villains turn folk eroes



overs
an Fallon and James Srodes,
Books,
99, £2.50

t up to the early 1980s, MBAs were g told in the classroom that corpo- takeovers of profitable but unrelated nesses did not increase the market es of firms. Evidence was provided by takeover waves witnessed in the ed States in the late 1960s and again e mid-1970s, which often concerned s in related businesses merging to ease market power ("synergistic" gers), like GEC's takeover of English tric in 1967, or profitable firms buy- osing firms to make use of tax losses. "non-synergistic" mergers were rare were ascribed to the irrationality and er-hungriness of chief executives.

e takeover wave of the 1980s ex- led most of these myths. The total e of mergers between 1972 and 1976 lled $13 billion in the United States. total through the 1980s already ex- ls $450 billion; the largest of these, vron Corp's acquisition of Gulf Corp, worth $13.3 billion. If the current over of RJR Nabisco by Kohlberg vis Roberts succeeds, it will be the est, at over $17 billion.

VER AND CONTROL

e traditional economic motivation of it cannot explain mergers, what else could motivate companies to make bids? In their fascinating book, *Takeovers*, Ivan Fallon and James Srodes probe this central theme and provide an invaluable case study of takeovers in the 1980s. As they show, takeovers are linked to the development of a certain kind of business mentality that lusts for power and control. However, since such a mentality is probably never absent, there must also exist an economic and regulatory climate that encourages takeovers. Such a climate developed in the US and Britain in the 1980s, following the laisser-faire policies of the governments of that period. Hence it is not surprising that the takeover wave began with Reagan's presidency in the US and has also developed strongly in Britain under Thatcher.

The authors have developed case histories of some of the most interesting takeovers of this decade. This has inevitably involved the study of the most interesting personalities involved. They are all there in this book: T. Boone Pickens, Carl Icahn and Ivan Boesky in the US, Tiny Rowland, Lord Hanson and Ernest Saunders in Britain. Some of the big deals are also reviewed in detail, including Rowland's attempt to buy Harrods, the Guiness takeover of Distillers and Boesky's greenmailing in the CBS takeover case. In particular, the tactics employed by greenmailers, i.e., those who buy enough shares to convince the target company to buy them back at a premium, as well as the tactics employed in defence by target companies, such as the "poison pill" defence (exemplified by the paying out of high dividends to existing shareholders in order to reduce net worth), and the "crown jewel lock-up" (selling off assets in order to reduce net worth) are illustrated in detail.

PECKING AT PHILLIPS

Among the most revealing chapters is Pickens's attempt to take over Phillips Petroleum at the end of 1984. Phillips Petroleum was at the time the tenth largest petroleum producer in the world, with a market capitalisation of $6 billion of equity and 1984 earnings of $810 million. At a market price of $40 per share, it seemed well-priced — until Pickens made a tender offer of $50 per share for the company after picking up about 9 million shares in the market.

Meanwhile, Ivan Boesky and Carl Icahn had also picked up about 7 per cent of the company's shares in the open market. In order to ward off these raiders, Phillips counter-attacked with a poison pill: it asked shareholders to swap 60 million shares for a package of debt securities valued at $60 per share (Pickens's offer to shareholders was all cash) and offered to buy a further 20 million shares from the open market at a price up to $50 per share (repurchasing its own shares is legal for a corporation in the US).

However, the package of debt securities offered by Phillips was viewed as inadequate by some of the larger institutional shareholders of Phillips, who refused to go along with the deal. In the end, Phillips — in its desire to prevent a takeover — succumbed to the combination of greenmail and institutional pressure. It paid the three raiders, Pickens, Icahn and Boesky, $53 a share for their 18 million shares; it also picked up their lawyers' fees of $40 million apart from paying its own legal fees of $35 million. In addition, it went ahead with the repurchase plan of a billion dollars.

The total cost of the salvage operation exceeded two billion dollars. Was it worth Phillips's while to do this for the benefit of remaining independent? The future tells its own story. In order to pay for the salvage operation, the company sold off several of its oil fields and laid off over 2,000 workers in 1985.

NEGATIVE SUM GAME

Since much of takeover activity is financed by debt, the economy can significantly change from an equity-based economy to a debt-based one (since 1950, the average US corporation's debt-servicing ratio has risen from 20 per cent to 509 per cent of pre-tax earnings). Most telling of all, there is the evidence that corporate performance does not necessarily improve after takeovers. In fact, the evidence is on the negative side.

While *Takeovers* is not a complete book (it does not, for instance, examine some of the larger takeovers such as of Beatrice Foods, Conoco or Gulf Oil, nor does it discuss the undoubtedly important role of junk bonds as financing vehicles for takeovers), it is a fascinating and often thrilling account of the process of takeovers, especially of the players involved and the games they play.

■ RAFIQ DOSSANI

NITIE ANNOUNCES
EXECUTIVE DEVELOPMENT PROGRAMME
1989

Sr. No.	Courses	Duration Week/s	Starting Date
1.	Computerisation Analysis Planning & Preparation	1	9 Jan
2.	Managerial Effectiveness	2	9 Jan
3.	Budget & Budgetary Control	1	16 Jan
4.	Work Study	2	16 Jan
5.	Managerial Skills & Decision Making	1	23 Jan
6.	Just-in-time for Indian Industries	1	23 Jan
7.	Production Management	2	30 Jan
8.	Quality Control	2	30 Jan
9.	Finance for Non-Finance Executives	2	30 Jan
10.	R & D Management	1	6 Feb
11.	Value Engineering	2	6 Feb
12.	Computer Applications in Materials Management	1	13 Feb
13.	CAD/CAM	1	13 Feb
14.	Quality Circles	1	13 Feb
15.	Personnel Administration & Industrial Relations	2	13 Feb
16.	Environmental Pollution & Control	1	20 Feb
17.	Project Management	2	20 Feb
18.	Applications of Personal Computers	1	27 Feb
19.	Motivation and Industrial Productivity	1	27 Feb
20.	Productivity Engineering & Management	1	27 Feb
21	Organisation & Techniques of Training	2	27 Feb
22.	Personnel Information System	1	6 Mar
23	Customer Service Management	1	6 Mar
24	Work Measurement for Higher Productivity	1	6 Mar
25	Computer Based Production Planning & Control Systems	1	13 Mar
40.	Computer Based Production Planning & Control Systems	1	26 Jun
41.	Managing Public Relations for Organisational Productivity	1	26 Jun
42.	Production Management	2	3 Jul
43.	Methods, Standards & Human Factors in Industry	1	10 Jul
44.	Applications of Personal Computers	1	10 Jul
45.	Value Engineering	2	10 Jul
46.	Managerial Leadership & Team Building	2	10 Jul
47.	Quality Management	2	17 Jul
48.	Heat, Noise & Vibration Control in Industry	1	24 Jul
49.	Stores Management	2	24 Jul
50.	Data Base Management Systems	2	24 Jul
51.	Strategy Oriented Production Management	1	31 Jul
52.	Industrial Marketing	1	7 Aug
53.	Industrial Relations for Technical Personnel	1	7 Aug
54.	Cost Reduction	2	7 Aug
55.	Investment & Portfolio Management	1	14 Aug
56.	Manpower Planning Perspectives and Problems	2	14 Aug
57.	Project Management	2	14 Aug
58.	Monitoring & Management of Sick Units	1	21 Aug
59.	Production Planning & Control	2	21 Aug
60.	Organisation & Techniques of Training	2	21 Aug
61.	Energy Conservation in Industry	1	28 Aug
62	Computer Applications in	1	28 Aug
72.	Materials Management Workshop	1	25 Sep
73.	Office Productivity Improvement Automation	2	25 Sep
74.	Industrial Applications of Micro Processors	1	16 Oct
75.	Workshop on Procurement Quality Assurance	1	16 Oct
76.	Just-in-time for Indian Industries	1	16 Oct
77.	PERT/CPM	2	16 Oct
78.	Human Relations	2	16 Oct
79.	Organisation & Methods	2	16 Oct
80.	Spare Parts Management	1	23 Oct
81.	Personnel Information System	1	23 Oct
82.	Productivity in Marketing	1	23 Oct
83.	Computer Aided Financial Information Systems	1	6 Nov
84.	Small Enterprises Management	1	6 Nov
85.	Personnel for Non-Personnel Executives	1	6 Nov
86.	Motivation Techniques	2	6 Nov
87.	Systematic Plant Maintenance	2	6 Nov
88.	Managerial Skills & Decision Making	1	13 Nov
89.	Zero-Base Budgeting in Industry and Government	1	13 Nov
90.	Computer Network	1	13 Nov
91.	Industrial Safety Management	2	13 Nov
92.	Quality Circles	1	20 Nov
93.	Productivity Linked Wage Administration	2	20 Nov
94.	Computer Based Personnel Management	2	20 Nov
95.	Materials Management	2	20 Nov
96.	Programming for NC & CNC	1	27 Nov

31.	Organisation & Methods	2	17 Apr		Organisation Development			101.	Managerial Skills for Technical Personnel	2	4 Dec
32.	PERT/CPM	2	17 Apr	67.	Computer Systems Analysis & Design	2	11 Sep	102.	Production Management	2	4 Dec
33.	Purchasing Management	2	17 Apr	68.	Condition Based Maintenance	2	11 Sep	103.	Application of Personal Computers	1	18 Dec
34.	Systematic Plant Maintenance	2	17 Apr	69.	Personnel Administration & Industrial Relations	2	11 Sep	104.	Financial Management with Lotus 1-2-3	1	18 Dec
35.	Zero-base Budgeting in Industry & Government	1	24 Apr	70.	Financial Management	2	18 Sep	105.	Purchasing Management	2	18 Dec
36.	Communication in Industry	1	24 Apr	71.	Plant Layout & Materials Handling	2	18 Sep	106.	Quality Control	2	18 Dec
37.	Personnel Selection Techniques	1	19 Jun					107.	Managerial Leadership & Team Building	2	18 Dec
38.	Materials Management	2	19 Jun								
39.	Construction Management	2	19 Jun								

All courses are residential.

Fee: Rs. 2500/- per week to cover Tuition, Course Material, Lodging & Boarding and Institutional amenities.
Fee once paid will not be refunded.

Venue: NITIE Campus, Vihar Lake, Bombay.
For further details please write to:
Deputy Registrar (Programme)
NITIE, Vihar Lake, BOMBAY 400 087. Phone: (022) 58 33 71
Gram: "Nitie" BOMBAY-76. Telex: (011) 71392 NITI IN

AT HYDERABAD CENTRE

Sr. No.	Courses	Duration (Days)	Starting Date
1.	Motivation and Industrial Productivity	5	16 Jan
2.	PERT/CPM	5	13 Feb
3.	Materials Management	5	20 Mar
4.	Systematic Plant Maintenance	5	17 Jul
5.	CAD/CAM	5	7 Aug
6.	Value Engineering	5	28 Aug
7.	Work Study	5	11 Sept
8.	Applications of Personal Computers	5	16 Oct
9.	Managerial Effectiveness	5	11 Dec

All courses are non-residential.

Venue: New MCH Complex, 4th Floor, Opp. Parade Ground, RP Road, Secunderabad-500 003. (ANDHRA PRADESH)
Phone: 83 05 33.

Fee: Rs. 1350/- to cover tuition fee, course material and working lunch/ tea/coffee.
Demand Draft may be drawn in favour of 'NITIE BOMBAY'.
Fee once paid will not be refunded.
For further details please write to:
The Deputy Registrar (Programme)
NITIE
Vihar Lake, BOMBAY-400 087.

AT MADRAS CENTRE

Sr. No.	Courses	Duration (Days)	Starting Date
1.	Maintenance Management	5	17 Jul
2.	Computer-Based Production Management	5	24 Jul
3.	Materials Management	5	21 Aug
4.	Industrial Relations for Technical Personnel	5	16 Oct
5.	Energy Management	5	20 Nov
6.	PERT/CPM	5	18 Dec

All courses are non-residential.

Venue: Committee on Science & Technology in Developing Countries (**Costed**)
Costed Bldg., Gandhi Mandap Road
Guindy — Madras 600 025.
Phone: 41 94 66 Gram: COSTED MADRAS

Fee: Rs. 1350/- to cover tuition fee, course material and working lunch/ tea/coffee.
Demand Draft may be drawn in favour of 'NITIE BOMBAY'.
Fee once paid will not be refunded.
For further details please write to :
The Deputy Registrar (Programme)
NITIE
Vihar Lake, BOMBAY-400 087.

AT BANGALORE

Sr. No.	Courses	Duration (Days)	Starting Date
1.	Materials Management	5	27 Feb
2.	Work Study	5	13 Mar
3.	Energy Conservation in Industry	5	10 Apr
4.	Managerial Skills for Technical Personnel	5	19 Jun
5.	Methods Time Measurement	5	10 Jul
6.	Capital Budgeting	5	16 Oct
7.	Human Factors Engineering & Productivity	5	6 Nov

All courses are non-residential.

Venue: Hotel Harsha. Bangalore.

Fee: Rs. 1350/- to cover tuition fee, course material and working lunch/ tea/coffee.
Demand Draft may be drawn in favour of 'NITIE BOMBAY'.
Fee once paid will not be refunded.
For further details please write to :
The Deputy Registrar (Programme)
NITIE
Vihar Lake, BOMBAY-400 087.

JAISONS NT 1088

Wellcome

BURROUGHS WELLCOME (INDIA) LTD

Registered Office: 16, NGN Vaidya Marg, (Bank Street), Bombay 400 023.

Unaudited Financial Results (Estimated) for the six months ended August 31, 1988

(Rs. Lakhs

	Six months ended 31.8.1988	Correspon-ding six months in the previous year	Twelve months ended 31.8.1988	Previous Accounting Year ended 31.8.87
Net Sales (net of excise)	3551.53	2980.08	6489.06	5004.17
Other income	38.62	65.19	120.89	60.91
Raw materials cost	2046.60	1812.02	3748.54	2975.57
Wages	438.12	358.67	884.08	724.16
Interest	139.47	96.83	233.29	198.94
Other expenses	549.31	492.27	1094.89	965.05
Gross profit	416.65	285.48	649.15	201.36
Provision for depreciation	28.70	39.79	71.50	70.29
Profit before taxation	387.95	245.69	577.65	131.07
Provision for taxation	131.90	13.00	196.40	13.00
Net profit after depreciation and taxation	256.05	232.69	381.25	118.07

28.10.88

BY ORDER OF THE BOARD

J E JHIRAD
Company Secretary

Of sales and marketing men

With increasingly competitive markets in several product categories, the focus is on the 'marketing' guys in most industries. Many traditional industries and conservative companies are scouting for these bright, aggressive marketing whiz kids who are expected to give a new lease of life to these organisations or help create new markets or niches. The great corporate success stories and legends are often the great marketing stories of our times and the people behind these success stories are the most sought after.

In general, marketing people have always been paid more than their counterparts in other functional areas and have appeared to progress faster in terms of money and status. Perquisites of all kinds from the type of house, furniture, cars have always been associated with marketing staff and have often been the cause of inter-functional tensions.

Who are these marketing guys and what is their profile? An analysis of the backgrounds of sales and marketing staff in a large number of consumer, consumer durable and pharmaceutical companies reveals that the field sales force consists mainly of second or third class science graduates. Most of them change at least three jobs in the first ten years of their careers unless they have been employed with a major multinational. In such cases the change of job happens later in their career. But the majority, in fact, change atleast six jobs during their career.

MBAs' STAY PERIOD

The managerial and product management jobs are increasingly staffed by management graduates. In the prime consumer marketing companies at least 70 per cent are MBAs. The average stay period for most MBAs is also estimated at about three years. However the prime consumer marketing companies do have a better rate of retention.

For most ordinary graduates who have not secured admission to a good professional course or college, there is often no future besides a clerical job. The only chance of making it in life is through a sales career, since this is the only career where payment always depends on results. And most employers who are constantly in search of these willing result-oriented young men and women are more concerned with the individual's personal qualities and attitude rather than theoretical knowledge.

The "marketing" staff, on the other hand, in these industries consists of the 'toppers' from the premier management institutes. There is therfore a paradoxical situation. The vast majority of the staff in all selling companies consists of the field sales force who are by no means the best or the brightest. But the marketing jobs and very often the sales management jobs are staffed by the brightest.

In most companies product management jobs are staffed only by management graduates. Even industrial marketing companies that often do not have a well defined distinction between sales and product management jobs, are now introducing such a concept.

SIGNIFICANT TREND

What is significant, however, is the trend of using MBAs in sales management jobs. Traditionally, MBAs have been regarded as immature and poor man managers, but a large number of marketing companies routinely rotate them through jobs such as area managers, branch managers, etc. Many of them are satisfied with the performance of such managers and have found them bringing in new approaches even to traditional selling techniques. But it is no secret that most MBAs would rather not spend their time in field selling. It is only the realisation that to make it to the top, a stint of sales management is required as a prerequisite by most companies that has made MBAs morewilling to accept such assignments.

There has of course been a sea change in the marketing concepts and attitudes in the country and therefore in the expectations from the marketing staff. The historical concept of the marketing head being merely a good motivator and man manager who could push his field sales team to give results has changed. The importance of strategic planning and thinking, as much if not more than traditional selling techniques, is well appreciated. The profile of marketing people today therefore is quite different from the image of a sharp, aggressive "sales" guy who has a charming personality and gift of the gab.

The problem today for several companies is to assimilate both these categories of staff into the organisation.With the change in the profile of the marketing staff, there is even more limited opportunity for the field sales force to aspire for managerial positions. Increasingly, the prime consumer marketing companies employ only management graduates even in sales management jobs such as branch managers, area managers, etc.

What is the future for a sales rep even after 15 years of service? Despite the good remuneration and in some cases even designations there is no future for him. He is also often required to go through several transfers, and of course the travail of spending 15 to 20 days a month travelling for all his working life.

TURNOVER PROBLEM

Several of the field sales staff therefore leave even the best companies to move into managerial jobs in smaller or high risk ventures. With the accepted high turnover rate of management graduates, many marketing companies are therefore faced with the problem of turnover at both the supervisory levels in the sales force and the marketing team. There is a gradual realisation of the important role played by the field sales force and their importance in maintaining continuity; however, not enough is being done to upgrade their skills and perspective.

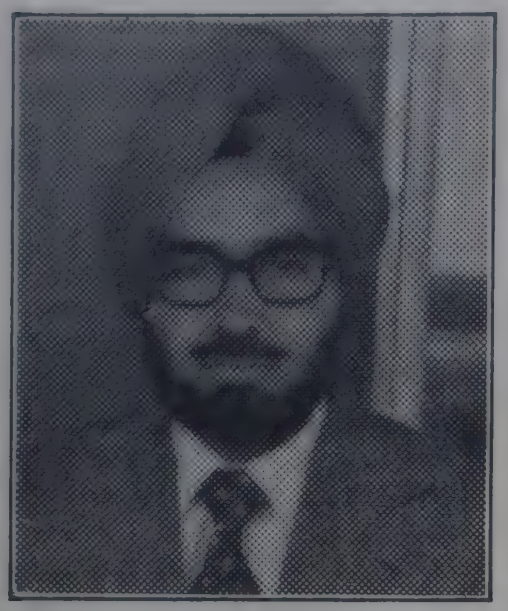
There are of course companies that have consciously decided to focus only on management graduates. Some of these companies, such as Asian Paints, have been quite successful. However the problem of motivating and assimilating both categories of staff is an issue for all marketing companies. Unquestionably, the field sales force is the backbone of any marketing organisation despite the increased use of various media for selling.

Companies must begin by clearly defining the role of the field sales staff and that of the sales management team. The distinction in the responsibilities of and expectations from both levels of jobs should be clear. This would enable the sales 'supervisor' to understand his limitation and also enable the organisation to pick up the better supervisors for training for sales management positions. It would also perhaps alleviate the simmering resentment amongst the more experienced salesmen if the role expectations are clear and conscious attempts are made to upgrade their skills.

There is a need to consciously provide career opportunities for both categories of staff. For every company needs only a few racehorses but a large number of willing, motivated albeit average staff

■ ANITA RAMACHANDRAN

pacl Punjab Alkalies & Chemicals Limited



SPEECH OF THE CHAIRMAN
SHRI A.S. CHATHA, IAS,
AT THE 13TH ANNUAL GENERAL MEETING
HELD ON 3RD NOVEMBER, 1988.

I have great pleasure in welcoming you all to the Thirteenth Annual General Meeting of the Company. The Report and Accounts of your Company for the financial year 1987-88 have been in your hands for sometime and I am taking them as read.

PERFORMANCE HIGHLIGHTS

As you are aware, your Company has done quite well during the year. Net profit is Rs. 149.85 Lacs against last year's net loss of Rs. 105.61 Lacs. Gross sales have crossed Rs. 22 Crores and registered an increase of 37.6% over the previous year. Cash profits are Rs. 475.45 Lacs against Rs. 175.17 Lacs during the year ended 30th June, 1987. Capacity utilisation has climbed to 96.3% against 79.1% during the last year. This achievement is quite significant compared to corresponding industry average of 70% and 67% respectively.

The year under report saw commissioning of diversification and modernisation projects amounting to about Rs. 10 Crores. The flakes marketed by the Company under the brand name of 'SATLUJ' have been well received and have already carved a niche of their own in the market. The change of Graphite to Dimensionally Stable Metal Anodes was completed in all the twenty cells. A sophisticated ACPD system imported from Italy has been installed for optimum utilisation of the Metal Anodes. This change has resulted in significant savings in power consumption and also improved the operational efficiency of the Plant.

CHLOR-ALKALI-THE NATIONAL SCENARIO

Coming to the national scenario, indigenous production of Caustic Soda during calendar year 1987 totalled to 7.72 Lacs MT against the previous year's production of 7.11 Lacs MT. The current installed capacity is 11.58 Lacs MT. While in comparison to the performance during last 4-5 years, this level of production is heartening; it also highlights the potential and promise for future growth. The industry still has to cover considerable ground to achieve full utilisation of the installed capacity. Here, it is relevant to observe that low level of capacity utilisation has been, primarily, due to low demand-availability. However, the problem caused by inflow of foreign material at recessionary prices leading to under-utilisation of indigenous capacity and destabilisation of caustic prices, is at last over. With the transfer of caustic from OGL list to the list of canalised items, the future demand in the next 4 years is likely to touch 10.5 Lacs MT per annum, which can certainly be met by the current installed capacity

As you are aware, in the past, Chlorine offtake always constituted a bottleneck for production of Caustic. However, now even its demand is looking up. Chlorine utilisation in the year 1987 reached the record level of 95%. This compares quite well with the international average of 85% during 1987-88. The industry would do well to explore the potential for export of Chlorine products because a gap still exists between the Chlorine prices in India and abroad

FUTURE PROSPECTS

As I had mentioned during the last Annual General Meeting, the demand for Caustic & Chlorine in this region has considerably gone up due to commissioning/revival of paper projects and other units. Consequently, the Company is not facing any marketing problem on account of increased production which at present is 110% of the installed capacity against the average of 96.3% during the year ended 30th June, 1988

After successful implementation of the first phase of corporate plan and setting up of downstream units, your Company is now consolidating the gains of the last years, in terms of higher capacity utilisation, improved operational efficiency and better product-mix. To take full advantage of the existing bouyant market conditions, your Company has targetted for further 15% increase in production over 1987-88 levels. This is despite the significant loss in production in the first two months of the current year due to technical problems.

As a result of imaginative planning and foresight, your Company has overcome the problem of imbalances in the demand of Caustic and other bye-products. Taking advantage of the existing infrastructure and conducive market conditions, I am pleased to inform you that your Company has decided to increase its installed capacity by 10% by adding two more cells. The expansion is likely to be completed by end, 1989.

Future prospects of your Company are, indeed, very optimistic and bright. With the present increased production, the Company is likely to make considerable profit in the year 1988-89 despite withdrawal of power subsidy. In fact, recognising the need for energy conservation, your Company, apart from introducing metal anodes and ACPD system is also commissioning an 'Energy Audit'. It would determine the scope and mode for effecting further savings in power, which at present accounts for almost two-third of the variable cost of Caustic production.

Establishment of downstream units has been another main objective of your Company. A Stable Bleaching Powder Plant and two Chlorinated Paraffin Wax units are already in production. Hydrogen Compressing and Bottling Plant and another CPW unit is likely to be commissioned during the year 1988-89. Apart from gainful and optimal utilisation of Chlorine and Hydrogen, the downstream units would generate considerable employment and industrial activity.

The affairs of your Company are being looked after by a competent team of administrators and professionals trained in diverse disciplines. Human assets are being considered to be most valuable as a matter of corporate policy. Appropriate measures are taken for the development of human resource skills at various levels through interaction and exposure so as to provide better work environment and to prepare employees for changing conditions

ACKNOWLEDGEMENTS

Before concluding, I would like to convey my deep and sincere appreciation and gratitude to the Company's personnel at all levels for their whole hearted cooperation and efforts.

I would also like to express my gratitude to Punjab Government, Punjab State Electricity Board, Bankers and All India Financial Institutions, for their unstinted support. I am also grateful to my colleagues on the Board for their counsel, contribution and guidance during the deliberations of the Board. Here, I would like to express appreciation for the excellent services rendered by Shri A.K. Kundra, who was the Managing Director of your Company for the last more than five years.

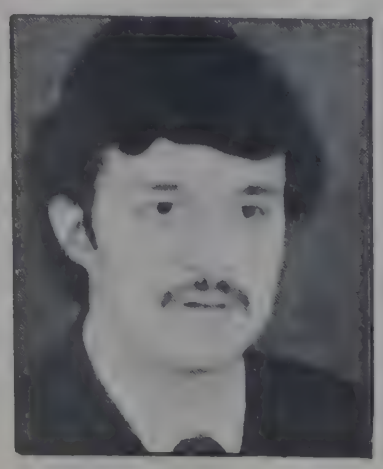
Above all, I thank you, the Shareholders, for giving continued support to the management of the Company to cope with the current challenges in order to make the future secure

Ladies and Gentlemen, I once again welcome you and thank you for your joining today's deliberations

This does not purport to be a report of the proceedings at the Annual General Meeting.

203-CH

R.C. SINGAL has been promoted as vice-president (corporate) and secretary of Arihant Fabrics Ltd.



RIKEEN P. DALAL has been appointed managing director of Ficom Organics Ltd.

R.R. NAGARKATTI has been appointed general manager (engineering and projects) of Hindustan Petroleum Corpn. Ltd.

M.C. NAWALKHA has been appointed member (finance) of ONGC.

K. MANMOHAN SHENOI, chairman and managing director of UCO Bank has been appointed director of the Export and Import Bank by the government of India.

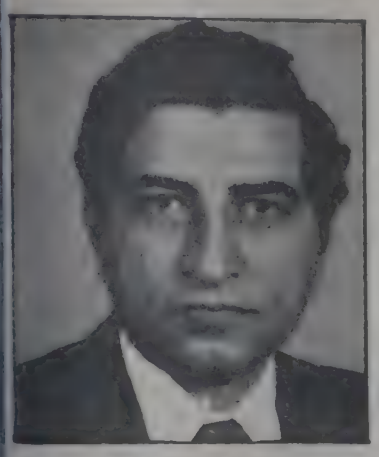
S.K. GUHA THAKURTA has been co-opted on the board of Gannon Dunkerley & Co Ltd and designated as director (technical).

HARISH C. JAIN, chairman of Jaisons Advertising and associated companies has been elected president of Bhratia Sabha Consumer Co-op Ltd.

P.P. RATHOD has taken over as vice-chairman and managing director of Gujarat Industrial Development Corporation.

A.W. JOHN has been appointed chairman of the South Indian Bank Ltd.

B.G. JADHAV has been promoted as additional commissioner of labour, Bombay.



KRISHAN KHANNA has been appointed vice-chairman of Hoganas India Ltd.

T.N. MENON, chairman and managing director of Travancore-Cochin Chemicals Ltd has been given additional charge of Malabar Cements Ltd.

RANJAN DAS has been appointed managing director of Maharashtra Weldaids Ltd.

NIRDOSH K. JAIN has been promoted as special director (finance) of Carborundum Universal Ltd.

ASSOCIATIONS

V.K. CHOPRA has been elected president and ASHOK DANDH vice-president of the executive committee of the Cement Stockists & Dealers Association of Bombay for 1988-89.

SURESH S. NADKARNI, chairman and managing director of IDBI, has been elected chairman of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP).

NETAI MOHAN SAHA has been elected president of the Federation of West Bengal Trade Associations for 1988-90.

V.L. SHAH has been appointed as IMC representative on the Zonal Railway Users' consultative committee of Western Railway for the period 1 November 1988 to 31 October 1990.

HARISH BHASIN has been elected president of The Delhi Stock Exchange Association Ltd.

SURESH I. BUCH, secretary of the Officers' Association of State Bank of Saurashtra has been elected all India president of the Associate Banks' Officers Association.

H. KRISHNAMURTHY, chairman and managing director of Hindustan Organic Chemicals Ltd has taken over as chairman of the Western India Chapter of Chemtech Foundation

Senior executive positions

A compilation of executive positions advertised in **Business India** and other major publications between 7 and 20 November 1988.

NATIONAL

PRESIDENT * NS * *Sal* Rs.300,000 plus * *Age/Qlfn* 35-45 years * MBA/Engineering from premier institutes * *Reqd* Experience in handling a profit centre, track record in marketing * *Cont* Box No.L 999S, The Times of India, Bombay 400 001 (TOI-14.11)

VICE-PRESIDENT (Marketing) * NS * *Sal* Negotiable * *Age/Qlfn* 35-45 years * NS * *Reqd* 10 years experience in consumer product marketing * *Cont* S.B.Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (TOI-14.11)

FINANCE CONTROLLER * NS * *Sal* According to background * *Age/Qlfn* NS * Chartered Accountancy/Cost Accountancy * *Reqd* 5-7 years experience ability to deal with financial institutions * *Cont* C.C. Chokshi & Co, Mafatlal House, Backbay Reclamation, Bombay 400 020 (TOI-14.11)

GENERAL MANAGER (Finance) * NS * *Sal* NS * *Age/Qlfn* 35-45 years * Chartered Accountant or MBA (Finance) * *Reqd* At least 10 years experience of which 5 years should be at a senior level * *Cont* A.F.Ferguson Associates, P.O.Box 1786, Bombay 400 001 (BI-27.11)

DEPUTY GENERAL MANAGER * NS * *Sal* Over Rs.75,000 pa + housing + car + perks * *Age/Qlfn* NS * Chemical/Mechanical/Electrical Engineer * *Reqd* 15 years varied experience in production, maintenance etc. * *Cont* Anil Dixit, General Manager (P&A), Ballarpur Industries Ltd, Thapar House, 124 Janpath, New Delhi 110 001 (BI-27.11)

WEST

FINANCE CONTROLLER * Bombay * *Sal* Very attractive * *Age/Qlfn* NS * Chartered Accountant * *Reqd* Senior managerial experience, ability to lead a team handling multi-branch accounts * *Cont* The President, Skypak Couriers Pvt Ltd, Skypak House, Off M.Vassanji Road, Andheri (East), Marol, Bombay 400 059 (TOI-14.11)

NORTH

MANAGING DIRECTOR * New Delhi * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* 15 years experience of which 8 years should be at a senior level * *Cont* S.B. Billimoria & Co, P.O.Box 4325, New Delhi 110 019 (BI-27.11)

FINANCE DIRECTOR * New Delhi * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* 15 years experience of which atleast 8 years should be at a senior level * *Cont* S.B.Billimoria & Co, P.O.Box 4325, New Delhi 110 019 (BI-27.11)

GENERAL MANAGER (Exports) * New Delhi * *Sal* Attractive Salary + perks * *Age/Qlfn* NS * NS * *Reqd* Atleast 15 years' experience and having contacts in the trading community * *Cont* A.F.Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110 001 (BI-27.11)

CHIEF OF MARKETING * New Delhi * *Sal* NS * *Age/Qlfn* NS * MBA from a reputed university * *Reqd* 15-20 years experience in the marketing of agro inputs/chemicals/fertiliser etc. * *Cont* A.F. Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi (BI-27.11)

EAST

GENERAL MANAGER (Industrial Marketing) * Calcutta * *Sal* Rs.10,000 (Gross) + perks * *Age/Qlfn* 35-45 years * MBA (Marketing) preferable * *Reqd* Ability to develop aggressive marketing strategies * *Cont* B.P. Agrawal, ABC Consultants Pvt Ltd, Personnel Selection Division, 43/3 Hazra Road, Calcutta 700 019 (TOI-18.11)

SOUTH

GENERAL MANAGER (Software) * Bangalore * *Sal* Attractive * *Age/Qlfn* NS * NS * *Reqd* Candidate with strong technical background, 5-7 years experience in software project management and management skills for Hewlett Packard * *Cont* A.F. Ferguson Associates, Hansalaya Building, Barakhamba Road, New Delhi 110 001 (TOI-7.11)

GENERAL MANAGER (Electrical Products) * South India * *Sal* Attractive * *Age/Qlfn* 40-45 years * Graduate mechanical/electrical engineers preferably with post graduate qualification in production technology/management * *Reqd* 15-20 years of production experience at senior levels, sound technology background in machinery and dye casting and good managerial ability, design background of rotating machinery an advantage * *Cont* Ref. GML/MDS/1525, M.Madhusudan, General Manager, ABC Consultants Pvt Ltd, 4 Jagannathan Street, Madras 600 034 (H-17.11)

VICE-PRESIDENT (Manufacturing) * Kakinada * *Sal* Excellent terms * *Age/Qlfn* 40-45 years * Engineers with post graduate qualifications in management * *Reqd* 20 years experience, a considerable portion in plant operations * *Cont* Chairman, Apex Management Consulting Group Pvt Ltd, C-1 Rams Square, 2 Village Road, Madras 600 034 (BI-27.11)

VICE-PRESIDENT (Operations) * Bangalore * *Sal* Good salary + perks * *Age/Qlfn* 45 years * Mechanical Engineer * *Reqd* 15 years experience in the engineering industry * *Cont* A.F.Ferguson Associates, 115 Dickenson Road, Bangalore 560 042 (BI-27.11)

OVERSEAS

DIRECTORS OF FINANCE * Zambia * *Sal* Reasonable savings + perks * *Age/Qlfn* Around 40 years * NS * *Reqd* 12 years experience * *Cont* Raaj Khosla & Co, Flat 42, Khan Market, New Delhi 110 003 (TOI-13.11)

CHIEF EXECUTIVE * Nigeria * *Sal* More than Rs.200,000 pa * *Age/Qlfn* NS * Engineering * *Reqd* 10-15 years experience in a similar capacity with galvanised roofing sheets * *Cont* S.B. Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (TOI-13.11)

DIRECTORS OF FINANCE * Zambia * *Sal* Attractive + perks * *Age/Qlfn* 40 years * NS * *Reqd* 12 years post-qualification experience * *Cont* Senior Partner, Fraser & Ross Associates, P.O.Box 4987, 169 North Usman Road, Madras 600 017 (IE-20.11)

CHIEF ENGINEER * Indonesia * *Sal* Excellent + perks * *Age/Qlfn* 35-40 years * Electrical engineering * *Reqd* 10-15 years experience in textile mills, specifically in spinning units * *Cont* P.S.Chohan, President, AIMS Management Consultants, 42 Veer Nariman Road, Bombay 400 023 (TOI-13.11)

Executive positions

ToI — Times of India; *H* — Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

NATIONAL

REGIONAL SALES MANAGER * Bombay * *Sal* Negotiable * *Age/Qlfn* NS * Science/Engineering graduate with a management degree * *Reqd* 5-7 years experience in marketing industrial products, ability to adapt to a fast changing business environment * *Cont* The Personnel Manager, Johnson & Johnson Ltd, 30 Forjett Street, Bombay 400 036 (TOI-14.11)

CHIEF MARKETING MANAGER * *Sal* Excellent * *Age/Qlfn* 40-45 years * MBA(Marketing) will be preferred * *Reqd* 10-15 years with pharmaceutical companies * *Cont* Price Waterhouse Associates Pvt Ltd, 407 Padma Towers I, 5 Rajendra Place, New Delhi 110 008 (TOI-18.11)

CHIEF ENGINEER * NS * *Sal* Attractive salary + perks * *Age/Qlfn* 40-45 years * Mechanical or Electrical Engineer * *Reqd* 15 years hands on experience in maintenance, erection and engineering development, 5-7 years at a senior level * *Cont* A.F.Ferguson Associates, Hansalaya, Barakhamba Road, New Delhi 110 001 (BI-27.11)

ASSISTANT GENERAL MANAGERS/PERSONNEL MANAGERS * *Sal* Rs.60,000 pa + housing + car + perks * *Age/Qlfn* 35 years * NS * *Reqd* 10 years experience * *Cont* Anil Dixit, General Manager (P&A), Ballarpur Industries Ltd, Thapar House, 124 Janpath, New Delhi 110 001 (BI-27.11)

BRANCH MANAGER * Bangalore, Delhi, Calcutta * *Sal* Negotiable + perks * *Age/Qlfn* 30-35 years * Graduates preferably with an MBA * *Reqd* 8 years experience in field sales/branch management * *Cont* A.F. Ferguson Associates, P.O.Box 1786, Bombay 400 001 (BI-27.11)

PRODUCTION MANAGER * NS * *Sal* Attractive salary + perks * *Age/Qlfn* NS * Graduate in Electrical/Electronics engineering * *Reqd* Experience in consumer electronics components * *Cont* The General Manager (HRD), Crompton Greaves Ltd, 1 Dr.V.B.Gandhi Marg, Fort, Bombay 400 023 (BI-27.11)

MANAGER (Materials) * Patalganga * *Sal* NS * *Age/Qlfn* 40 years * Graduate Engineer with professional qualifications in material management * *Reqd* 15 years experience of which atleast 5 years in a managerial position * *Cont* The Chief Personnel Manager, The Bombay Dyeing & Mfg Co Ltd, Neville House, J.N.Heredia Marg, Ballard Estate, Bombay 400 038 (BI-27.11)

MANAGER (Exports — spices) * *Sal* NS * *Age/Qlfn* 30-35 years * Graduates preferably with postgraduate qualifications in management * *Reqd* NS * *Cont* Corporate Personnel Department, MRF Limited, Tarapore Towers, 826 Anna Road, Madras 600 002 (BI-27.11)

OVERSEAS

SENIOR ACCOUNTANTS (Financial Analysis or Development/Training * Zambia * *Sal* Rs.3 lakhs per annum plus (tax free) * *Age/Qlfn* NS * Membership of recognised professional institutes * *Reqd* Three years of post qualification experience in funds management andadministration of loan portfolios, management accounting, experienceof computer applications an advantage * *Cont* The Secretary, Binani Metals Ltd, Mercantile Chambers, 12, J.N.Heredia Marg, Ballard Estate, Bombay 400 038 (H-10.11)

FINANCE MANAGERS * Zambia * *Sal* Reasonable savings + perks * *Age/Qlfn* Above 35 years * NS * *Reqd* 10 years experience * *Cont* Raaj Khosla & Co, Flat 42, Khan Market, New Delhi 110 003 (TOI-13.11)

PRODUCTION MANAGER * Nigeria * *Sal* More than Rs.150,000 pa * *Age/Qlfn* NS * Textile engineering * *Reqd* 10-15 years experience in fish net manufacturing, ability to handle production, labour, administration * *Cont* S.B.Billimoria & Co, 113 Mahatma Gandhi Road, Bombay 400 023 (TOI-13.11)

PROJECT MANAGER * Indonesia * *Sal* Excellent + perks * *Age/Qlfn* 40-45 years * First class degree in M.Textile with spinning as specialisation * *Reqd* 10-15 years experience in putting up and operating large spinning mills, knowledge of polyester-cotton blends and technologies available * *Cont* P.S.Chohan, President, AIMS Management Consultants, 42 Veer Nariman Road, Bombay 400 023 (TOI-13.11)

SALES EXECUTIVES * U.A.E. * *Sal* Rs.14,000 to Rs.16,000 p.m. + benefits * *Age/Qlfn* 24-29 years * Engineering graduate prefered * *Reqd* 3 years experience in sales of PCs/minis, knowledge of financial accounting would be an asset * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI-13.11)

FINANCE MANAGER * Muscat * *Sal* Negotiable * *Age/Qlfn* Below 40 years * Chartered accountancy/Cost accountancy with qualifications in management and law preferable * *Reqd* 15 years experience with 5 years as head of the division * *Cont* Box No.291, G.P.O., Bombay 400 001 (TOI-13.11)

FINANCE MANAGERS * Zambia * *Sal* Attractive + perks * *Age/Qlfn* 35 years * NS * *Reqd* 10 years post-qualification experience * *Cont* Senior Partner, Fraser & Ross Associates, P.O.Box 4987, 169 North Usman Road, Madras 600 017 (IE-20.11)

TECHNO-COMMERCIAL EXECUTIVE (Telecommunications) * Muscat * *Sal* Rs.9,000 p.m. + commissions + perks * *Age/Qlfn* Around 27 years * Electronics engineering * *Reqd* 3 years experience in selling telecommunication and radio communication equipment. Experience in maintenance would be an asset * *Cont* A.F.Ferguson & Co, P.O.Box 1786, Bombay 400 001 (TOI-20.11)

ABC's major specialisations include Corporate Consultancy

Materials Management • Project Reports • Business Negotiations • Technology Transfer • MIS • O&M • Software Packages

Operations Research • Industrial Engineering • Systems & Procedures • Computer Feasibility • Socio-Economic Studies

CHIEF EXECUTIVE

Delhi **Top Management Terms**

We have been retained by a **well reputed, professionally managed, diversified organisation** to select a Chief Executive for their **Electronics Unit.** Currently the unit is being reorganised to ensure uncompromising commitment to customer satisfaction and managerial excellence. **Major product innovations and development are also being envisaged.**

The incumbent will be totally **responsible for the performance and profits of the unit. He will lead a team of professionals in Marketing, Finance, Manufacturing, Commercial and R&D.** He should be a commercially astute, seasoned professional with over 15 years experience, of which at least 5-7 years should have been in the **Electronics industry as an Independent Profit Centre Head.** An excellent track record of growth, new products introduction and profit achievements is essential. Preferred age : 40 to 45.

The company offers an excellent compensation package including housing, furnishing, chauffeur driven car and liberal allowances. Please apply in strict confidence to **Deepak Bhargava, Divisional Manager,** enclosing biodata, details of current & expected emoluments, contact telephone number, within 10 days marking the envelope and enclosures with job title and code : CEE/DEL/734.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

209 Meghdoot, 94 Nehru Place, New Delhi-110 019 Phone : 6433383

Organised Cost Reduction • SWOT Analysis • Data Processing

VICE PRESIDENT — FINANCE

NEW DELHI **TOP MANAGEMENT TERMS**

We are a multi crore industrial house with diversified interests and proven track record.

To handle our present and enhanced activities, we require a top notch finance professional to head the finance functions and to report directly to the Chairman/Managing Director.

The responsibilities include:

- **Overall incharge of entire corporate finance and Accounts functions**
- **Funds and cash management, banking, routine accounting, cost and budgetary control, taxation and miscellaneous & computer application**
- **Managing term loans/public issues/debentures/fixed deposits.**
- **Accounting & management reporting**

Experience: 10-15 years. Atleast 5 years in senior level
Preferable age: 35-40 years

We are looking for a steady and mature professional, who has a flair for being a Merchant Banker.

This being a very senior position, remuneration will not be a constraint for the right candidate.

Please apply in strict confidence within 10 days to Box No. AA/280/LM/2, **Business India,** 59 Regal Building, Connaught Circus, New Delhi-110 001.

Metdist

GROUP CHIEF EXECUTIVE FOR INDIA

BOMBAY

Metdist is a London-based diversified Group primarily involved in International trade in non-ferrous metals with industrial interests outside India. The current annual turnover is in the region of Rs. 350 crores.

The Company is looking for a mature Group Chief Executive with strong engineering and or financial background, to spearhead its drive to make worthwhile investments in the Indian industrial field.

The right candidate should be able to build and lead a team of senior people who can identify investment and project opportunities which can be converted into viable commercial projects. The person chosen will have the immediate responsibility of setting up a continuous cast copper rod/wire project in Maharashtra at a capital cost of about Rs. 15 crores with an estimated annual turnover of over Rs. 100 crores.

VICE PRESIDENT – TECHNICAL

BOMBAY

The incumbent will be responsible for the total project management of the continuous cast copper rod/wire plant and subsequently for the operation of the plant to high standards of quality, reliability and cost effectiveness.

Candidates should be qualified engineers/metallurgists preferably with additional Management qualifications and should have a proven record of Project and Operations Management.

Preferred age: Around 40 years.

VICE PRESIDENT – COMMERCIAL

BOMBAY

The incumbent will be in charge of Finance and Accounts and will also supervise all commercial functions including purchasing, imports, inventory management and general administration.

Candidates should have a strong financial or commercial background with senior level experience of atleast 10 years in a reputed organisation.

Preferred age: Around 40 years.

We are looking for the best candidates in their respective fields. The financial package will not be any constraint for the right candidate.

Applications in strict confidence may please be sent within a fortnight, to:

Consindia Private Limited
"Anand Ashram", 2nd floor
22 Pandita Ramabai Road
Gamdevi, Bombay 400 007.

LINTAS CPL VAC 42 244

CALLING CONSTRUCTION PERSONNEL

WHOSE CONSTRUCTIVE IDEAS CAN BUILD THE COMPANY – AN IMAGE

We are a fast growing construction company having many prestigious projects throughout the country. The Company desires to strengthen itself to meet future opportunities in expanding civil construction/heavy earth-moving and turnkey projects.

We need high-calibre construction personnel who can spearhead the organisation in the following specific areas:

VICE PRESIDENT

(Civil/Heavy Construction)
Delhi/Bombay/Indore . CODE: AVP

This is a Senior Management position reporting directly to the Managing Director. The candidate, a seasoned professional of very high calibre with strong managerial personality and demonstrated leadership quality with emphasis on team-building will best suit our requirement. He should be an outstanding Civil Engineer with around 15 to 20 years of experience in management and execution of large civil engineering projects of which atleast 5 years in a very senior capacity. Apart from ensuring the orderly conduct of Company's operations, he will be expected to stimulate the growth of the organisation and to meet turn over and profitability targets.

GENERAL MANAGER

(Business Development & Marketing)
Bombay/Delhi/Baroda CODE: BGM

The incumbent should be a seasoned professional with outstanding capability in construction marketing. He will be responsible for all marketing functions including development and implementation of business strategies and arranging joint ventures with other companies here and abroad. He should be able to identify new progressive fields of construction incorporating latest technology. He should be a brilliant Civil Engineer with 15-20 years of experience at very senior levels in construction marketing.

GENERAL MANAGER

(Heavy Construction Machinery)
Bombay/Baroda/Delhi CODE: CGM

The incumbent should be a brilliant Mechanical Engineer, with deep insight towards heavy construction machinery such as Hydraulic Excavators, Dozers, Loaders, Dumpers, Compactors, Crushing and Batching plants and other miscellaneous equipment. He must have a proven track record and practical experience of managing and maintaining such machinery at widely dispersed work sites. He must have a good exposure to all the latest technical developments in the relevant machines, so as to keep on up-dating Company's requirements. He must be resourceful enough to create, mobilize and control excellent working/operating/maintenance team. He must be well acquainted with various modern systems/procedures of maintaining/monitoring centralised records of these machinery and their spare parts.
Preferred age limit: 45 years.

GENERAL MANAGER

(Execution & Implementation of Projects)
CODE: DGM

This is a challenging assignment for a Civil Engineer having experience of handling major projects in Civil Engineering and having a proven track record of handling men and machines. He must provide dynamic leadership, travel extensively and technically control, monitor and manage effectively the work sites in his charge and should have a capability to create his own team at site working levels. Preferred age limit: 45 years.

We are in the excellent team building process, so the compensation offered will be the best in the industry and not a limiting factor for the right candidates.

Please apply in strict confidence, marking the envelope with position code as given above, giving complete bio-data within 10 days to:

Post Box No. AA/280/LC/6, **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001

UNIT TRUST OF INDIA

wishes to recruit

FACULTY MEMBERS

for

UTI INSTITUTE OF CAPITAL MARKETS

Vashi
(New Bombay)

Rs. 46,400 p.a.
+ benefits

UTI is in the process of organising its Institute of Capital Markets which will be devoted to providing training, research and development in all fields related to the capital market with special reference to subjects such as portfolio management, investment analysis, capital market economics/accounting/mathematics, legal and taxation matters, non-resident investment in India, etc. To provide permanent faculty support to some of these areas, the Trust has identified the initial requirements of the following faculty members. These positions are of the level of Deputy Manager. While the jobs will be based in Vashi (New Bombay), all managerial personnel at UTI are transferable to other locations and departments. Candidates should have the aptitude for both teaching and research in their subjects and a familiarity with the use of computers in financial or academic areas.

CHARTERED ACCOUNTANT

(MS/4998)

Candidates should be fully qualified with 5-7 years experience (3-5 years for SC/ST candidates) in the accounting, tax and legal/regulatory aspects of investing in capital markets, with academic institutions/consultancy firms/merchant banks/financial institutions. Preferred Age: 28-33 years (Upper age limit will be relaxed by 5 years for SC/ST candidates).

ECONOMIST

(MS/4999)

Candidates should have a first class post-gradute degree in economics with 5-7 years (3-5 years for SC/ST candidates) experience in studying the economic aspects of capital markets and a background in financial mathematics. Experience should have been with academic institutions/consultancy firms/government/merchant banks/financial institutions.

For both positions the starting salary will be Rs. 46,400 p.a. In addition benefits of leave fare concession, group medical insurance, provident fund and gratuity will be provided. Housing as per rules may be considered. A higher starting salary in the grade could be considered for deserving candidates.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
P. O. Box 1786
Bombay 400 001

giving full details of age, qualifications, experiences and salaries drawn. All applications and envelopes must be marked with the relevant MS Numbers.

CONSULTANTS

WE ARE AN EMERGING GROUP ENGAGED IN THE FIELD OF MANUFACTURE AND EXPORT OF CONSUMER GOODS AND ELECTRONICS WITH A TOTAL TURNOVER OF AROUND Rs. 100 CRORES.

WE ARE INTERESTED TO SET UP PROJECT/S WITH THE FOLLOWING GUIDELINES :—

1) THE TOTAL INVESTMENT COST OF THE PROJECT/S TO BE BETWEEN Rs. 175 TO 200 CRORES.
2) THE TURNOVER FROM THE VENTURE TO BE IN EXCESS OF Rs. 200 CRORE PER ANNUM WITH INDUSTRY NORM PROFITABILITY.
3) GESTATION PERIOD UNDER NO CIRCUMSTANCES TO BE BEYOND TWO YEARS.
4) THE PRODUCT TO BE MANUFACTURED MUST BE GIVEN HIGH PRIORITY BY GOVERNMENT AGENCIES AND HAVE AN EXPORT POTENTIAL.

THE ABOVE MENTIONED ARE ONLY GUIDELINES.HOWEVER, IF YOU CAN ENVISAGE A MORE PROFITABLE VENTURE WE ARE OPEN TO SUGGESTIONS.

WE HAVE OUR OWN PROJECTS AND FINANCE TEAM SO WE CAN USE THE SERVICES OF THE CONSULTANTS IN IDENTIFYING AND ASSESSING THE PROJECT. HOWEVER, IF SOMEONE WANTS TO JOIN OUR TEAM ALONG WITH THE PROJECT THAT TOO CAN BE CONSIDERED ON MERIT.

PLEASE SEND YOUR REPLIES IN STRICTEST CORRESPONDENCE TO:

Box No. AA/244/BT/3, **Business India,** 59, Regal Building,
Connaught Circus, New Delhi-110 001.

SAMTEL

GENERAL MANAGER — FINANCE

We are the largest manufacturers of picture tubes in the country and have now diversified into manufacture of colour picture tubes in collaboration with Mitsubishi Electric Corporation of Japan. Our current turnover is Rs.120 crores which is expected to increase beyond Rs.250 crores by end of next year. To strengthen our organisation, we are looking for an outstanding professional to head our finance function.

The incumbent will take overall charge of finance & accounting function and will participate in corporate policy formulation. He will be accountable for accounting and control systems, tax planning, funds and cash flow management, budgetary controls, MIS and computer applications. He will also take responsibility for senior level liaison with banks and financial institutions.

The position reports to the President of the group. The selected candidate will be a Chartered Accountant with around 20 years of experience out of which 7 years should be at senior level. Applicants with less experience may also apply and will be considered for suitable position. Salary and perks will be excellent and would compare with the best in the industry.

Please apply in strict confidence within 10 days with complete Bio-data stating present and expected salary to:

The President

SAMTEL (INDIA) LIMITED

50-51 Community Centre
New Friends Colony,
NEW DELHI-110 065.

हिन्दुस्तान पेपर

हिन्दुस्तान पेपर कार्पोरेशन लिमिटेड

(भारत सरकार का प्रतिष्ठान)

HINDUSTAN PAPER CORPORATION LIMITED

(A Government of India Enterprise)
75-C Park Street, Calcutta-700 016

HPC, a multi-unit organisation having five large integrated Pulp & Paper Mills in the States of Kerala, Karnataka, Assam and Nagaland with Corporate Office at Calcutta requires the following Personnel:

GENERAL MANAGER (TECHNICAL SERVICES)

Rs. 3500-100-4000/-

Good Degree in Chemical Engineering/Paper Technology with a minimum of 15-18 years experience in responsible position dealing with planning, development, operational maintenance of a large modern pulp & paper mill. Should have held Senior Managerial/ Administrative position for at least 5 years.

The selected person will be reporting to Functional Director and lead a team of technologists and engineers in the Corporate Office for specialised technical assistance for the running mills. He will also be responsible for co-ordinating jobs regarding technical audit, trouble shooting, energy conservation, consultancy assignment etc.

Age : Around 48 years.

GENERAL MANAGER (WORKS)

Rs. 3000-100-3700/-

Degree in Mechanical/Electrical/Chemical Engineering/Paper Technology preferably with Post Graduate qualification or Graduate in Science and those with Diploma in Engineering with long background experience in Pulp & Paper Production. Degree or Diploma in Business/Industrial Management will be an added qualification.

Experience around 15/20 years in senior capacity. The incumbent will have to coordinate the production and maintenance of a running mill.

Age : Around 45 years.

If otherwise suitable, persons belonging to Scheduled Caste/Scheduled Tribe shall be preferred. Age limit relaxable by 5 years for SC/ST candidates.

Age, qualifications and experience may be relaxed at the discretion of the Management. Higher start in the scale may be considered for really deserving candidates. Besides pay and other allowances including Adhoc Relief, DA on Industrial DA pattern, other benefits will be admissible as per rules.

Candidates called for interview will be paid to and fro first class railway fare by the shortest route

Applications containing details regarding age, qualifications, experience etc. with the salary drawn accompanied by non-refundable crossed Postal Order of Rs.8/- drawn in favour of Hindustan Paper Corporation Ltd. (No Postal Order in case of Ex-servicemen and SC/ST candidates) should reach the General Manager (Personnel & Administration) within 15 days of the advertisement. Persons working in Govt/Semi-Govt/PSE should apply through proper channel.

Employment Notice No. 6/10/88

ABC's major specialisations include Corporate Consultancy

We have been retained by a highly successful public limited Company manufacturing Industrial Products to select 3 key managers for their **HIGH PRESSURE VALVE PROJECT in Southern India with leading US Collaboration.**

CHIEF MARKETING MANAGER

He will have overall responsibility for entire marketing in India including export. The incumbent must be a seasoned marketing manager having over 15 years experience in a similar industry. A good university degree in Engineering with specialisation in marketing will be helpful. Must be capable of achieving targetted growth and will have considerable freedom for picking up his own marketing team. Age Group 40-45. Code CMM/CAL/2505.

CHIEF DESIGN ENGINEER

The incumbent will be a Mechanical Engineer with specialisation in design & development of **high rating Gate, Globe, Check and Special Application Valves for chemical, power & oil industries.** Must have had a minimum of 15 years similar experience. Age Group 40-50. Code CDE/CAL/2506.

WORKS MANAGER

He will lead & guide a team of Managers and Engineers. Must be a Mechanical/Production Engineer with atleast 10 years managerial experience with a reputed valve or similar industrial product company. He should be thorough in machine shop, assembly and testing functions. Age Group 40-50. Code WMV/CAL/2507.

All these positions offer tremendous opportunities for rapid growth and successful incumbents could look forward to **general management** position in the next 3/4 years. Compensation package will be comparable to the very best available in any engineering industry in the country. Please write within 7 days to **B P Agrawal, Chairman** and mark the envelope & enclosures with respective job title & code. Requirements are urgent and contact telephone numbers must be clearly mentioned.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones 47 3688 (5 Lines)

Socio Economic Studies • Computer Feasibility • SWOT Analysis • Systems & Procedure • Business Negotiations • Organised Cost Reduction • Technology Transfer • Project Reports • Operations Research • Industrial Engineering • Data Processing • Computer Software Packages • Materials Management

Shilputsi

Shilputsi Consultants
have been retained by Flying Machine to recruit

ALL INDIA SALES AND MARKETING MANAGER

Flying Machine is the leading brand in the country for readymade garments and jeans. To implement its ambitious future plans, Flying Machine needs an outstanding Marketing Manager.

The Job : He will be responsible for developing and implementing marketing and sales plans and strategies, market intelligence, all India distribution and developing an effective sales force.

Qualifications : Graduate, preferably an MBA, with about 10 yrs. experience in sales and marketing in consumer goods. He should be familiar with retail distribution systems. Candidates with experience in garment industry will have an advantage.

SALES EXECUTIVES
(Bombay, Delhi, Calcutta, Madras)

The Job : Sales Executive will be responsible for Sales, market information and promotion of Company's products.

Qualifications : Graduates with 3 to 5 years experience in selling consumer goods. Candidates with experience in the garment industry will be preferred.

Salary will be commensurate with responsibilities.

Please write to:
Mr. Tarun Sheth
C/o. **Shilputsi Consultants**
Post Box No. 9386
Bombay 400 026

ABC's major specialisations include Corporate Consultancy

We have been retained by a highly reputed **Multinational Consumer Company with excellent brand image** to select the following sales & marketing professionals. Current sales turnover is targetted to reach Rs 100 Crores in the next 2/3 years.

GM—INDUSTRIAL MARKETING

Calcutta **Rs 10,000/- (gross) + Flat + Car + Perks**

He will head the **Industrial Products Group** and will have responsibility for developing aggressive marketing strategies; improving market share; achieving agreed sales targets; **expanding distribution network,** etc. Age Group 35-45. MBA (Marketing) will be preferred. The position reports to MD. Code GMIM/CAL/2501.

2 DIVISIONAL MANAGERS

Calcutta **Rs 7,000/- (gross) + Flat + Car + Perks**

They will have responsibility for **sales & marketing** for distinct territory/product groups. The position entails market & customer/dealer development; sales promotion; new product launches; pricing/profitability; commercial negotiations; product rationalisation, etc. MBAs in the age group 32-40 with sound consumer/industrial marketing experience will be preferred. Code DM/CAL/2502.

2 BRANCH MANAGERS

Capital Cities/Metros **Rs 6,000/- (gross) + Flat + Car + Perks**

They will be responsible for **achieving sales & collection targets;** demand forecasting; supply follow-up; customer services; product promotion; developing distribution network; office administration. Age Group 30-40. Code BM/CAL/2503.

4 SALES EXECUTIVES

Requirements are **for different Branch Offices throughout the country.** They will support the Branch Managers in achieving agreed sales & collection targets. Age Group 25-30. Code SE/CAL/2504.

Our clients are looking for **high performers** and will be willing to negotiate an excellent compensation package including standard perquisites of LTA, Medical, PF, Gratuity, Pension, etc. Please write to **B P Agrawal, Chairman** and mark the envelope & enclosures with respective job title & code.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones 47 3688 (5 Lines)

Organised Cost Reduction • Technology Transfer • Project Reports • Operations Research • Industrial Engineering

SWOT Analysis • Systems & Procedure • Business Negotiations • Socio Economic Studies • Computer Feasibility

Data Processing • Computer Software Packages • Materials Management

FINANCE EXECUTIVES

(CAs, MBAs-Finance, ACSs)

PRICELESS PERKS, AND THE GOOD LIFE, IN A TOUGH, DYNAMIC ASSIGNMENT

NRI Venture
Requires A Visionary

FINANCE MANAGER CUM COMPANY SECRETARY

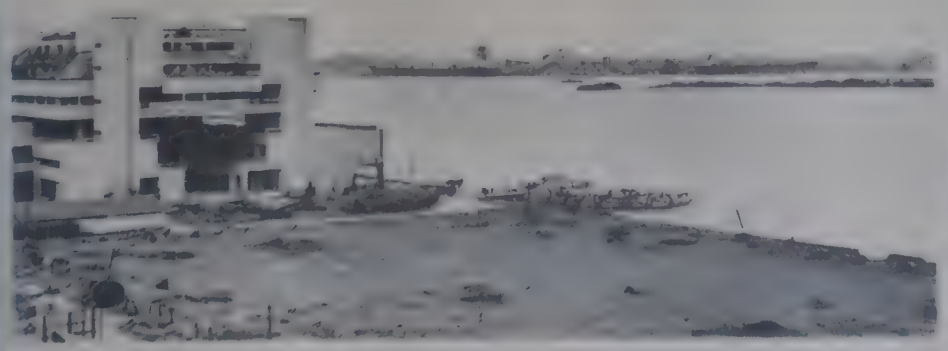
Cryptm Confectioners (India) Pvt Ltd. Professionally constituted NRI Venture. Year-old, growing very, very rapidly, with Franchises planned in most States, Kerala-based.

To help build the organisation, a Finance Manager-cum-Company Secretary is required. Will head the Finance Function, and be on the company's Management Committee.

Should be CAs, or MBAs (Finance) from reputed business schools, preferably with ACS. About 5-7 years experience. 35-40 years age.

Challenging assignment. Good compensation package. Plus, the priceless perks of shaping an organisation's future, total independence and the un-rivalled quality of life offered by Kerala (healthy environment and systems, resort settings; well-connected by air, road and rail).

The resort-settings of Kerala; unrivalled infra-structure and high-quality of civic life



This assignment could make the difference to you and us. And to your family. If you are interested apply in total confidence to:

Managing Director
CRYPTM CONFECTIONERS (INDIA) PVT LTD
Cryptm House, Ravipuram Road, Cochin-682 016

Goetze (India) Limited is a joint venture between ESCORTS and GOETZE AG of West Germany. The Company is a brand leader in its product range of precision engineering, high quality automotive components and has a successful record of growth and profitability.

Goetze is poised to diversify into the PROCESSED FOOD business, with foreign collaboration, and requires ambitious, dynamic professionals for its new venture.

MARKETING MANAGER

We are looking for a top calibre marketing professional who is prepared to accept the challenges of a start-up organisation. Besides product management responsibilities, the incumbent would be required to design and develop the marketing structure of the new organisation.

The ideal candidate would be a Science / Engineering graduate with an MBA from one of the premier institutes of the country, in the age group of 36 to 39, with minimum 8 to 10 years' experience in marketing, particularly in brand development and successful launch of consumer products.

EXPORT MANAGER

We are seeking an outstanding individual with a proven record of achievements in export business development, especially in the area of processed food. The incumbent would be required to assume a key role in developing the Company's new thrust in the export marketing of food products.

The ideal candidate would be a skilled negotiator, highly result oriented, in the age group of 36 to 39, with minimum 6 to 7 years of relevant experience. Applicants should be graduates with post graduate specialisation in Foreign Trade/International Marketing.

ASSISTANT MANAGER (Marine Products) Bombay

We are looking for a mature professional with initiative and drive to shoulder independent responsibility. The incumbent would coordinate the export of marine products and liaise with manufacturers. Key responsibilities of the assignment would include inspection of finished goods, handling stocks and timely coordination of despatches.

The ideal candidate would be a CIFT graduate, in the age group of 26 to 28, with minimum 4 years of relevant experience. Preference would be given to applicants possessing their own residence in Bombay.

Goetze offers excellent growth opportunities and compensation will not be a constraining factor for the suitable candidates.

Please apply, within seven days, with a detailed Curriculum-Vitae and present emoluments to:

Divisional Manager
Corporate Management Development
GOETZE (INDIA) LIMITED
18/4, Mathura Road
Faridabad-121 007

YOUR PRESENT JOB'S A PIECE OF CAKE. THE TARGETS ARE EASY, SO ARE THE DEADLINES. THE MONEY'S OK AND YOU'RE HOME AT 6 SHARP. DON'T YOU JUST HATE IT?

It takes a rare manager to realise that he's outgrown his present job.

When you're faced with such a dilemma, what can the TVS group offer?

Well, for a start, we can make your work a lot more demanding.

You'll have more opportunities coming your way.

And more than your fair share of challenges.

It may take a lot out of you.

But then, every satisfying job tends to do that.

What it means to be a Regional Manager at TVS.

You'll be working with either TVS-Suzuki or Sundaram Clayton Ltd., two of our companies with a turnover of around Rs.270 crores.

Sundaram Clayton manufactures air-assisted braking systems; as well as railway braking and signalling systems.

TVS-Suzuki is one of India's biggest names in motorcycles and mopeds.

You could also be assigned to one of Sundaram Clayton's associate companies.

TVS Electronics, which produces a wide range of computer peripherals.

You could also be assigned to Sundaram Clayton's latest venture. TVS Whirlpool - a collaboration with the Whirlpool Corporation USA, world leaders in major home appliances.

TVS is quick to recognise good work.

And is prompt and generous with its rewards.

Which means that it's you who decides how far you want to go.

What you'll do for TVS.

You will independently conduct sales and service operations within your region.

And achieve your targets within the framework of time and budgets. (Mind you, this isn't going to be as comfortable as your present job).

You'll also be required to oversee market intelligence; its collection, tabulation and analysis.

Close interaction with and monitoring of present and potential dealers will be of vital importance to your position.

You'll need to be a graduate with around 10 years' relevant experience. Specifically in the areas of sales and service. With a proven ability to build, lead and motivate a dedicated team of professionals.

Your pay packet will be attractive. Apart from house and car.

The positions are based all over India.

Write with full details (on A4 size paper) within 10 days to:

The Senior Manager - HRD
Sundaram Clayton Limited
Jayalakshmi Estates
8 Haddows Road
Madras 600 006

Sundaram-Clayton

TVS-SUZUKI

TVS Electronics

TVS Whirlpool

In this Human Resource Development job, the most important resource you'll develop is yourself.

Human Resource Development is about making personnel function at its fullest potential.

But what about HRD people themselves?

What motivates them? What inspires them? What drives them to greater achievement?

You'll find out when you join the HRD department of the TVS Group.

Because HRD is a critical part of our unique corporate culture.

Because here, no one is too small to offer an opinion and no one is too big to listen.

Because at TVS, we believe that HRD experts must realise their full potential in order to make others realise theirs.

Where you start and where you go.

You'll be working with either TVS-Suzuki or Sundaram Clayton Ltd., two of our companies with a turnover of around Rs.270 crores.

Sundaram Clayton manufactures air-assisted braking systems; as well as railway braking and signalling systems.

TVS-Suzuki is one of India's biggest names in motor-cycles and mopeds.

You could also be assigned to Sundaram Clayton's latest venture.

TVS Whirlpool - a collaboration with the Whirlpool Corporation USA, world leaders in major home appliances.

TVS is quick to recognise merit. And is equally generous with its rewards.

That means you are the one who decides how far you want to go.

MANAGER - HRD
(Rs.80,000 p.a. + indirects)

A PG degree in personnel management from IIM/XLRI/ TISS, etc.

With atleast 10 years' relevant experience, 5 years of which should have been in a senior position.

Some exposure to areas like potential assessment, succession planning and team building will be an advantage.

Recruit and induct human resources at the managerial and executive levels.

Formulate strategic HRD plans, both short term as well as long term.

And review systems such as personnel policy, performance appraisal and career plans and adapt them to meet existing and future needs.

You will also be responsible for maintaining a high morale.

And use innovative HRD techniques to establish a high degree of excellence in work practices.

ASSISTANT MANAGER - HRD
(Rs.70,000 p.a. + indirects)

A PG from XLRI/TISS. With at least 6 years' experience in a healthy HRD environment.

To actively assist in the planning and implementation of all HRD activities.

And interact at various levels, making persuasive changes down the line.

HRD EXECUTIVES - TRAINING
(Rs.55,000 p.a. + indirects)

A PG from XLRI/TISS. With at least 2 years' experience in any of the sub-systems of HRD.

To identify training needs and initiate action of HRD programmes.

Practical experience in designing and conducting training programmes will be a plus point.

You'll be based either at Madras, Pondicherry or Hosur.

Write with full details (on A4 size paper) within 10 days to:

The Senior Manager - HRD
Sundaram Clayton Limited
Jayaiakshmi Estates
8 Haddows Road
Madras 600 006

Sundaram-Clayton
TVS-SUZUKI
TVS Whirlpool

digital

Digital Equipment (India) Limited, is a joint venture between ***Digital Equipment Corporation, USA,*** *the world's largest manufacturer of networked computer systems, and* ***Hinditron Computers.*** *DE(I)L will manufacture and market the popular Micro VAX series of Super Mini computers at its facility in Bangalore, develop software for domestic and world-wide markets and provide need-based computing and networking solutions to match international quality standards.*

The Company has an abiding commitment to customers because it believes that nothing testifies to its success better than their satisfaction. To make this success possible, it nurtures employee creativity, initiative and dedication. Honesty, responsibility and excellence are values that are promoted by the company which adopts a managerial approach that is strongly employee-oriented.

We are now looking for bright and dynamic people to join our

Educational Services Division

The division, with its headquarters at Bangalore, operates as a profit centre and is primarily responsible for enhancing the availability and effective mix of knowledge, skill and perceptions, both within the organisation and at our client organisations. The division is also expected to grow as a consulting resource for large/complex computerisation projects. The division has access to the resources, methodology, standards and material of Digital World-Wide. Individuals dedicated to learning, change, communication and application process can look forward to excitement and challenges and making significant contributions to the growth and profitability of the division. Personnel will have career growth options both within the division and in other divisions of the company.

MANAGERS, CONSULTANTS AND SPECIALISTS

Bangalore, Bombay, Calcutta, Delhi and Madras (Code : EDS/01)

Responsible for educational needs assessment, technical and managerial curriculum planning; course specification and development; education delivery; implementing education quality assurance and improvement programs; effective application support of borrowed internal and external faculty; teaching processes; enhancing educational productivity, impact and effectiveness through the appropriate use of tools, technologies and methodologies; producing high quality educational documentation and teaching aids; effective knowledge/skill resource support to large/complex computerisation projects; rapidly learning and applying technical and managerial skills.

MANAGER — OPERATIONS

Bangalore (Code : EDS/02)

Responsible for initiating and implementing business policy and control; planning, logistics and management of division's and borrowed resources; sales and marketing support, material evolution, production control and supply; division administration; revenue and cost management.

OFFICER — INFORMATION CENTRE AND DOCUMENTATION

Bangalore (Code : EDS/03)

Responsible for library management, information synopsis and abstracts; dissemination; research support; documentation, quality standards evolution and implementation; documentation, production, inventory control and supply.

Candidates with 3 to 10 years' relevant experience and requisite professional qualifications may write in strict confidence, superscribing the envelope with the appropriate code, to:

Corporate Manager — HRD
Digital Equipment (India) Ltd.,
33/44A, 8th Main, Rajamahal Vilas Extn.,
Bangalore-560 080.

India has Digital now

GARDEN ENGINEERING

A DIVISION OF GARDEN SILK MILLS LTD

Garden Silk Mills Ltd, one of the fastest growing companies in the country is setting up an engineering unit in technical collaboration with a world reputed Japanese firm. The company is presently looking for young professionals to fill up the following positions in its Marketing Department.

ASSISTANT MANAGER (SALES) (Surat)

The incumbent will lead a team of engineers and will be responsible for achieving sales targets in a planned manner. He will be required to study competetion closely, evolve new marketing strategies and co-ordinate the efforts of Sales Engineers in improving market share. Responsibilities will also include forecasting of sales, fixing of individual engineers' targets, rendering after-sales service, control of outstandings etc.

Candidate should be a graduate in Mechanical/Electrical Engineering with 8 to 10 years relevant experience in a reputed organisation marketing capital equipments. Age around 30 years. Code: MKT/AM.

SALES ENGINEERS (Surat, Bombay)

The incumbents will be responsible for achieving sales targets in the assigned territories. Responsibilities will also include identification of prospective clients, generation of enquiries, study of requirements, preparation of quotations, follow-up and finalisation of orders. To succeed in a highly challenging and competitive environment, candidates should be innovative, dynamic, result-oriented and willing to travel extensively.

Candidates should be Graduate Engineers with 3-5 years experience of selling capital equipments. Age around 25 years. Code: MKT/SE.

COMMERCIAL OFFICER (Surat)

The incumbent will be responsible for timely invoicing and despatch of machines from the factory. He will be required to co-ordinate with factory for finalisation of production programmes. Responsibilities will also include payment collection, making of IDBI/ICICI payment schedules, keeping track of outstandings, submission and collection of bank guarantees and generation of MIS reports like order booking, invoicing, cash flow and outstandings.

Candidate should have a B.Com/M.Com Degree with minimum 8 years relevant experience in a reputed organisation. Age around 30 years. Code: MKT/CO.

ERECTION ENGINEERS (Surat, Bombay)

The incumbents will guide the customer on machine layout, receiving and unloading procedures, preparation of foundations, erection and commissioning of machines. Responsibilities will include setting and handing over of machine, operation and maintenance training of customer staff, collection of service charges and promotion of spare parts' sales.

Candidates should have a Diploma in Mechanical/Electrical Engineering from a reputed institute with 3-5 years relevant experience. Fresh graduates may also apply for Erection Engineers Trainee positions. Age around 25 years. Code: MKT/EE.

ALL THE ABOVE POSTS CARRY ATTRACTIVE SALARY AND LIBERAL PERQUISITES.

Interested candidates may apply within 10 days citing relevant code giving complete biodata and details of present and expected salary to:

GENERAL MANAGER
Garden Engineering
(A Division of Garden Silk Mills Ltd.)
Village Vareli, Taluka Palsana, Dist Surat 394 305

Garden®

"Like my body.

LIBERTY

Love my sole."

The sole of Liberty footwear. Made from Polyurethane (PU), the wonder soling material imported by Liberty.

Light, flexible and tough, the perfect match for some of the most stylish footwear bodies known to Indian feet.

THANK YOU PU

LIBERTY®

One step ahead, always!

Buy only from our exclusive showrooms or authorised dealers.

CH-D LFC 588

"Sometimes friends ask,
'How do you feel at 86?'
I can truthfully answer, I feel
fine. The old machine is still
running faithfully : after all,
it's a Kirloskar product."

— S.L. KIRLOSKAR

Kirloskar

The Kirloskars have never believed in isolating the concept of quality from the manufacturing process. We have struggled hard to ensure that it runs through our enterprise, in every work done there, and in every person who does it.

"**Quality**", as my brother Ravi always said, "**must go beyond standard tests and procedures. It must be equated with self-respect and personal pride**".

Our engines, motors, compressors, machine tools, pumps and valves and a host of other products serving every Indian industry and recognised in many parts of the world, provide ample proof of a century-long history of quality. That this history will be carried forward by the future generations is beyond doubt.

We shall continue to contribute to India's social and economic betterment through engineering excellence — our chosen method.

Into our next Century in the same spirit!

100

KIRLOSKAR CENTENARY
1888-1988

Move up... to McDowell's

Unmistakably No.1... McDowell's

McDowell's
The soda with spirit

INDIAN INSTITUTE OF MANAGEMENT CALCUTTA

INVITES APPLICATIONS

For Faculty Positions (Assistant Professors and Professors) in the following academic groups with specialisations as mentioned below:

Economics :

Macroeconomics, Microeconomics; Economic Development; Indian Agriculture; Indian Industry (Preference will be given, other things being equal, to persons working on economic policy issues)

Environment :

Economic History; Public Policy; Public Systems; Public Administration.

Finance :

Financial Accounting & Auditing; Cost & Management Accounting; Portfolio Investment Analysis; Taxation Direct & Indirect; International Finance; Financial Management in non-corporate organisations.

Marketing :

Product Management; Advertising and Communications; Strategic Marketing; International Marketing; Marketing of Utilities and Services; Sales Management; Rural and Agri Marketing; Projects/Systems Marketing; Legal Dimensions of Marketing;Computer & Management Science Applications in Marketing.

Management Information Systems :

Decision Support Systems; Planning, Analysis, Design and Implementation of Information Systems.

Theory and Applications of Computers; DBMS, Operating Systems, Artificial Intelligence and Expert Systems, Performance Evaluation, Software Engineering, Design and Analysis of Algorithms, Networking, Computer Graphics and Image Processing.

Operations Management :

Operations Research: Production Management; Systems Modelling; Cybernetics; Mathematics; Statistics; Biostatistics.

Personnel Management & Industrial Relations :

Labour Laws.

Regional Development :

Environment/Urban Management.

Sociology :

Social change and development (Preferably Rural Development).

Scale of Pay :

Professor: Rs 1500-60-1800-100-2000-125/2-2500 (Rs.4170.00, Rs.6488.00)

Assistant Professor: Rs.1200-50-1300-60-1900 (Rs.3709.00, Rs.5022.00)

(Figures in parenthesis indicate gross emoluments at the bottom and top of the scales excluding house rent allowance).

(Both scales are likely to be revised soon)

Dearness allowance, house rent allowance, city compensatory allowance, leave travel concession, medical benefits and pension are available according to the rules of the institute. A part of the consultancy earnings is allowed to be retained by faculty members.

Faculty housing in the campus will be provided depending on availability.

Faculty members of the institute should participate in all its activities including teaching, training,research, publications and consulting and must be willing to undertake the responsibility of academic administration.

Qualifications :

Candidates must have high academic achievements including teaching and research with Ph.D or equivalent publications. In deserving cases and for persons with sufficient administrative or managerial experience, one or more of these conditions may be relaxed

The decision of the institute in all matters pertaining to selection of candidates is final. Selection need not be restricted only to candidates who apply.

How to apply :

Candidates must apply in the prescribed form obtainable from the office of the Director on payment of Rs.25/- by Bank Draft payable to IIMC SBI (Joka). Filled in application forms must reach the Director, Indian Institute of Management Calcutta, Post Box No.16757, Alipore Post Office, Calcutta-700 027 within thirty days from the publication of this advertisement.

Phoenix

TVSE

TVS ELECTRONICS

needs

MARKETING EXECUTIVES

THE COMPANY

We are a company promoted by Sundaram-Clayton Ltd, a member of the TVS group of companies, which has a turnover of over 900 crores. We are engaged in the manufacture of a wide range of computer peripherals including switch mode power supplies, uninterruptible power supplies, cartridge tape drives, printers, keyboards and a range of communication products. Our factory is situated in Pandithanahalli, near Tumkur.

THE POSITION

The person will be responsible for all aspects of a product or product group, such as product choice, research and analysis of market needs, participation in product development efforts, formulation of product marketing strategies including decisions on positioning, pricing and promotional efforts. The person should possess a technological orientation and must be willing to constantly learn and update his/her knowledge about new products and technologies.

THE PROFILE

The person should be less than thirty years of age with a degree in engineering (electronics / mechanical / electrical) and a PGDM from IIMs or XLRI, with 2 / 3 years experience in sales or product management, preferably in the computer industry.

Interested candidates may kindly send in their complete resume on A4 size paper, superscribing the envelope 'Marketing Executives', within seven days to :

THE PERSONNEL MANAGER
TVS ELECTRONICS LIMITED
PANDITHANAHALLI
HIREHALLI POST
TUMKUR 572 168

Hindustan Lever Limited

Lipton India Limited

Lipton

CAREERS IN MARKETING

The Unilever Group of Companies in India has a common pool of management resource. This enables us to offer Managers greater opportunities for career growth through exposure to diverse business functions.

We are on the lookout for young MBAs (under 25) from premier business schools with outstanding scholastic achievements for our Management Training Scheme. A good record in extra-curricular activities and in leadership roles will be an advantage.

Those selected will be put through a structured training programme of 18 months covering sales, product management, market research and allied areas with emphasis on learning while doing. After successful completion of training, they will be confirmed as Managers. Those with proven potential will have opportunities for international exposure and be groomed to take on general management responsibilities.

We offer an attractive remuneration package (both during training and on confirmation) which includes housing.

If you are interested in a career with us, do reply with a detailed resume within 10 days to: The Selection Manager, Hindustan Lever Limited, P.O. Box 409,
Bombay 400 001 superscribing the envelope "MT (Mktg)".

Those interviewed by us earlier or currently undergoing an MBA programme need not respond to this advertisement.

LINTAS HLL PER 329 2215

TVS SUZUKI

CD TVS

Sundaram-Clayton
and
Associate Companies
require
Engineering Personnel

Pondicherry/Hosur/ Tumkur/Madras

Rs.48,000 p.a. + benefits

Sundaram-Clayton and TVS-Suzuki are members of the TVS group of companies. Together they command a sales turnover of Rs.270 crores. Sundaram-Clayton manufactures air-assisted automotive braking systems and railway braking and signalling systems. TVS-Suzuki manufactures a range of mopeds and motorcycles. TVS Electronics manufactures a complete range of computer peripherals — drives, printers, keyboards, UPS, SMPS, monitors, etc. TVS Whirlpool, a company promoted by Sundaram-Clayton, will manufacture a range of appliances.

We are looking for dynamic, young professionals in Quality Assurance and Production Engineering functions.

Quality Assurance

This function is considered critical in our manufacturing process. You will essentially ensure quality of bought-out components and materials and will be involved in quality improvement through quality analysis/process analysis and reliability engineering. You will also assist in Quality Circle/TQC activities. You will have a Mechanical Engineering degree, preferably with Post-graduate qualification in SQC and OR, and with at least 5 years' relevant experience.

Tool Design and Planning

You will be involved in the organising and executing of tasks on cutting/press tools, jigs and fixtures. Knowledge of low-cost automation methods is a prerequisite for the job. You will be a Mechanical Engineering graduate, with a Post-graduate diploma in tool design and planning, with at least 5 years' experience in a light engineering industry.

Industrial Engineering

Your area of work will be in work measurements, plant layout, material-handling, etc. to ensure optimum use of resources. You will have a Mechanical Engineering degree, preferably with Post-graduate qualification in Industrial Engineering, and with at least 5 years' relevant experience.

Process Planning

You should be familiar with modern machines, tools manufacturing methods, trouble-shooting, estimation, etc. You will detail manufacturing methods, including estimating costs. You will also be responsible for trouble-shooting at the shop floor. You will be a Mechanical Engineering graduate with at least 5 years' relevant experience.

We offer the right candidate an attractive salary, and benefits which include PF, Gratuity, Medical, a healthy and professionally challenging work environment, with rewards based on merit and contribution, and excellent career development opportunities.

Send in your application on A4-size paper, within 10 days, to :

The Senior Manager (HRD)
Sundaram-Clayton Limited
"Jayalakshmi Estates"
8 Haddows Road
Madras 600 006

TVS ELECTRONICS

TVS Whirlpool

Opportunity to play the keys your way...

Opportunity to be a part of a leading software house involved in diverse and challenging activities.

Sonata, the software division of Indian Organic Chemicals Limited (a Rs. 150 crore company), has been blazing quite a few trails in the Indian and international software market — with the success of its software development and publishing, programming services, consultancy, technical training and software export activities.

Right on cue

Sonata was set up in 1986, to meet the growing need for solution-based, high-quality software, both in India, and abroad. Today Sonata has a 3000 strong customer base, and developing relevant and powerful packages for them are 120 software and system engineers — a team of dedicated and highly qualified professionals.

Coming to the ResQ

With offices in all the metros and an extensive dealer network, Sonata is constantly introducing and reaching its customers at least 2-3 new products every three months or so. Today its wide-ranging software includes the highly popular packages like IBIS, MultiWord, ResQ Professional and specialised packages like Fedora and Prakashak — regional language DTP.

And now...

To serve its rapidly expanding operations, Sonata requires talented and experienced software professionals for assignments abroad, to support its business interests in U.S.A. Europe and Australia.

Incumbents must have a degree in Electronics/Computer Science/Engineering/Mathematics, preferably with also an M.S./M.Tech/M.B.A.

A minimum of 3 years' experience in a commercial/consultancy organisation in the area of programming services/project consultancy is necessary, along with detailed knowledge of any of the following.

- IBM: CICS, MVS, DBZ, CSP, CMS, RPGII, RPGIII
- DEC: VAX VMS, RDB, DECNET, DATATRIVE
- BURROUGHS: DMS II, GEMCOS, LINC, COMS
- 4 GL/RDBMS: ADABAS, ORACLE, INGRES, UNIFY, NATURAL
- NETWORKING/COMMUNICATIONS/LANS
- C/UNIX/PASCAL ON MICROPROCESSOR BASED COMPUTERS.

Sonata is also specifically looking for Project Leaders who have managed software projects abroad.

The Company offers an extremely stimulating and performance-rewarding environment — as well as excellent remuneration packages and benefits. Starting emoluments will be based on qualifications and experience.

Note:

- Those without a good degree in the relevant subject and the requisite experience need not apply.
- Send your detailed bio-data which includes information regarding passport/visas/ previous experience abroad/driving licence etc.

Apply in confidence to Mr D Bharath, Divisional Vice-President within 15 days superscribing the envelope INS/87, to:

SONATA

Software Division of
Indian Organic Chemicals Limited

1/4, I Floor APS Trust Building
Bull Temple Road, N R Colony
Basavanagudi
Bangalore 560 019
Tel: 620863/622359
Telex: 0845-8843 SONA IN

DATA BANK FOR EXECUTIVES

INDUSTRY/PRODUCT PROFILE: We have been retained by a number of industrial houses with foreign collaborations with world leaders in the respective fields and a turn-over of Rs. 15 crores to Rs. 500 crores, dealing with the following products.

CHEMICALS/PROCESS
FERTILIZERS/ACIDS
PETROCHEMICALS
TYRES + TUBES
DETERGENTS
PESTICIDES/INSECTICIDES
PAPER CONVERSION
SUGAR/CEMENT PLANTS
EFFLLUENT TREATMENT & ENVIRONMENTAL ENGG.
AGRO BASED INDUSTRY
FOOD PROCESSING
DAIRY + MILK PROCESSING
PHARMACEUTICALS

ELECTRONICS
COMPUTERS
COMPUTER PERIPHERALS
EPABX/FAX
PHOTOCOPIERS
PROCESS CONTROL
CONSUMER ELECTRONICS
ELECTRONIC COMPONENTS
COLOUR PICTURE TUBES
SYSTEM SOFTWARE
MEDICAL EQUIPMENT

AUTOMOBILE
TWO WHEELERS
FOUR WHEELERS
TRACTORS/LCVS
HEAVY EARTHMOVING
AUTO ELECTRICALS
SHOCK ABSORBERS
AUTO ANCILLARIES

ENGINEERING
PUMPS
MOTORS
GENSETS
REFRIGERATION
AIR CONDITIONING
COMPRESSORS
MATERIAL HANDLING
M/C TOOLS
SWITCH GEARS

CONSUMER IND
FAST MOVING CON ITEMS
CONSUMER DURABLES
HOSPITALITY IND

GENERAL
INDUSTRIAL GASES
STEEL ROLLING
CONSTRUCTIONS
EXPORTS
TRADITIONAL + NON TRADITIONAL EXPORTS
LEASING
ADVERTISING/PUBLIC RELATIONS/PUBLICITY

DISCIPLINES: The vacancies are in the following fields of specialisation:

PRODUCTION
QUALITY ASSURANCE/SQC/PQCI
VENDOR DEVELOPMENT
PURCHASE/PROCUREMENT
STORES/INVENTORY MANAGEMENT
INDUSTRIAL ENGINEERING
MAINTENANCE-ELECTRONICS/ MECHANICAL/ELECTRICAL
R & D
DESIGN & DEVELOPMENT
PROJECT MANAGEMENT
PRODUCTION PLANNING & CONTROL
TOOL ROOM & DIES
PLASTICS/MOULDING
METAL FINISHING ELECTROPLATING/ NICKEL/CHROME PLATING/PAINT SHOP
CNC PROGRAMMING
CNC MAINTENANCE
TECHNOLOGY TRANSFER/ COLLABRATION/DESIGN TRANSFER/INDIGENISATION/ PRODUCT DEVELOPMENT
FABRICATION
PROJECT EXECUTION
CIVIL PROJECTS
ARCHITECTS
MARKETING/SALES
PRODUCT MANAGEMENT
AFTER SALES SERVICE
COMMERCIAL
BUSINESS DEVELOPMENT
MARKET RESEARCH
ADVERTISING
HRD
INDUSTRIAL RELATIONS
SECURITY & ADMINISTRATION
EXCISE
EXPORTS/IMPORTS
FINANCE/MIS/BUDGETING
ACCOUNTS
TAXATION
COSTING
COMPANY SECRETARY
CUSTOMER SUPPORT
PROGRAMMING
SYSTEM ANALYSIS
SYSTEM SOFTWARE DEVELOPMENT
LEGAL
EXECUTIVE ASSISTANT.
RESOURCE PERSONS/EXPERTS FROM SUCH INDUSTRIES

LOCATIONS: Mostly North India, all over India for Sale/Service/Project Execution. Overseas for Export/ Import/Civil/ Projects/Technology Transfer/Collaborations/Architects.

LEVELS: **JUNIOR EXECUTIVE TO CHIEF EXECUTIVE**

COMPENSATION PACKAGE **HIGHEST YOU CAN MERIT IN THE INDUSTRY**

All Applications will be treated in strict confidence. Apply in strict confidence with your particulars, passport size photograph, residence telephone no., job and location preference to:

OVERVIEW CONSULTANTS

B-4, VISHAL BHAWAN, 95, NEHRU PLACE, NEW DELHI-110 019

Advertising is warm, human persua-
ion. A *relevant* message delivered with
difference.

While research can help to make
our message relevant to your task,
ou still have the challenge of having to
e different.

So that you can break through the
communication clutter. And hold your
rospect's interest.

But, the creative rebel that you are,
ou want to do more. You want to
each, touch and move your prospect.

Which means, a mere executional
ifference won't do.

At R K SWAMY, we recognise the
ifference. And have identified seven
original ways in which to achieve a breakthrough: 'Seven doors to creative freedom.'

It's an integral part of HANSYSTEM, our one-of-a-kind discipline. A thought process that encourages intuitive skill, guides creative energy.

HANSYSTEM, we believe, will take away from you a lot of unnecessary struggle. Leaving you free to do something far more satisfying: create breakthrough advertising.

Call on us soon. Because, we also believe, that people who think *'differently'* should ideally be working together.

Senior Art Directors
Copy Group Heads

R K SWAMY, a Rs. 25-crore agency, offers breakthrough career opportunities to Senior Creative personnel in Bombay, New Delhi, Calcutta, Madras, Bangalore and Hyderabad.

Write to:
The Chairman
R K SWAMY ADVERTISING ASSOCIATES
Private Limited
604 Mount Road Madras 600 006
An Agency of the BBDO Worldwide Network.

Wanted

CHIEF EXECUTIVE

Age - around 50 At Calcutta

A public company manufacturing sophisticated chemicals with annual post-tax profits of around Rs. 2 crores wants a Chief Executive to take overall charge of all existing operations of the company.

He will take over from the present incumbent who will take charge of implementing two large diversification-cum-expansion projects of the Company.

The candidate should have a good educational background and ability to take over leadership of a loyal and motivated team of executives. He should be strong in commercial matters.

At least 10 years' experience in senior management position, preferably in a large Indian house, holding charge of profit centre, is desired.

Remuneration package is no constraint.

Please apply to

Box No. AA/280/CL/1. **Business India**,
Krishna Villa, 100 Park Street,
Calcutta-700017.

(A Government of Karnataka undertaking)

Invites applications for the post of

DIRECTOR (FINANCE)

Job: Evolving and implementing of sound financial policies, co-ordinating with various agencies concerned, including Financial Institutions, Banks, Government Departments. Statutory Organisations in the Central/State Government sectors, etc.

Qualifications: CA/ICWA

Age Limit: Upper age limit 50 years. Relaxable for SC/ST candidates and qualified internal candidates.

Experience: 15 years experience of which at least 4 to 5 years should have been in a senior managerial position with defined responsibilities.

Pay Scale: Rs. 3250-165-4570 plus DA, HRA. CCA, aggregating to minimum emoluments of Rs. 5,116 per month, excluding perks.

How to apply: Interested candidates may apply on plain paper indicating

(a) Name of the post applied for
(b) Name and present address
(c) Permanent address
(d) Date of birth/age
(e) Qualifications (indicating percentage of marks/divisions and year of passing, name of University/Institution)
(f) Experience (in chronological order indicating in each case, name and address of the employer, period served, post held, nature of duties, name and designation of his immediate superior, number of persons reporting to the applicant and emoluments drawn).
(g) Whether SC/ST

Candidates serving in Government/Public Sector Undertakings should attach a 'no objection certificate' from competent authorities of their organisation.

Candidates called for the interview will be paid first class to and fro rail fare or air fare if warranted.

Individuals drawing aggregate emoluments of less than Rs. 5,000/- per month (excluding perks) in their present position, will not be entertained or considered.

Canvassing in any form would lead to automatic disqualification of the applicant

Applications with copies of relevant certificates must reach the Chairman and Managing Director, NGEF Limited, PB No 3876, Bangalore 560 038 within 15 days from the date of publication of this advertisement

NGEF LTD P.B. No. 3876, Bangalore-560 038

THE UTTAR PRADESH STATE
CEMENT CORPN. LTD.;
(A UP GOVT: UNDERTAKING)

REGD: OFFICE
CHURK: 231 206
MIRZAPUR

ADVERTISEMENT
NO: HQ/UPSCCL/5/88.

DIRECTOR (TECHNICAL)

The U.P. State Cement Corporation Ltd a leading cement Manufacturer in Northern India having three plants at Dalla, Churk and Chunar in Mirzapur district of U.P. near Varanasi (Benares) having total annual capacity of more than 2.5 million MT., requires the services of a Director (Technical) who will be responsible for all technical activities of the Corporation including operation, maintenance, modernisation of plants, etc.

We are looking for a very senior person with an excellent track record, proven ability, and experience of at least 20 years in executive/senior positions. Experience as technical head of a big cement plant based on dry process will be desirable.

The salary for the above post will be around Rs.8,000/- p.m. However, salary will not be a constraint for the right person willing to serve on contract basis for a period of 3 to 5 years, renewable on mutually agreeable terms.

Besides salary, attractive perquisites like free accommodation, electricity, conveyance, provident fund, gratuity etc. are also admissible as per Corporation rules.

Applications on plain paper giving details of personal particulars, qualifications, experience, salary drawn & expected etc. may be sent in confidence to the Chairman & Managing Director, UPSCCL, p.o. Churk, District Mirzapur-231 206 within 15 days from the date of publication of this advertisement.

बीएल

Balmer Lawrie & Co. Ltd.

(A Government of India Enterprise)

Requires

Assistant General Manager (Finance)
Calcutta

We are a professionally managed multi-unit/multi-locational growing Company having a turnover of around Rs.200 crores with proven track record in manufacturing and marketing of a wide range of industrial products and services.

To sustain our rapid growth, we are looking for a competent Finance professional to head this function in respect of one of our Divisions. The incumbent would be responsible for preparation and finalisation of divisional accounts, performance and capital budgeting, costing and pricing, internal/statutory/government audits and financial MIS including advising Line Managers on financial matters.

Qualified Chartered/Cost Accountants in the age group of 35-40 years with about 10/12 years' post qualification experience in handling the total finance/accounting functions at Divisional level, especially of a Manufacturing Unit/Division may apply. Experience in Corporate Finance/Accounts and exposure to computerised accounting system will be an added advantage.

The salary and allowances will range between Rs.66,700/- and Rs.78,400/- per annum (under revision) besides perquisites like reimbursement of Car Running Expenses, LTA, Medical Assistance, PLI etc in addition to attractive retiral benefits as per rules of the Company.

Candidates fulfilling the above requirements may apply with complete bio-data within 15 days of this advertisement superscribing the post applied to the General Manager (Personnel), Balmer Lawrie & Co Ltd., 21, Netaji Subhas Road, Calcutta 700 001.

Candidates working in Government/Semi-Government/PSUs should either apply through proper channel or produce 'No Objection' certificate at the time of interview.

Outstation candidates called for interview will be reimbursed to and fro economy air fare by the shortest route on production of travel proof.

(A member of the IBP-Balmer Lawrie Group of Companies)

ASP/88

7 O'CLOCK EJTEK ISP 7 O'CLOCK EJTEK

INDIAN SHAVING PRODUCTS LIMITED

NEEDS OUTSTANDING PERSONNEL FOR THEIR OPERATIONS IN THE NORTH

Indian Shaving Products Limited has been promoted by **The Gillette Company, USA,** world leaders in shaving products, and the **House of Poddar Enterprises (HOPE).**

ISP markets the high quality 7 O'Clock Ejtek blades, as well as the well-known **Erasmic** and **365** range, manufactured by **Sharpedge Limited.**

ISP is now looking for professionals to provide strong, effective leadership.

1. **PROJECT MANAGER**
   Graduate/Diploma Engineer with 10 to 15 years of experience in Project/General Management of a reputed light engineering industry. Should be able to implement a new project from construction to final commissioning.
2. **PURCHASE CONTROLLER**
   Graduate Engineer with complete knowledge of purchase systems, import of equipment, raw material, spares, with vast procurement experience in a light engineering industry.
3. **ENGINEERING & DEVELOPMENT MANAGER**
   Graduate/Diploma holder in Engineering (preferably Mechanical) with 10 to 15 years' experience in a light engineering industry in the areas of preventive/breakdown maintenance of plant, machinery, utilities, building toolroom and plant development activities.
4. **SHIFT PRODUCTION EXECUTIVE**
   Should have a degree/diploma in Engineering with 3 to 7 years' experience in production in a light engineering industry, preferably with high speed automatic equipment. Should be a strong man-manager, well conversant with production techniques.
5. **PRODUCTION EXECUTIVE, MOULDING**
   Plastics Engineer from a well known institution preferably CIPET, MADRAS. Should have comprehensive experience of at least 5 years in operation and maintenance of Injection moulding machines, servicing and re-building of precision moulds.

Positions at Serial No. 1 & 4 are located at Bhiwadi, Rajasthan, 70 kms. away from Delhi.

Positions at Serial No. 2, 3 & 5 are located at New Delhi.

Salary will not be a limiting factor for deserving candidates.

Interested candidates may apply immediately to:

CHIEF PERSONNEL MANAGER
INDIAN SHAVING PRODUCTS LTD.
34, OKHLA INDUSTRIAL ESTATE, NEW DELHI-110 020

CHETTINAD BRAND

CHETTINAD CEMENT CORPORATION LIMITED

REQUIRES

The following personnel for their new dry process cement plant, fully automated with central process control system.

1. MANAGER (INSTRUMENTATION) :

Engineering Graduates in Electronic/ Instrumentation with an experience of 5 to 7 years in process industry – preferably in Cement.

2. PRODUCTION MANAGER :

Graduates in Chemical Engineering with about 10 years experience or M.Sc., Chemistry graduates with 10 years experience shall be considered. Should have worked in a Senior Management position. Aptitude for Research desirable.

The remuneration for the above posts shall be in line with their qualifications and experience. The perquisites includes Provident Fund, Gratuity, L.T.A., Medical Benefits, conveyance allowance and unfurnished accommodation at subsidised rentals.

Interested candidates may apply with details of their qualifications, experience, salary drawn, salary expected with true copies of certificates and testimonials within 15 days of this advertisement please apply to :

CHETTINAD CEMENT CORPORATION LIMITED
Post Box No. 748
Rani Seethai Hall Building
603, Anna Salai
Madras - 600 006

Chari

SAGARI LEATHERS (P) LTD.

Requires

ADMINISTRATIVE OFFICER

Sagari Leathers (P) Ltd. is a rapidly expanding Company manufacturing Uppers and Complete Shoes for 100% Export at Agra.

To keep up with the pace of expansion and modernisation, we are looking for a young and dynamic 'ADMINISTRATIVE OFFICER'. He should be conversant with the Factories Act, E.S.I., Provident Fund and Gratuity.

The incumbent will be responsible for the smooth running of the office premises, maintenance and purchase of office equipment and effective functioning of receipt and despatch systems.

Remuneration will not be a restraining criteria for the right candidate.

Apply in strict confidence with full bio-data within 10 days to:-

THE EXECUTIVE DIRECTOR

SAGARI LEATHERS (P) LTD.

164, F.M.CARIAPPA ROAD
BALUGANJ, AGRA.

VIGYAPAN

Branch Accountant

Bombay **Excellent emoluments**

A reputed, diversified company with interests in shipping agencies and insurance wishes to recruit a Branch Accountant for its Bombay Office. The company belongs to a well-known professionally managed group. The position is in the management grade.

The job description includes handling of shipping and insurance accounts, liaison with other branches, the principals and the Head Office, administration and legal matters, and compliance with statutory requirements. The incumbent will also be responsible for management of funds and for any special projects or assignments on behalf of the corporate office.

Candidates should be Chartered Accountants or MBA (Finance) from reputed institutions, with at least 10 years' experience of working in large, multi-location, professionally managed organisations. They should possess a mature outlook and good communication skills. Experience in negotiating with unionised staff, and an exposure to computerised accounting will be a definite advantage.

The company offers a professional work environment and the remuneration package is designed to attract the right talent. Perquisites include liberal allowances.

Please apply within 15 days with a comprehensive resume to:

RAIJI & HORWATH CONSULTANCY SERVICES PRIVATE LIMITED
Primrose Chambers, 1st Floor,
Jeejibhoy Dadabhai Lane,
Off D.N. Road, Fort, Bombay 400 001

Applications and envelopes should be superscribed "BM/ACC". Applications will be treated in the strictest confidence.

CHAITRA-B RHCS 02

CHIEF EXECUTIVE IMPORTS

We have been in the field of exports for over a decade. Exports in the field of diamonds, jewellery, leather, fabrics, garments, silks, sea-food, engineering goods, etc., and our turnover exceeds Rs.125 crores and is on a steady rise.

We are now planning to set up an Import division and are therefore looking for a suitable person to head it. The incumbent would have excellent contacts and be well versed in all licencing procedures, import and export policy of the Government and the trade practices of various countries. In addition he will have a shrewd business sense of buying and selling import licences.

He would be capable of identifying and importing products like electronic components, chemicals, appliances, engineering items, etc., for sale in India from the best sources in the world market. He will take charge of the organising the import division, effectively manage the import licences and the marketing of the imported items so as to develop the division as an independent profit centre.

A very attractive six figure remuneration with attractive perks, awaits the right candidate. Apply in strict confidence to: Box No. AA/280/EG/3, **Business India**, *Flat No. 5-B-1, JP Tower, 5th Floor, 7/2 Nungambakkam High Rd., Madras-600 034.*

Superscribe envelope: GEL/B1/1088

122

EXECUTIVE DIRECTOR
CONSTRUCTION COMPANY

CHANDIGARH **1.00 LAC + HOUSE+ CAR**

A Construction Company forming part of a group with diverse interests in fertilizer, speciality chemicals, drug intermediates and exports with annual turn over of Rs. 50 crores wishes to induct a highly dynamic, seasoned and committed **Executive Director.**

The incumbent would be expected to co-ordinate the systematic functioning of various contracts and plan strategies for expedited growth. Exercising wide autonomy, he would lead a team of various professionals and be responsible fully for the profit centre.

A Graduate Civil Engineer with about 15-20 years standing in construction, out of which atleast 5 years at the top management level, is essential. An individual with a demonstrated track record and willing to commit himself is likely to be right for the Company's need.
Please apply in confidence within 10 days to :—

Box No. AA/280/LM/4, Business India, 59, Regal Bldg, Connaught Circus, New Delhi-110001.

Interads/Ch

PESTICIDES ASSOCIATION OF INDIA

Due to the impending retirement of the present incumbent, PAI has a vacancy for the post of

EXECUTIVE DIRECTOR

PAI is a 25 years old Association of 95 members representing large, medium and small scale companies in private, multi-national, public and cooperative sectors.

PAI is represented on over 30 Govt appointed Committees/Bodies and has the responsibility to effectively represent the interests of the pesticide industry.

Over the years, PAI has built excellent rapport and image and has several successes to its credit.

The assignment of the Executive Director to be located in New Delhi calls for outstanding public relations abilities (at the highest levels) very strong communication skills and an excellent professional background at seniormost levels.

Age around 50 to 55 years. Knowledge of or experience within the pesticide industry is not essential; exposure to agro-industrial business would help.

Excellent emoluments are offered.

Please apply in confidence, within 10 days to:

Mr Salil Singhal Chairman
Pesticides Association of India
Post Box 20 Udaipur 313 001 (Rajasthan)

WYETH GROUP OF COMPANIES

Require

BUSINESS DEVELOPMENT MANAGER

Candidate should have a technical background with post graduate qualifications in Business Mangement and experience of about 5 to 10 years in handling projects, or a diversification or business development function in a reputed company or Consulting Agency. This is a new position offering exciting work to identify profitable business projects in the drug industry and implement the approved projects. Compensation package will be attractive and comparable to any progressive organisation. Those interested should mail their bio-data to:

The Director, Personnel & Industrial Relations,
WYETH GROUP OF COMPANIES,
Apeejay House, Dinshaw Wacha Road,
Bombay - 400 020.

Our client, a progressive and reputed company engaged in the manufacture of **wire, cable and related products,** with an annual turnover of Rs. 150 million, requires the following senior personnel to be based at Bombay.

The Company has an excellent growth and profitability record and has ambitious expansion plans.

GENERAL MANAGER—FINANCE

Above Rs. 1,00,000/- p.a.

NS/P/85

He will report to the Chief Executive and will be overall responsible for all aspects of financing including treasury, management financial, internal control, budgeting, EDP and management reporting He will be dealing with financial institution at a senior level for project finance.

The Candidate must be a Chartered Accountant with at least 15 years' experience in reputed organisations, out of which, at least 5 years should be in a senior position. Candidates with additional Company Secretary qualification will be preferred.

Preferred Age. Around 40 years.

GENERAL MANAGER—WORKS

Above Rs. 80,000/- p.a.

NS/P/86

He will report to the Chief Executive and shall be overall responsible for the operations and the profitability of the Company. He will lead a team of department heads of production, purchase, personnel, administration, security functions, etc.

The Candidate must be an engineering graduate in electric/mechanical/chemical with at least 15 years' experience, out of which, 5 years should be in a senior position. Preferred Age. Around 40 years.

GENERAL MANAGER—MARKETING

NS/P/87

Above Rs. 80,000/- p.a.

He will report to the Chief Executive and will be responsible for all aspects of marketing including marketing strategies, setting up of targets and monitoring sales activities. He wil actively participate in the business development and launching of new products.

The Candidate should be an engineering graduate with postgraduate qualification in business management and should have at least 15 years' experience in reputed organisations, preferably in a light engineering industry.
Preferred Age Around: 35-40 years.

In addition to a good compensation package as mentioned above, the Company offers a congenial work environment and growth prospects.

Please apply with 7 days, giving relevant details and superscribing the envelope with the post applied for, along with relevant code nos., to:

N.A. Shah Associates
4 Sailor Building, 373, D N Road, Bombay 400 001.

CLEA

N.A. Shah Associates

SALES MANAGER

Excellent Terms

A dynamic and successful transnational pharmaceutical company, with a presence in major therapeutic areas and a new product portfolio at an advanced stage of development, seeks to appoint a high calibre sales professional. The business is in its 3rd year of operation and is poised for rapid growth in the near future.

The position of SALES MANAGER is a senior sales appointment and will involve overall management of the field operations. The demands of the organisation will require an entrepreneurial perspective and satisfy man-management ambitions and skills. Those displaying capability of more senior roles will be given every opportunity for further advancement.

Candidates, in the age group of 35-40 years, with a balanced resume of experience in the pharmaceutical industry with proven sales achievements should apply. A good working knowledge of the antibiotics and antibacterials market is considered essential.

SALARY AND PERQUISITES WOULD BE IN LINE WITH THE BEST IN INDUSTRY AND WOULD NOT BE A CONSTRAINT FOR THE RIGHT CANDIDATE.

Please apply in strict confidence within 10 days stating qualifications, experience, salary drawn and expected, marking the envelope and enclosures with job title and Code SM/21, to:

OMAM Consultants Private Limited
14-D, BASANT LOK, VASANT VIHAR, NEW DELHI-110 057 TELE 670821/604587

BIOCHEMICAL/CHEMICAL ENGINEERS

A well known, professionally managed Industrial Group head-quartered in North India, engaged in Manufacture and Marketing of Chemicals/Pharmaceuticals/Intermediates/Plastic Packaging Materials with excellent foreign collaborations is looking for Young, Dynamic and Competent BIOCHEMICAL/CHEMICAL ENGINEERS for implementation of a New Project in the field of FERMENTATION and BIOTECHNOLOGY at CHANDIGARH. The current turnover of the Group is over Rs. 150 crores and is expected to rise substantially in the coming years.

MANAGER/DY MANAGER-PROJECTS

The incumbent would be required to handle all aspects of Project Execution covering basic designing work related to Chemical and Mechanical Engineering aspects, Civil Work, Vendor negotiations, inspection of equipment, erection of plant & equipment, trial runs, commissioning of the plant etc. He would also be responsible for transfer and indigenisation of foreign technology from the collaborators.

Candidates should be Graduates in Biochemical or Chemical Engineering with 8-10 years relevant experience in design and execution of projects,**preferably involving sterile fermentation process.**

The position offers excellent growth opportunities as the incumbent will move on to handling the Plant operation responsibility on successful completion of the project.

BIOCHEMICAL/CHEMICAL ENGINEERS

Candidates should have about 2 years relevant experience to assist in the project implementation and subsequent operation of the plant.

REMUNERATION WILL NOT BE A CONSTRAINT FOR THE RIGHT CANDIDATES.

Please apply in strict confidence within 10 days giving full details with job title and code BCE/20 to:

omam Consultants Private Limited

14-D BASANT LOK, VASANT VIHAR, NEW DELHI – 110057 TEL: 670821/604587

YOUNG BANKING PROFESSIONALS

A leading international bank with global operations and a branch presence in India, needs to recruit management staff. In order to manage the growth at their Bombay branch, staffing needs have arisen in the following business areas:

- Corporate Credit
- Merchant Banking
- Money Market Operations

Banking Officers will be given the opportunity to bring to bear on each task their own individual stamp of initiative, flair, creativity and marketing capability. Issue management skills would be essential for merchant banking. Each selected candidate must be a self starter and a good performer.

The candidates we are looking for must be CAs with a good track record or an MBA from one of the leading institutions. They will be in the age bracket of 28 to 32 years. Experience with leading Indian banks at appropriate officer levels or similar experience with leading financial institutions and merchant banks will be essential. Good communication together with personality and requisite maturity is necessary.

A competitive remuneration package can be offered. Though housing will not be provided, a housing loan can be considered.

Please apply in strict confidence within 10 days to

A. F. Ferguson Associates

Poxt Box 1786

Bombay 400 001

giving full details of age, qualifications experience and salaries drawn. All applications and envelopes should be marked "Ref. MS/5002". Candidates not contacted within two months of application, may assume that they are not being considered.

"We need a change in attitudes"

The government's persistent efforts to infuse industry with the spirit of productivity have met with limited success. Business India's *Anoop Saxena spoke to* **G.K. Suri,** *chairman of the National Productivity Council, who feels that there is no magic solution to the problem. What is required is a total change in attitudes*

Do you think you have been successful in disseminating the culture of productivity? If not, what are the bottlenecks you have to cope with?
Response from industry has been encouraging. This is reflected by the ever-increasing revenue from specialised services that the National Productivity Council offers. Despite the droughts, revenue proceeds from services rose from Rs.2.48 crores in 1986-87 to Rs.2.63 crores in 1987-88. Our problem is not a dearth of demand but acute shortage of highly-specialised consultants, who are hard to get in the open market. We had an advertisement campaign but practically drew a blank.

Do you see the trade union movement as a major obstacle in enhancing productivity in Indian industry?
Trade unions can play a very important role in economic development. We cannot afford the luxury of a confrontational approach and current orientation must change. It involves the education and training of trade unionists at the enterprise level and active participation in production plans. There should be consensus solutions. There is a general realisation among trade unionists that technological change is inevitable, unavoidable and imperative. We must convert this realisation into co-operation.

Would legislative measures for boosting productivity really help?
Legislative measures alone cannot do much to enhance productivity. What is required is that specialised services to raise productivity should be provided at concessional rates. Currently, consultancy services are hired by those firms who need them the least — often they already have their own professional staff. Organisations who need them the most can least afford them. Therefore, small firms should be provided with subsidies to hire specialists. Some sort of productivity cess could be levied on industry to fund such a subsidy.

Won't rapid and large-scale modernisation of industry be sufficient to solve the problem of low productivity in the Indian economy?
No, not until modernisation is sustained with the requisite change in culture, attitudes, climate, systems and procedures.

How is the policy of liberalisation helping the cause of productivity?
Liberalisation is helping a lot because it has generated a spirit of competitiveness and made the industry aware of the pressures of international competition.

What are the prospects of bringing the German or Japanese industrial culture and discipline to Indian industry?
Each country has its own culture and I don't think the Japanese system can transferred in toto to India. However, some elements and features can certainly be adopted with good effect For example, in Maruti a team spirit and identification with the organisati is sought to be engendered by various symbols.

Productivity is ultimately an attitud of the mind which must percolate do to all sections of the community. It must be backed up by effective productivity services so that it is converted into action. Government policies, procedures and methods at the macro level must create the right environment.

How far have the tie-ups with international organisations and countries like the Federal Republic of Germany been helpful in raising productivity?
Currently, there is an on-going Indo-FRG project whereby the council will develop statistical norms for various sectors on the basis of certain parameters which may number up to 100. Firms which fall below the norm would be advised to undertake diagnostic investigations which would in turn, call for action-oriented consultancy. Initially, the council will generate data from Indian firms only arrive at a statistical norm. Later, da will be collected from other countries to determine why the Indian norm it is way below international standards disease diagnosis, speed is of the essence. In FRG, a diagnostic report a firm can be prepared in half a day. We will duplicate this system in Indi The project with FRG visualises acquisition of both software and hardware.

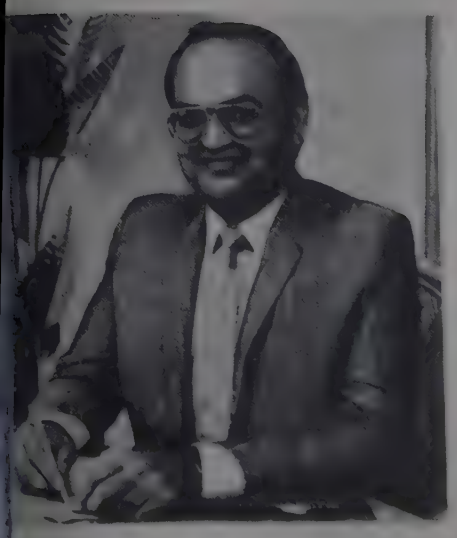
Do you think the five-day week, which the central government is observing, helps to enhance productivity?
In a country like ours, where the working class does not really relax a go in for the kind of recreational facilities for which a five-day week is intended, it is not of much consequen in the enhancement of productivity. However, it may have some advantag from the point of view of conservatio of energy and reducing the strain on the transportation system. But it doe not seem to help the working class much.

Every genuine WILLS GOLD FLAKE cigarette bears the name W.D. & H.O. WILLS

STATUTORY WARNING: CIGARETTE SMOKING IS INJURIOUS TO HEALTH

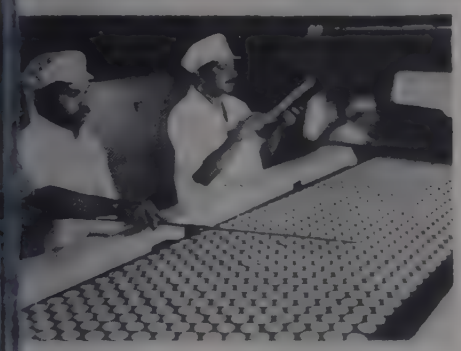
CLARION C-GFK-10

NOW A
WHOLE
FLOOR
FOR M
UPSTAI
Benzer?
of course
WE HAVE SURPRISE AFTER SURPRISE IN STORE FOR YOU
INDIA'S BIGGEST SHIRT SHOP
AND THE BEST!
BENZER
ONLY AT BHULABHAI DESAI ROAD, BOMBAY



COVER FEATURE
46 **The Oswal magic**
Will it last?
The rapid growth of the Ludhiana-based Oswal group engaged in the agro-based industry demonstrates that managing projects has become as important as managing corporate finances. The recent entry into petrochemicals will put to the test the managerial capabilities of Abhey Oswal
BASUDEV DASS

CORPORATE REPORTS
65 **ORKAY**
Troubled times
Despite the Rs.32-crore bail-out by the banks last July, Orkay continues to spin in trouble. Its latest annual report has become a "model case" of how far financial reporting norms can be stretched
MUKARRAM BHAGAT



69 **BRITANNIA INDUSTRIES**
The new biscuit king
J.M. Rajan Pillai has acquired Nabisco Brand UK's 38 per cent holding in Britannia Industries last week to become the country's new biscuit king
BASUDEV DASS and
N. RADHAKRISHNAN

70 **GREAT EASTERN SHIPPING**
Shipshape and steaming ahead
Buoyant freight rates, cheaper oil, low gearing and a low-cost fleet have propelled Great Eastern Shipping into a new growth phase
SHANKAR P

75 **SIEMENS**
A change in current
While corporate gossip is focussed on the prospects of this FERA and MRTP company in the event of a strong Indian partner coming in, it is pulling up its socks
SHANKAR P

PUBLIC SECTOR
125 **Blacking out the White Paper**
With each new draft, the White Paper on public enterprises is beginning to look less and less like its inconvenient original
ANOOP SAXENA

BUSINESS NOTES
25 **The Shetkari Sangathana is making a symbolic statement at Patalganga**
Signature matching is made easy with microfiche
The prices of non-ferrous metals are soaring
Caustinc soda producers have been accused of forming a cartel

CENTRE
43 **The PM is playing his charisma card in Tamil Nadu before the state assembly elections there**
DILIP CHERIAN

COMMENT
45 **The government is representing the Bhopal gas victims in court, but has provided little other vital support**

SPEAKING OUT
56 **The Indian capital market must be allowed to update itself in response to the mature stockmarket boom, says**
S. K. MITRA

GUEST COLUMN
61 **Free imports of gold will strengthen the economy, says**
SHANTILAL SONAWALA

MARKETING
91 **The launch of Tribhovandas Bhimji Zaveri's new line of glitter had dollops of snob appeal**
NAK

ADVERTISING
93 **Clients take their time with payments and ad agencies find themselves badly stuck**
SYLVESTER DA CUNHA

BANKING
99 **Public sector banks, yet to justify their investments in micros and minis, might now lock up more funds in powerful mainframes**
KEYA SARKAR

COLUMN
104 **Sharad Joshi's call to picket plants at Patalganga highlights the Bharat vs India conflict, says**
MOHAN GURUSWAMY

INTERVIEW
216 **The CFTRI is developing indigenous food technologies for changing times, says Dr. B. L. Amla, director**
SAROJ PANDIT

99 Banking
171 Books
22 Businessmen in the News
25 Business Notes
43 Centre
104 Column
45 Comment
79 Computers
135 Corporate Monitor
65 Corporate Reports
46 Cover Feature
155 Debentures
150 Diary of a merchant banker
35 Economic Indices
37 Economic Outlook
39 Economy
175 Executive Ladder
85 Feature
119 Finance
8 For Your Information
61 Guest Column
216 Interview
156 Investor Contest
173 Jobwatch
3 Letter from the Publisher
5 Letters to the Editor
13 Listening Post
91 Marketing
147 Market News
145 New Issues
165 People
166 Photo Feature
160 Professional Profile
125 Public Sector
176 Reader Service
56 Speaking Out
121 States
152 Stockmarkets
117 Technology

Published and printed by
A.H. Advani
of BUSINESS INDIA
Wadia Building 17/19 Dalal Street, Bombay
400 001, at the Tata Press Limited, Bombay 400 025
& Phototypeset by
Business India Photosetters

THE HARVARD BUSINESS REVIEW LIBRARY

An Indispensable Assembly of Management Know-how

THE HARVARD BUSINESS REVIEW LIBRARY	HARD BOUND (HB): SOFT COVER (SC):	
Code No. *Volume title*	**HB*	***SC*
PART I General Management		
PART IA Business Policy & Leadership		
1.013 Corporate Strategy	—	331
1.014 Strategic Planning Comes of Age	—	378
1.062 Leadership Part II	—	283
1.063 Leadership Part III	—	283
1.141 Boards of Directors Part I	—	310
1.142 Boards of Directors Part II	—	378
PART I B Business Ethics and Strategy		
1.043 The Business of Ethics and Business	—	378
1.051 Guides to Corporate Responsibility	—	331
1.132 Public Policy and Private Enterprise	—	378
1.133 Legal Issues in Doing Business	567	378
1.134 Rethinking Business Government Relations	—	378
1.151 Managing Creativity	—	310
1.161 Strategy and Tactics in Mergers	441	331
1.181 From 1980: New Worlds for Business	—	310
PART IC Managing Special Organizations		
1.072 Saving Our Health Care System	—	378
1.082 Management of Nonprofit Organizations Part II	367	—
1.091 McKinsey Award Winners	430	310
1.101 Philosophy of Business Part I	430	331
1.102 Philosophy of Business Part II	430	331
1.111 Small Business Part I	430	331
1.112 Small Business Part II	430	331
1.113 Small Business Part III	—	331
1.114 Small Ventures: Tactics & Strategies	494	331
1.115 Trials and Rewards of the Entrepreneur	—	378

PART II Organizational Behaviour		
PART II A Effective Organizations		
2.011 Case Method Part I		
2.012 Case Method Part II	—	310
2.013 Case Method Part III	410	310
2.094 Organizational Development Part IV	—	310
2.151 Developing an Effective Organization Part I	—	331
2.152 Developing an Effective Organization Part II	—	362
2.181 What's the Future of Labour Relations?	—	362
	—	310
PART IIB Managing Human Resources		
2.021 Conflict & Cooperation in Management		
2.022 Dealing with Conflict	—	331
2.023 Coping with the Difficult Employee	—	378
2.052 The Executive Life	—	378
2.061 Human Relations Part I	—	378
2.062 Human Relations Part II	—	310
2.063 Staying on Top of the Job	—	310
2.081 Motivation Part I	—	378
2.082 Motivation Part II	—	283
	—	283
2.101 Performance Appraisal	—	283
2.121 Renewing the Will to Work	—	310
2.141 Effective Communication	—	33
2.161 Executive Power — Its Use and Misuse	—	283
PART IIC Developing Human Resources		
2.031 Executive Compensation Part I	410	—
2.032 Executive Compensation Part II	—	283
2.044 Essentials in Executive Developments	—	378
2.071 Equal Opportunity in Business	430	310
2.111 Personnel Management Part I	—	331
2.112 Personnel Management Part II	—	331
2.113 Personnel Management Part III	—	331
2.131 Training and Developing Executives	—	310
2.171 Employee Rights and Employer Programs	462	310
2.191 When the Executive is a Woman	—	378
2.201 Managing to Save Time	—	378
PART III Managerial Economics: Quantitative Approaches to Decision Making		
3.015 Basic Concepts In Quantitative Management	—	378
3.016 A Sampling of Quantitative Methods for Managers	—	378
Part IV Marketing		
4.018 Basic Concepts in Marketing Management	—	378
4.021 How to Improve Sales Management	—	331
4.041 Pricing for Profit	—	331
4.051 Product Policy for Consumer Goods Companies	—	362
4.052 Product Policy for Industrial Goods Companies	—	362
4.061 Advertising: Better Planning Better Results	—	362
4.071 Implementing Marketing Strategies Part I	—	378
4.072 Implementing Marketing Strategies Part II	567	378
4.081 Marketing Communications in a Changing Environment	—	378
PART V Finance		
5.022 Finance: Part III	—	310
5.024 Finance: Part V	—	310
5.041 Pension Management	—	283
5.051 Transformation of Banking	—	378
PART VI International		
6.021 Managing the Multinationals	472	331
6.031 Selling in Foreign Markets	—	331
6.041 How Japan Works	—	378
PART VII Planning and Control		
7.012 Computer Management Part II	430	—
7.013 Managing and Using Computers Part I	—	331
7.014 Managing and Using Computers Part II	567	378
7.053 Planning Part III	—	331
7.054 Planning Part IV		331
7.055 Planning Part V	—	331
PART VIII Production and Operations		
8.011 Managing Projects and Programs	—	310
8.024 Manufacturing: Reconsidering Old Solutions	—	378
8.025 Behind the Productivity Headlines	—	378
8.051 Service Management	—	283
8.061 Manufacturing Strategy	—	283
8.071 The Management of Technological Innovation	—	378
8.081 Manufacturing Management: Logistics, Materials Inventory	—	378
8.091 Shop-Floor Management	—	378

*HB HARD BOUND *SC SOFT COVER

While any combination of the Library's 8 component parts or individual volumes can be ordered, the complete Library, is supplied surface-post free- a saving of up to Rs. 3,500/-

Note: 1. Add 10% to the total price for export packaging charges from U.K. to India on subject parts orders.

2. Full set can be supplied in a combination of Hard Bound/Soft Cover also.
PS: Don't forget — this is a tax deductable expenditure.

ADVANCED MANAGEMENT INSTITUTE
19, Nariman Bhavan,
Nariman Point, Bombay 400 021
Phone 2022356, 2024192
Telex 11 5132 HRVD IN

usiness India

er	Ashok H. Advani
te Publisher	Malvika Singh
	Rusi Engineer
Editors	Dilip Cherian (Delhi) Mukarram Bhagat (Bombay)
nt Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Correspondents	Shankar P. (Bombay) N. Radhakrishnan (Bombay) Eapen Thomas (Bombay) Anoop Saxena (Delhi) Keya Sarkar (Bombay) Dilip Maitra (Bombay)
oondents	K. G. Kumar (Trivandrum) Dharani K. Pani (Madras)
riter	Madhumita Bose (Calcutta)
ub-editor *Sub-editor* *itor*	F. S. Pinto, Gouri Dange Tushar K. Das
ive Director	Atul Deshmukh
ing Director	Pheroza Bilimoria 2024422/2024424
ising Manager	Roopina Cama 2041974/2253
dvt. Manager *as)*	Vimal Shivdasani 474964
t. Executives *ay)* *tta)* *rabad)*	Ferzine Esmail 2041974/2253 P. L. Baluja 448455 Minal Jagtiani
Executives *ay)* *)* *tta)* *as)*	Elizabeth Jason, Himanshu Chitnis, Urmila Kumar 2041974/2253 Prabha Nair, Archana Pillai 350135/350253 Sutapa Bhattacharya 448455 Annapurna Vancheswaran 474964
ing Manager *Planning*	Pheroza Sutaria 2041974/2253
iption Manager	Anita Mehta 274161
al Sales *entatives* *ay)* *)* *as)* *rabad)*	 S. Ravi N. Iyer 274161 Sumati Bedi 350135/350253 S. Kannan 474964 Minal Jagtiani
	Trilokesh Mukherjee
	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
t on Manager	Henry Serrao
ution	India Book House
red Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 275388
al, Marketing, *ing &* *istration*	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
s	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964
a	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

ription rates

ANNUAL SUBSCRIPTION Rs. 125

s. 5 for cheques not drawn on a Bombay bank.

EAS (One year only)

l only to Pakistan, Bangla Desh, Sri Lanka, istan and Burma Rs. 700 or US$58, sia, Asia, Europe, Africa & Australia Rs. 1,250 or 3. North and South America Rs. 1,300 or US$110

es to be drawn in favour of ***Business India***

include airmail charges.

cited manuscripts cannot be returned unless panied by postage

LETTER FROM THE PUBLISHER

C. F. T. R. I., MYSORE

Abhey Oswal is yet another of our new breed of entrepreneurs. While it is true that he belongs to a leading Ludhiana business family, he branched out on his own and has built an enviable business in a short span of time. Interestingly his success is not in a hi-tech industry but in almost traditional agro based businesses.

One of the most noticeable features of his success has been that he has built up a loyal following of shareholders. And he has been willing to go back to the share market again and again to raise capital. To be sure, as in the case of other successful businessmen, people have raised questions of his accounting practices and the charge that is levied is that such businessmen are more successful at raising capital and showing paper earnings than actually producing real profits from industry.

But frankly such criticisms grossly underestimate the skills and sophistication of our markets and our people. Unfortunately bureaucrats and politicians are also guided by similar misapprehensions about the nature and functioning of our markets. While our capital markets have boomed in recent years after a relatively long period of stagnation, we tend to forget that our capital markets are amongst the oldest in the world. Even sophisticated techniques that make news in western markets today such as futures trading, hedging and options were known and widely used by our financial community decades ago.

It is true that we have seen our fair share of malpractices and frauds in the past. But world over governments have learned understand how to derive the greatest advantages of free markets. In essence, what is necessary is that market forces be given full and free play within the regulations that are designed to ensure a fair market. And most important it must be well understood that breach of the rules entails swift and extremely harsh penalties, including long jail sentences. It is only then that free markets function effectively.

Unfortunately, in the post independence period our markets have been neither free nor rigidly policed. It would be no exaggeration to say that our businessmen get away with actions that would quickly land them in jail in western markets.

Our trading and financial community has had a long schooling in understanding sophisticated markets. Increasingly we hear of our fellow Indians making a mark in overseas markets. With a little vision it is not difficult to see our financial community taking its rightful place in the world community. It is also possible to see Indian markets emerge as major capital markets in the world.

It is time we understand and capitalise on our strengths.

Ashok H. Advani

WHAT THE
WELL DRESSED
MAN
IN INDIA
HAS IN COMMO
WITH THE
WELL DRESSED
MAN
IN ITALY.
INTERMEZZO
L • I • N • E • A
DESIGNER WEAR FOR M
NEXT TO CHOPSTICKS, CHURCHGATE, BOMBAY: INTER-SHOPPE, NOSE-1, NEW DELH

• An appeal

I am writing to you about a personal problem.

I had one son, Amit Kumar Jain, who had passed his MBA Part 1 from Sukhadia University, Udaipur (Rajasthan). He was to do his summer training at Hindustan Levers Ltd, New Delhi, from 8 August 1988. In July, we — myself, my wife, Amit and his sister — went on a holiday to the Andaman and Nicobar Islands for a month. There on 17 July, my 21 1/2 year old son was drowned in the sea.

You can imagine the anguish and mental torture we have undergone during the last three months. I have given the matter my considered thought and have decided to adopt one boy who is doing an MBA degree programme or has done so. If not an MBA, a chartered accountant or an engineer could also fill the gap. Caste, creed, religion, no bar.

Through the esteemed columns of your magazine, I am confident of getting a suitable young man. Maybe like us, there is someone equally unfortunate — a boy, whose parents are no more and seeks affection and love.

M.K. Jain
Sr Intelligence Officer
Government of India
110, Mall Road
Lucknow 226 001

• The right strategy

In the Letter from the Publisher (17 October), you have rightly highlighted the hush-hush manner in which the L&T-Reliance alliance has been rushed through. In the same issue you have also correctly focused attention on the match making company, Wimco. The company's fortunes had been greatly affected by the excise policy of the government, while ITC, another company equally affected by excise levies, has successfully warded off the danger by appropriate action and diversification.

It would be unfair to single out Kamaljit Singh or consider the absence of a succession plan as the only reason for the current state of affairs of the company. It is the strategy that has backfired.

A. Vidyasagar
Bombay

• What went right

I must compliment you on the excellent and objective reporting that you have done of the BPCL fire episode (Business Notes, 28 November). Unfortunate as it is, an accident like this, has brought out several plus points like the one you have covered, besides the capabilities of our people to have contained this fire with minimal loss. Elsewhere such situation have resulted in the loss of a whole refinery. The press in general has been exaggerating and conjucturing all sorts of things most of which were irrelevant. I am happy to say that *Business India* has brought out some of the positive aspects of disaster management.

K.R.S. Narayan
Director (Refineries)
BPCL
Bombay

• Props for jute

Your Industry Report (14 November) has touched only on the fringe of the problems of the jute industry. The present success of a few jute mills is by no way due to the dynamism of the new management but to doles and propping up by the government with disastrous consequence to various sectors of the economy.

Take the case of cement, 70 per cent of which is to be packed in jute under the Jute Packaging Material Act. Thus about 25 million tonnes of cement sold in jute sacks is subjected to spillage and the consumer gets an average of 45 kg against 50 kg. The loss at 5 kg per bag runs into 2.5 million tonnes on 25 million tonnes packed in jute bags and the loss to economy is around Rs.375 crores every year.

V.P. Gopalakrishnan Nair
Alwaye

• Not the busiest

In your Cover Feature on aviation safety (31 October), it was mentioned that "Ahmedabad airport is one of the busiest in Western India, with more than 17 landings a day and it still lacks a proper Instrument Landing System". May I point out that Ahmedabad airport is not one of the busiest in Western India and has less than 10 landings a day!

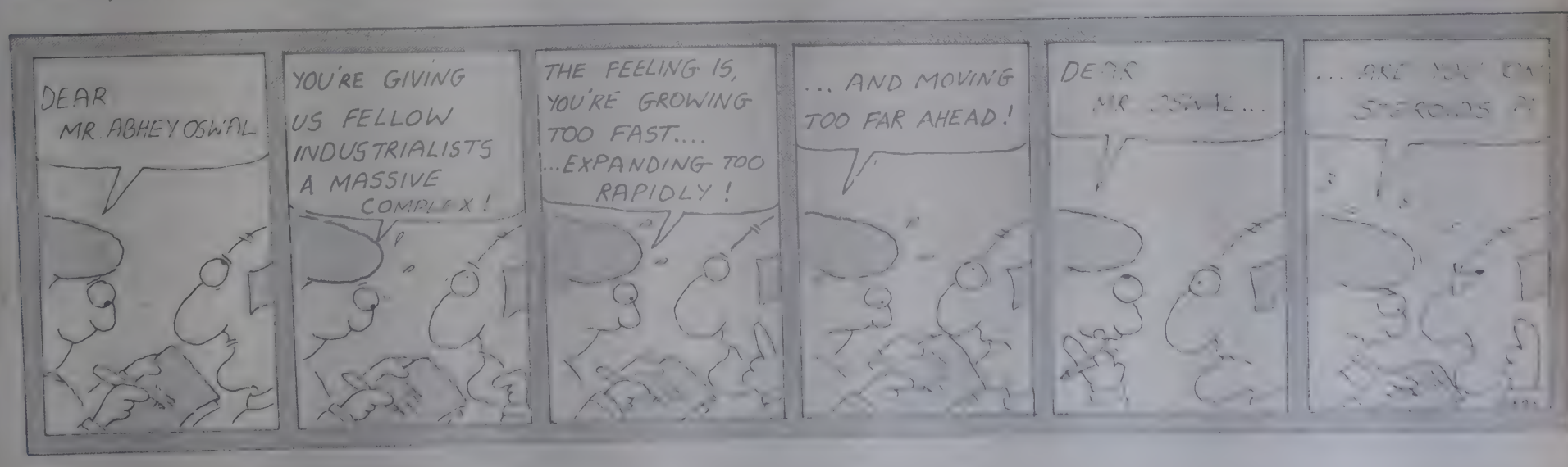
Mohan Nair
Madras

• A good work atmosphere

Who is a good employer? (Jobwatch, 3 October). The perception will obviously change from person to person. However, a good employer is one who recognises performance and rewards the employee for the same. And

LIKE FATHER, UNLIKE SON

by Joran


DEAR MR. ABHEY OSWAL
YOU'RE GIVING US FELLOW INDUSTRIALISTS A MASSIVE COMPLEX!
THE FEELING IS, YOU'RE GROWING TOO FAST.... ...EXPANDING TOO RAPIDLY!
... AND MOVING TOO FAR AHEAD!
DEAR MR. OSWAL...
... ARE YOU ON STEROIDS?

AVON

3M-1164

ELECTRIC HOIST

★ Largest in Northern India
★ Over 500 Hoists in operation
★ Early delivery
★ Capacity upto 20 Tons
★ E.O.T. Cranes also available.

Avon Hoists Pvt. Ltd.
110, BHANDARI HOUSE,
91, NEHRU PLACE,
NEW DELHI-110019
TEL : 6411957, 6419962, 6432791
CABLE : AVON HOIST
TELEX : 031-71082, AVON IN

LETTERS TO THE EDITOR

performance is judged not only by certain rational criteria but also with reference to the enviornment in which an employee has performed. Indeed, comparison of performance of any two employees without reference to the environment or constraints can be fallacious.

C.R. Karode
Bombay

• Balanced and fair

I checked my immediate impulse of rushing with my thanks for your report on HMT (31 October). The overall feedback that followed confirms our view that it was a story well done — balanced and fair and, above all, striking a cautious yet an optimistic note, taking a realistic view of the odds.

S.P. Khanna
Chief of Public Relations
HMT
Bangalore

• A guide to businessmen

Your analytical appraisal (Cover Feature, 14 November) of the effect of perestroika in the Soviet Union should serve as a guide to Indian businessmen.

Till now, Indian trade catered to a captive market in Russia, not much bothering about quality, packaging, price, public relations, delivery schedules, etc. This style of business will now be history.

S.S.S. Sarma
Singarayakonda

• Could housing be the answer?

The article on NRI investment (3 October) raises a number of questions.

Why should any NRI invest in India on a non-repatriable basis, when his chances of finally returning to India are almost nil?

Indian laws relating to access, eviction etc are in favour of tenants. The author suggests that these laws should not be applicable to NRIs. Wouldn't this be a clear-cut discrimination against Indian owners?

If housing units are built as suggested by the author, using special imported fixtures, their rents are bound to be high which the average Indian cannot afford

What India needs is small residential units which the average Indian can afford. No government in the world can provide housing to all its citizens. It has to come from the public. Because of Indian laws, 15-20 per cent of residential units in Delhi (probably all over the country) are lying vacant.

As regards non-repatriable NRI investment, only those NRIs who are returning to India for good will bring their assets into India in cash or kind (cars, home appliances etc). What I suggest is that the government should either allow the NRIs who return to India to import household goods duty free or offer them Indian household goods at reduced prices (international prices) against foreign exchange payments. This will help Indian industry and enable the RBI to collect a lot of non-repatriable foreign exchange

Assuming that 75,000 NRIs return to India every year, and each one brings goods worth Rs.300,000 (including car, home appliances etc), the RBI can collect Rs.2,250 crores every year in foreign exchange.

RAJIV GOEL
New Delhi

Erratum

You have done well in highlighting the sorry plight of the drycell battery industry (Business Notes 5 September). However, we wish to point out an error which has crept into the article.

Geep has never invested in button cell production capacity as pointed out in your article, and so has not suffered the fate of a shutdown. In fact, Geep has reported the highest rate of growth in production in 1987 and continues to do so in 1988.

Technical Advisor
Geep Industrial Syndicate Ltd
Allahabad

This refers to the item pertaining to Indrol in your Corporate Monitor (31 October). Our company's financial figures pertaining to: gross profit after interest but before depreciation; depreciation; taxation proposed dividend absorption; and balance profit carried forward; have been printed "in crores", whereas the figures printed represent rupees in million.

M.H. Thanawala
Company Secretary & General Manager Legal
Indrol
Bombay

The errors are regretted

THE PERFECT BUSINESS GIFT

for your important clients, colleagues, staff, friends and family.

THE BUSINESS INDIA PLANNER 1·9·8·9

Finally a business gift that is unique, useful, and elegant.

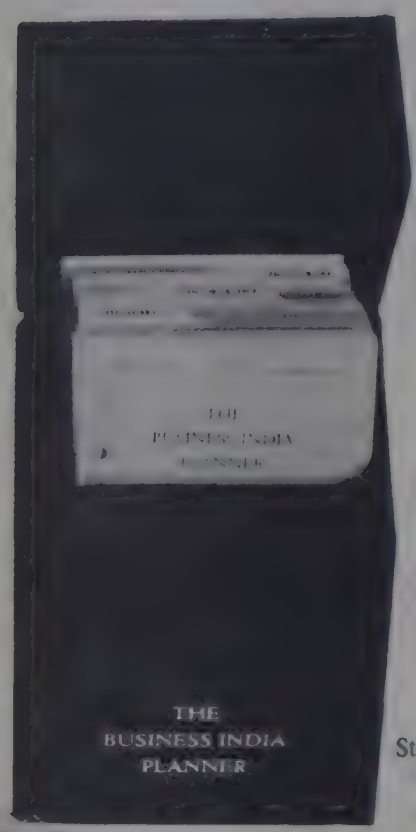
Meticulously designed to suit varied lifestyles, The Business India Planner is a gift that will be appreciated by anyone who receives it.

Leather bound in black, grey or burgundy, with its easy to use design format. The Business India Planner 1989 has a new expanded Information Section, a versatile Diary Section, a handy Network Section, and an indispensable Organiser Section.

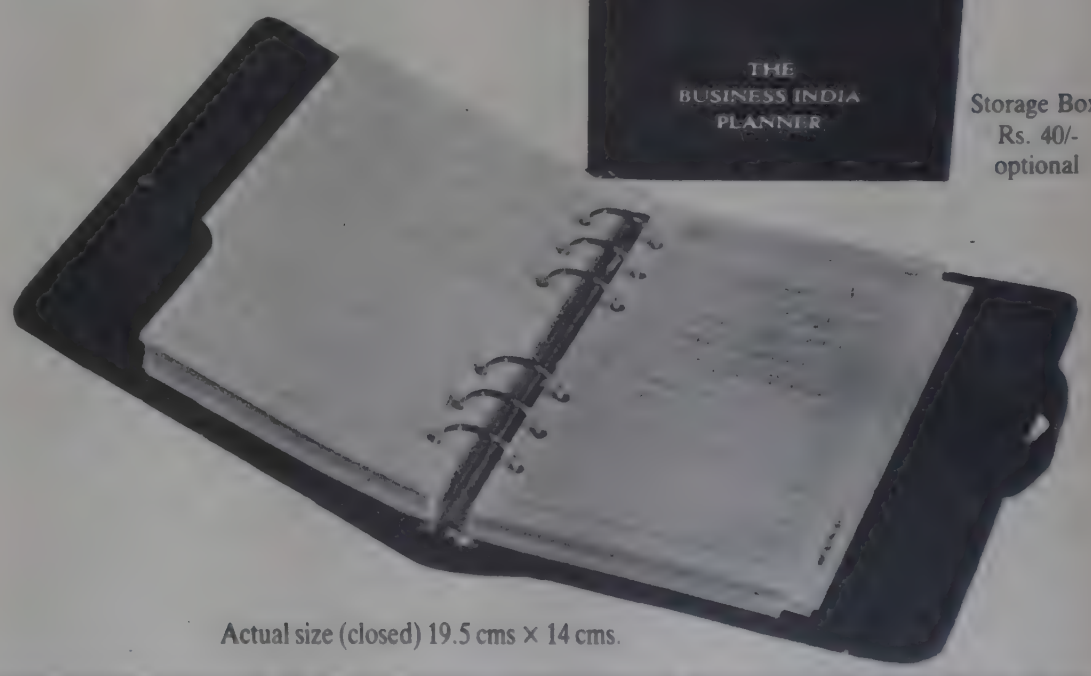
Select between the two versions of the Planner: the Day Plan and the Week-at-a-glance. The diary section of the Day Plan devotes a page a day whilst that of the Week-at-a glance views a week on a spread.

With its unique trigger operated ring binder system, The Business India Planner can be organised to suit individual requirements and style. Add, subtract and relocate pages from numerous features and options available, including an optional storage box, which is ideal to store alternative or spare pages. And next year, all that needs replacing is the diary section.

Planners will be available for delivery by mid November.



Storage Box
Rs. 40/-
optional



FLEXIBLE PRACTICAL RELIABLE
much more than just a diary,
a whole new approach to organise your life.

Actual size (closed) 19.5 cms × 14 cms.

RATE PER PLANNER

Quantity ordered	Week-at-a-glance Planner	Day Plan Planner
1 – 9 Planners *	Rs. 395 *	Rs. 425 *
10 – 25 Planners	Rs. 370	Rs. 400
26 – 50 Planners	Rs. 360	Rs. 390
51 – 150 Planners	Rs. 350	Rs. 380
151 – 200 Planners	Rs. 340	Rs. 370

* an additional special discount of Rs. 25/- is available for Business India Subscribers.

+ Rs. 20/- for postage and handling charges for each Planner.

For a modest additional cost of Rs. 5/- per Planner, your Company's name can be embossed, in a standard typeface, on the leather Folder.

Number Ordered:_____ □ Week-at-a-glance:_____ □ Day Plan: _____
Please indicate colour in order of preference. (Colour subject to availability).

□ Black _____ □ Burgundy _____ □ Grey _____

Subscription No.: _____

Name: _____

Address: _____

_____ _____

My Cheque/D.D./P.O. for Rs. _____ drawn in favour of **Business India Services** is enclosed (+ Rs. 5/- for cheques not drawn on a Bombay bank)
Please allow 28 days for delivery.

To: **Business India Services**, Nirmal, 18th Floor, Nariman Point, Bombay 400 021. Phone: 2041974, 2042253. Tlx: 113557 BZIN IN
Branch offices: Delhi 350135, Madras 474964, Calcutta 448455, Bangalore 74149

MDD

Petrol in the Himalayas

India has the unique distinction of having a petrol pump in operation at an altitude of 11,300 ft above MSL — the highest for any such pump. The petrol station, situated at Leh, is operated by the state-owned Indian Oil Corporation, this petrol station supplies petrol and diesel to motorists visiting the Himalayas.

N. SRIKUMAR
Madras

Summer apprenticeships for students

AIESEC Bombay is organising a vacational apprenticeship scheme (VAS) to enable college students to work in Bombay companies during the coming summer vacations. Students can choose fields such as marketing, computers, finance, tourism and commercial art.

AIESEC is the French acronym for the International Association of Students in Economics and Management. Run entirely by students, it is spread over 67 countries and has a membership of over 45,000 students.

Bombay students interested in participating in this scheme: check with your nearest college for details.

RAJPAL SETHI
Co-ordinator, VAS
Bombay

Discount those discounts

While the MRTP Commission is engaged in taking punitive action against advertisers who put up misleading advertisements they could look at some of these instances in Bombay. The first relates to manufacturers of 'Encore' luggage who put up banners offering as high as 600 per cent discount to lure the unwary. What is actually offered is 30 per cent plus a further 30 per cent, making it an effective discount of 51 per cent on the original price. The second instance of a similar discount of 60 per cent comes from UP State Handloom Shop in south Bombay. Though, in this case, the banner does give the 30 per cent plus 30 per cent breakup, it is in a very small print.

JYOTIN MEHTA,
Bombay

Eucalyptus hazards

Farmers in Karnataka and Thailand have a common enemy — eucalyptus. 'Social forestry' programmes of large-scale eucalyptus planting have made much of their agricultural land useless. Their collective ire has led them to destroy eucalyptus seedlings and nurseries.

As scientific evidence and grassroots protests against eucalyptus build up, two organisations — the Asia-Pacific People's Environment Network (APPEN) and the Third World Network, both based in Penang, Malaysia — have begun to campaign in other Third World countries to prevent them from making the disastrous mistakes of Thailand and India.

Large scale Eucalyptus planting is bad because:

- it necessitates destruction of rich natural forest, as has happened in Karnataka;
- it absorbs a lot of water from the ground, depriving nearby communities of water for domestic and agricultural use. In the drier regions of India, with rainfall well below 1,000 mm, the shallow and laterally spread root systems of the eucalyptus have depleted groundwater, rendering the soil dry;
- it depletes soil of nutrients. Eucalyptus' nutrient intake is high, while what it returns through leaf litter is meagre;
- it makes the soil toxic, inhibiting seed germination and plant growth and thus reducing the yield potential of nearby crops. It is also toxic for soil organisms like earthworms which enhance soil fertility and structure;
- it increases the trend of desertification by shrinking the potential of land for biological production; and
- it reduces biological diversity. In Brazil, for example, the densely planted eucalyptus shelter few indigenous plants or animals.

Critics point to the World Bank and other funding agencies like the Overseas Development Administration of the UK as the source of the problem. The ostensible aim is to serve the needs of the rural people. But the actual beneficiary of 'social forestry' is industry. Most of the eucalyptus goes to supply wood and pulp. Not only does eucalyptus produce insufficient fuel and fodder, it also jacks up the price of other fuelwood. The employment and livelihood of millions of farmers are thus threatened. APPEN and the Third World Network strongly echo the warnings of environmentalists and indigenous villagers — review and halt eucalyptus projects.

KGK
Trivandrum

Corporate greetings!

Corporate takeovers have become leitmotive — even on greeting cards! On display in a Bangalore bookshop was a card, illustrated with flowers on which the words ran: "I wanted to send you a nice big plant for your birthday. But Ashok Leyland would not sell"!

VIVEKANAND V. KADAM
Bangalore

Business India invites readers to send original, unpublished contributions to this page. The snippets can be humorous, insightful, outrageous or simply, informative. Each snippet must carry this coupon.

Rs 50 paid for each published contribution

A corporate spruce up in the offing

Clothes may not make a man, but "if you look good, you feel good". Propelled by this belief, Grindlays Bank plc has introduced the concept of corporate attire, exclusively designed for their 4,000-strong staff working at the bank's 55 branches in 14 Indian cities.

With 'personal banking' being the favorite buzzwords these days, the underlying motive of 'Expressions', as the new design line is called, is "to reinforce our strategy of coming closer to our customers", according to Gerald Howard, regional director, for South Asia.

For women employees, which make up 25 per cent of the workforce there are 15 different styles each in 7 colours; in comparison there are six styles for men. "It's user friendly," chips in Ashok Karambaya of Good Relations India Pvt Ltd, the PR agency that orchestrated this executive wear exercise for Grindlays.

An audio-visual presentation and a four colour, glossy catalogue was circulated at all the branches to sell the uniform look to the staff. "No it's not a uniform," Howard hastens to point out, simply because the employees will have to pay for it themselves. The prices, admittedly, are

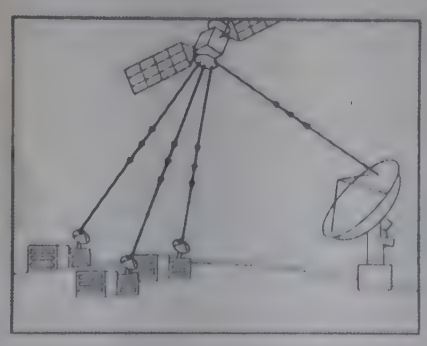
darned attractive. A Zodiac shirt and Raymond trouser set costs an affordable Rs.300. For women, silk sarees (by Kaysons) are in the Rs.300 to Rs.400 range. Grindlays' new corporate insignia represented by network cities is either subtly woven into the saree pattern or makes a discreet appearance on the shirt pocket.

Most important, its not mandatory and Howard would prefer to rely on peer pressure to get those orders. So far, 70 per cent of the staff has responded positively. And what if some people prefer to be sore thumbs? "We won't bully him," is Howard's democratic reply.

NAK,
Bombay

Swedes to improve Asian telecom scene

The Swedish company Netstar Satellite Communication AB, which is concerned with information transmission via satellite, has entered into an agreement with the Australian Overseas Telecommunication Commission, (OTC). This enables Swedish companies to maintain contact with overseas business connections in areas of Asia where there are no reliable telecommunications. VSAT (very small aperture terminal) technology has given Swedish companies two-way communications with subsidiaries all over the world using direct satellite transmission.



Netstar's first market will most probably be India where detailed talks with the telecommunications authority have begun. The parties involved have had collective discussions with several Swedish interests. Preliminary plans are for installation work to begin during 1989.

Matrix managers needed

According to various studies, between two-thirds and three quarters of the engineers in the country ultimately end up performing technical management tasks. An engineer, trained to deal with physical laws, will naturally be at a loss when he is exposed to non-mathematical problems like decision making. And that will be the engineer's greatest weakness. As is often said, "an engineer does not acquire a workable appreciation of the human beings with whom he deals".

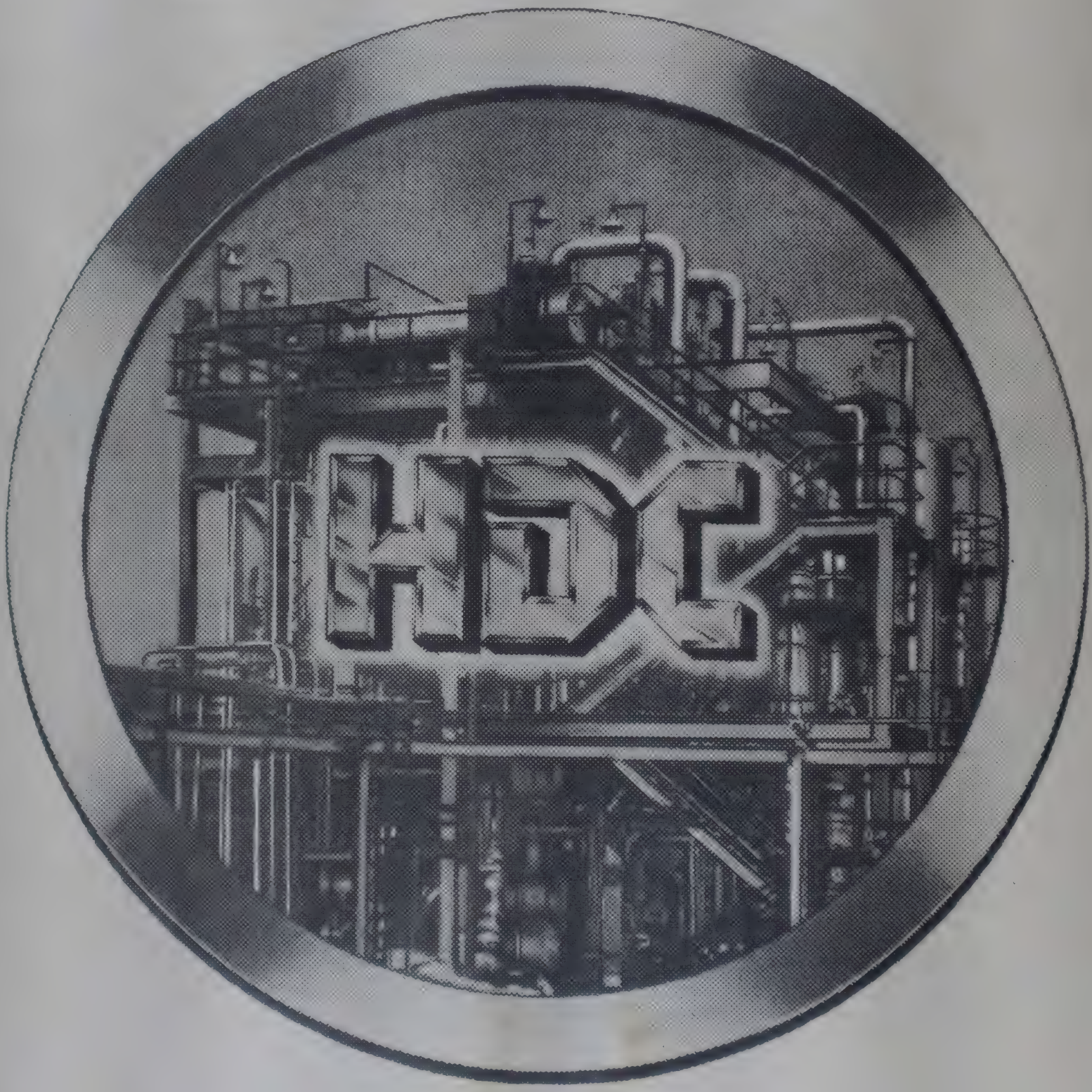
Despite the frequent overlap of engineering and management functions, engineers till recently have rarely been offered management courses tailored to their needs. The necessity for establishing management courses tailor-made for engineers is now fast being understood in the US, where there are already more than 40 business schools, Stanford, Vanderbilt and Pittsburg among them offering management programmes for engineers.

Right now, Anna University in Madras is the only institution in India which offers business management programmes exclusively for engineers. Matrix managers as they are popularly known, learn the skills of corporate staff in such areas as accounting, finance, marketing and sales. They are taught various specialised subjects such as management of engineers and scientists RD&E projects, technical organisations, technical resources and technological systems. The importance of engineers to acquire management skills cannot be overemphasised and more institution must come forward to nourish this idea.

R SRINIVASAN
Madras

PIONEERING HIGH TECHNOLOGY !

Its Sound and Profitable Performance—Your Assurance

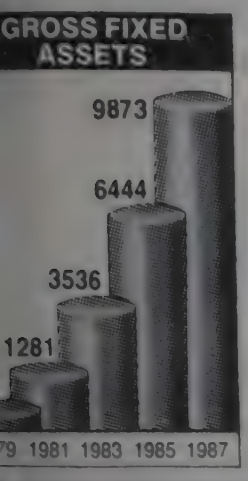


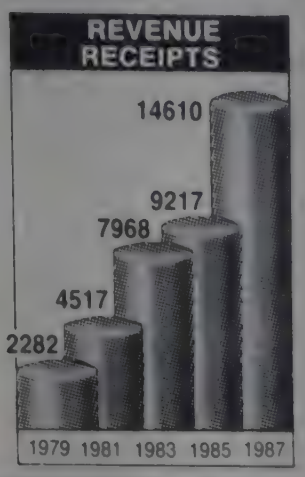
A Vital Multi-Project, Multi-Product Enterprise

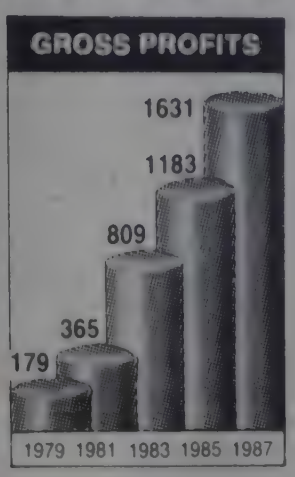
Hindusthan Developmen

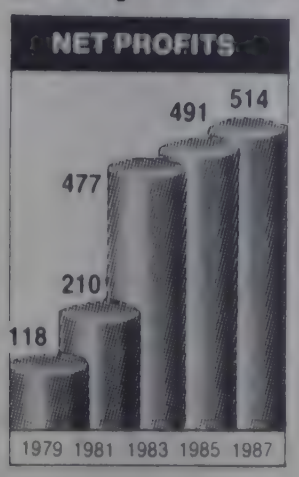
Registered Office : Mody Building 27 Sir. R.N. Mukherjee Road Calcutta 700 001.

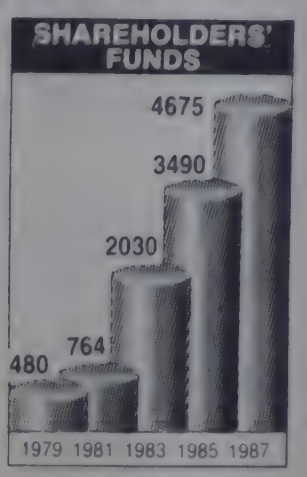
ake a quick look at our track record. And rest profitably assured :











Rs. in Lakhs

ANNOUNCING

n fantastic investment opportunity !
RIGHTS CONVERTIBLE DEBENTURES
with Equity conversion at less than
nalf the market price*

Vast Gamut Of Operations

DC's gamut of operations include a rge range of products – from Railway aterials to Wagons, Steel Castings, ires, Enviro & Air-Tech Equipment, yanides, High-Tension Porcelain sulators, Petrocarbons and Jute roducts. HDC, which consists of nine xisting Divisions, has collaborations with any industrial world-leaders, and is a ame to reckon with in the Indian orporate and Industrial Scene.

The Great New Venture

DC is now making a thrust in new irections by investing in a **Rs. 67 crore omposite Steel Plant** in technical ollaboration with the world-leaders in teelmaking–Hamburger Stahlwerke of Vest Germany. This Plant will be set up t Malanpur in Madhya Pradesh – a ackward area, using the latest techno- gy and will initially produce **125,000 p.a.** of the finest Stainless and Alloy teel products, such as Cold Heading, lectrode, Ball Bearing quality Steels, Wire Rods, Channels , Angles and Flats, s well as Stainless Steel and ree-Cutting Steel.

Custodians Of Shareholders' Interest

The performance says it all. Within the brief span of a **decade** (1978-89), HDC has offered to its Shareholders several highly profitable investment opportunities – like **Rights, Equity Options** and **2 Bumper Bonus Issues.** Those who have availed of these offers have always and still continue to gain beyond market expectations. And now this **Rights Debenture Issue** is yet another fantastic opportunity for our valued Shareholders, a beginning of greater things to come.

Ready Market

HDC products emerging from this new Composite Steel Plant will not only meet the heavy indigenous requirements, but will also contribute substantially towards **IMPORT SUBSTITUTION.**

Rapidly Increasing Turnover In The Near Future

HDC has plans of increasing the capacity of this Composite Steel Plant from **125,000 t.p.a.** to **250,000 t.p.a.** And, thereby, fortifying the strong foundation of this multi-project, multi-product Corporation.

The Issue : 17,73,290 12.5% Convertible Debentures

1. **ONE** Convertible Debenture of **Rs.145** For Every **FIVE** Equity Shares Held On Record Date – **1.11.88.**
2. **Rs.95** Payable On Application and **Rs.50** Payable On Call.
3. Conversion of **Rs.45** into ONE Equity Share at a Premium Of **Rs.35** on **1.4.89** – i.e. You Get ONE Equity Share For Every FIVE EQUITY Shares Held By You.
4. The Company has the right to retain **15%** over subscription.

* On the basis of Share Price quoted : (Rs.101 at the Calcutta Stock Exchange) as on 7.10.88.

Rights Issue Open : 29th Nov. – 28th Dec. '88

Managers to the Issue :

Grindlays Bank

Member ANZ Group
Merchant Banking Division
Calcutta

Corporation Limited

Sobhagya/HDC/4/88

AN ELECTRONIC TYPEWRITER SO ADVANCED, IT CAN EVEN CHECK YOUR SPELLINGS

ACN. INDIA'S ONLY ELECTRONIC TYPEWRITER WITH THE SPELL CHECK.

Buy an ACN Electronic Typewriter with Spell Check and you will never make a spelling mistake again. Because the moment you do, the ACN Spell Check will stop you. Then refer to its mammoth, over 80,000 word dictionary and, before you know it, correct the mistake.

Now imagine how it can improve the efficiency of your office. Give you clean, crisp, flawlessly typed documents. Even when you're rushed for time.

After all, it's technology from Nakajima All, Japan. The world's largest electronic typewriter manufacturer. The technology behind the success of best-sellers like Triumph Adler, Smith Corona, Sears, Olympia and now ACN.

ACN
FROM
NAKAJIMA ALL, JAPAN.

ANUTRON GROUP

INTERNATIONALLY, THE BEST.

For further information, contact Auto Controls Pvt Ltd., 414 New Delhi House, 27, Barakhamba Road, **New Delhi** - 110 001. Tel 331 0137, 331 6464, 683 6001 ☐ Branch Office: No. 12, 10th Floor, Embassy Centre, Nariman Point, **Bombay** - 400 021. Tel. 23 3629, 23 4424. ☐ Sales Office: 114, Ist Floor, A2 Building, Shah & Nahar Industrial Estate, Lower Parel, **Bombay** - 400 013. Tel. 492 0297, 492 7125 ☐ S-1, Stephen Court, Park Street, **Calcutta** - 700 016. Tel. 29 1755 ☐ 4, Parsan Menere, 602, Anna Salai, **Madras** - 600 006. Tel. 47 6723 ☐ Natraj Complex, 9, Residency Road, **Bangalore** - 560 025. Tel. 57 8846 ☐ 1108, Sector 33C, **Chandigarh** - 160 031.

Enterprise/D/ACL/169

shh.... a new IMF oan

finance secretary, S. Venkitramanan, ng with J. Bajaj, a joint secretary in the istry of finance has just returned from vhirlwind tour of Paris, London and shington. The trip was planned quietly l there is no indication of the real pose of this visit.

However, astute observers believe that h the continuing criticism of the eign exchange situation, New Delhi s decided to make standby arrange- nts for a new IMF loan. Virtually no ails are available, not even the size of e proposed loan. Considering the heat d dust raised by the last loan, it is not rprising that the whole matter has en kept hush hush.

New found love?

e Modi feud has made front page news this year (see *Business India*, October to 30, 1988). However, suddenly it pears that the Modis are moving to- rds a settlement. Is there a new found ve between the feuding cousins?

The sons of the late Gujarmal Modi, K. and his younger brothers, had en- ged in a battle royal with K.N. and his ns, for control of the group. A key to the ntrol was Modi Rubber which, inturn, ntrolled newly set up companies, in- uding Modi Xerox.

The institutions, in any case, held out 44 per cent of the equity. In a quiet ove, but with clear green signal from elhi, the institutions quickly raised ere shareholding to above 51 per cent. uickly all the Modis realised that a set- ement can be imposed by the institu- ons. First the institutions quickly moved six "independent" members of e board. Sure enough, the settlement s begun to fall into place.

Corporate observers, however, believe at minor skirmishes will continue, par- cularly in the other companies.

More brickbats than bouquets

s the process of hammering out a settle- ent goes on, the more dynamic of the Modi clan are looking at new pastures. atish Kumar Modi who has done a credi- ble job in making Modi Threads profita- le once again, has, according to reports, been shortlisted as a co-promoter for a new project in Bihar. This is a Rs.40-crore carbon black project for which the Bihar State Industrial Development Corporation (BSIDC) has been issued a letter of intent.

According to the grapevine, Modi and Rama Prasad Goenka are running neck to

S.K. Modi: probably little cause for joy

neck for this prestigious project, the product of which is an important input for the tyre industry and is in constant short supply. Although R.P. Goenka already owns Philip Carbon Black in Calcutta, sources close to N.K. Singh, chairman of BSIDC, place their bets on S.K. Modi.

Whoever bags the collaboration, however, will have little cause for joy; running a profitable company in Bihar is a case of more brickbats than bouquets.

New match

Royal Duetch Shell, the giant multinational, was amongst the first to enter the petrochemical field when it floated Nocil along with Mafatlal over two decades. Thereafter, its refineries and oil distribution were nationalised to form Bharat Petroleum.

Shell is clearly disappointed that Nocil is stuck with its expansion plans for lack of environmental and other clearances. It is now almost an open secret that Shell have been casting around for new partners. With talk of a Vishakhapatnam complex going to Vijay Mallya they have opened discussion with his group. At the same time, they have held more than preliminary discussions with the Ambanis for their giant petroleum project.

Who will be Shell's new match therefore is anyone's guess yet.

Pure market play

In the last two weeks stockmarkets have been abuzz with rumours of an impending takeover threat to Mahindra & Mahindra, flagship of the Mahindra group. Immediately fingers were pointed at the Ambanis who, according to the bazaar, were buying in into Mahindra & Mahindra (where the Mahindra family holding is relatively small) to teach the Mahindras a lesson for joining with arch rival Nusli Wadia in proposing an alternative proposal for a tunnel across Bombay harbour.

Soon enough it became clear that the real buyer of the shares was Nemish Shah. Once again the rumours surfaced that Shah was acting on behalf of Ambani. Shrewder market observers have dismissed the idea. According to them, Shah has in the past also purchased shares of companies with sound fundamentals whose price has been undervalued. After cornering the small quantity of floating shares and causing prices to rise sharply, Shah turns a neat profit.

With GIC, for some unkonwn reasons, selling a significant block of Mahindra & Mahindra shares, Shah grabbed the shares having smelt an opportunity.

By all counts, a pure market play.

What's the signal?

In recent weeks the finance minister S.B. Chavan and his successor chief minister of Maharashtra, Sharad Pawar, made a well publicised foreign trip to drum up NRI investments in India.

Taking the queue, a group of NRIs including Manu Chhabria and Ram Buxani, have organised a big NRI investment conference in Dubai later this month.

Strangely, the RBI is dragging its feet in releasing foreign exchange for a few key senior officials from Maharashtra and the financial institutions. Apparently a file has been referred to Delhi.

So what's the signal Mr. Malhotra?

GNP growth rate may exceed 9 per cent

The deputy governor of the RBI, P.D. Ojha is hopeful that the overall growth of the gross national product (GNP) would be more than 9 per cent in the current fiscal year. He was of the opinion that the industrial sector could achieve a growth rate of 8 per cent while agricultural production was likely to be "very good" following good rains.

Ojha said that there was a need to step up exports, and the RBI had decided to give hundred per cent refinance on an incremental basis to commercial banks to boost earnings. While he felt that the export sector was doing a good job, there is scope for substantial improvements if the garment, leather, gem and jwellery industries were to modernise.

Export of synthetics up by 90 per cent

A quantum jump of 90 per cent has been achieved in the exports of synthetic and rayon textiles to reach Rs.111.67 crores. This was achieved during the first six months of the current financial year, compared to the exports of Rs.58.86 crores during the same period in the previous year.

Encouraged by this performance, the Synthetic and Rayon Textiles Export Promotion Council is now aiming for an all-time high export of Rs.250 crores for 1988-89. In order to achieve this the council has identified 30 manufacturing units with significant export potential for large scale expansion and is looking into solving their problems at a unit level.

Growth centres being planned

Market borrowings of upto Rs.10 crores will be permitted for financing growth centres in backward areas of 16 states and nine union territories. Initially, 61 centres will be set up, with an investment of Rs.30 crores in each of them. Over the next five years, 100 such centres are planned. The centres will be provided with the best possible infrastructural facilities.

Besides the market borrowings, the centre will put up Rs.10 crores in equity, state governments Rs.5 crores, public financial institutions Rs.4 crores and nationalised banks Rs.1 crore.

The final selection of the centres will be made by the union government based on proximity to water and power supply, rail roads, highways, and civil administration headquarters. State governments have been asked to send proposals for centres.

Public sector accounts revised

About 65 public sector units were asked by the comptroller and auditor general (CAG) to revise their accounts for 1985-86, resulting increased losses of Rs.140 crores. The companies had inflated their profits or shown reduced losses by using accounting principles which the CAG disapproved of.

The companies included Bharat Earth Movers, Eastern Coalfields, Hindustan Aeronautics, HMT, Andrew Yule, Cement Corporation of India, Hindustan Copper, State Trading Corporation and Steel Authority of India.

Kuwait may aid shrimp farming

An appraisal mission of the Kuwait Fund for Arab Economic Development toured Kerala recently to study the state government's ambitious scheme for integrated development of brackish water prawn farming. Since marine shrimp landings have been stagnating, India has not been able to fully exploit the potential for exports to Japan, the US and western Europe. Kerala has several natural advantages to develop shrimp culture. Aid for shrimp farming from the Kuwait Fund would help revitalise the state's seafood processing industry, now mostly in the small-scale sector.

Bankmen wages hiked

After 16 months of protracted negotiations, the Indian National Bank Employee's Federation (INBEF) has reached an accord with the Indian Banks' Association (IBA) on the bankmen's wage revision.

While bankmen will benefit in terms of taking home higher wages, ranging from Rs.85 to Rs.300 for clerical staff and Rs.70 to Rs.127 for subordinate staff, they will on their part have to put in longer working hours, or so it is envisaged.

On account of the higher wages, the banks will have to pay about Rs.250 crores to nearly 750,000 employees, which accounts for 14.5 per cent of the total wage bill. In addition, the provident fund contribution has been raised from 8.33 to 10 per cent, effective from the beginning of the next calendar year.

Easy norms soon for NRI bonds

Because of the lukewarm response to NRI bonds till now, the government is likely to liberalise norms for these. The issue which opened on 14 November has so far accumulated only $ 10 million. These bonds are expected to mop up as much as $ 200 million and shore up the weakening balance of payments position.

One of the features of the altered norms is the withdrawal of the three year lock-in period of premature encashments. Premature encashment of the seven year bonds will now be allowed even before three years are over, though with reduced interest. Another important feature of the altered norms is that investors will be allowed to use the bonds as security or collateral for loans before three years are completed. Payment of interest on the bonds will now be allowed annually instea only on a cumulative basi maturity. The reason for th that payment of interest a ally, which is expected to b added inducement for in tors, will stem the heavy out of foreign exchange from exchequer at the end of the riod when the bonds matur

OECF soft loan for IISCO

In addition to Rs.900 cro that has been pledged by Japanese government, the O seas Economic Co-operat Fund (OECF) has pledge soft loan of Rs.60 crores for gineering services in connect with the modernisation Indian Iron and Steel Comp (IISCO).

The IISCO modernisati plan was approved by the g ernment in January 1988. amount of Rs.30 crores was i tially sanctioned for prepa tion of a detailed project rep and preliminary works.

The result of discussions h by prime minister Rajiv Gand with the Japanese authorities April this year, five Japane companies formed a consc tium for implementation of t project. A Japanese tea headed by the managing dire tor of Nippon Steel Corpor tion, one of the companies i the consortium, visited India i July to finalise details about th engineering studies.

Pig iron output to be hiked

M.L. Fotedar, union minister fo steel and mines said that in ad dition to import of 200,00 tonnes of pig iron, the govern ment is planning to step up pro duction from the integrate steel plants to ease the avail ability position in the remain ing past of the current financia year. Fotedar was addressing the consultative committee of members of parliament at tached to his ministry.

Regarding the aluminium sector, Fotedar said that the

performance of both Bharat Aluminium Company Ltd (BALCO) and National Aluminium Company Ltd (NALCO) has improved during the last seven months, as compared to the corresponding period in the previous year.

MNCs can enter on export condition

On the agreement that they will export 75 per cent of their production, multinationals will be allowed into the micro-electronics sector. The major thrust areas of the proposed micro-electronics policy, awaiting clearance at the highest levels, is foreign investment and technology imports.

Appreciating the fact that the domestic market for integrated circuits (ICs), which forms the core of the industry, is highly limited, the committee of secretaries who are discussing the policy have come to the conclusion that development of micro-electronics will have to be with an eye on exports. The foreign exchange inflow will serve to finance the imports of components and ICs.

A report submitted by an Indo-US joint committee suggests that India should liberalise its foreign investment policy, particularly in respect of sophisticated policy technology areas like micro-electronics. The committee remarked that an investment of Rs.1,500 crores by 1990-95 and Rs.2,000 crores by the turn of the century was feasible, with a heavy dose of foreign investment.

New scheme for handloom sector

Replacing the rebate scheme which allowed handloom apex agencies and handloom corporations to sell their products at a 20 per cent rebate for 30 days in a year is a new market development assistance (MDA) scheme. V.K. Agnihotri, development commissioner for handlooms, said the new scheme was designed to sort out the problems of the old scheme and introduce a measure of flexibility.

Linked to performance, under the new scheme, a lumpsum will be allocated to apex agencies and co-operatives on a fiscal year basis for marked development.

The assistance can be used for a variety of reasons including interest subsidies, rebate or discount, capital or margin money for setting up showrooms, etc.

RBI warns against liquidity rise

There may be a sharp increase in liquidity during the second half of the current financial year, primarily because of a rise in internal public debt, a steep rise in credit from the RBI to the government, and the fallouts of excessive government spending and deficit financing.

Till September, RBI credit to the government recorded a steep rise to nearly Rs.5,280 crores compared to Rs.3,976 crores lent during the corresponding period last year.

Despite the well defined busy season credit policy, money supply and term deposits totalled over Rs.11,000 crores in the first half of the 1988-89 fiscal year, compared to Rs.9,700 crores in the corresponding period of the previous year.

ICI to retain IEL stake

ICI of the UK has no plans to pull out or even dilute its 50.8 per cent stake in IEL limited. Jahar Sengupta, IEL chairman, told the press in Calcutta recently that ICI is fully satisfied with the IEL management.

According to Sengupta, IEL is presently on the path of recovery after the lack lustre performance in the recent past. This opinion is based on the company's ambitious expansion and diversification plans for the next decade. Some of the projects that will be taken up in the next two to five years include FM-21, a chlorine membrane cell technology, to be developed in the West Bengal unit and resins for photocopiers in Thane in Maharashtra.

Chloride tie-up with Universal

Chloride Industries Ltd is planning to manufacture a limited range of uninterruptible power supply systems,under a joint agreement with Universal Electric Limited.

The foreign holding of Chloride Industries is held by the Singapore based Chloride Eastern Industries Limited in which S.K. Birla has a stake. Universal Electric belongs to the S.K. Birla group.

According to the agreement between the two companies, Chloride Industries is to get the systems manufactured at Universal's factory in Calcutta.

Grasim gets MRTP okay

Grasim Industries' plans to manufacture glass shells for 20-inch colour picture tubes have been granted MRTP clearance. Grasim Electronic Ltd, a new company, has already been registered for implementing the project. The new company is being set up at a cost of Rs.180 crores in technical collaboration with Asahi Glass of Japan.

The company, which is licensed to produce 3 million glass shells for CTVs, will produce 1.73 million in the first phase. The project is expected to go on stream by December 1991.

Maruti launches joint venture

India has taken a major step towards self reliance with the setting up of the Maruti Joint Venture Complex. The joint venture complex is part of the ambitious plans of indigenisation programme of Maruti.

The four companies which comprise this joint venture complex are Bharat Seats Ltd, Machino Plastics Ltd, Mark Auto Industries Ltd, Jay Bharat Maruti Ltd. All four joint ventures are to produce seat sets, heavy duty injection moulded parts such as dash board panels and bumpers, assembly of critical components like fuel tanks, suspension frames, car engine frames, chassis components, sheet metal components and other allied assemblies.

All four companies shall be prime vendors to Maruti and would initially supply critical components to it.

Excess capacity of these ventures would cater to the requirement of components and assemblies of the new Maruti 1000 cc model to be introduced shortly.

Shreyans to make MDF boards

The Shreyans group of Ludhiana, which manufactures printing and writing paper and all kinds of hosiery and knitting yarns; plans to set up a medium density fibre (MDF) boards project.

Shreyans Paper Mills Ltd, a group company, has signed a memorandum of understanding with the Gujarat Industrial and Investment Corporation Ltd (GIIC) for setting up a project for the manufacture of 14,500 tpa of MDF boards. The project is proposed to be set up in a centrally notified backward area in Gujarat.

To be manufactured from agricultural residues, the MDF boards, characterised by homogenous construction, higher strength, fine surface, solid core and better screw-holding capacity, find wide domestic and institutional application. These are used for the manufacture of all kinds of furniture, industrial shelves, high load flooring, pattern-making, sheathing and partitioning.

A separate company is being floated to implement the project. The Rs.14-crore unit will be

financed by way of equity capital and loans from financial institutions and is expected to have an annual turnover of Rs.15 crores.

Merchant banking subsidiary to be set up

The Bank of India, together with the Union Bank of India, the Bank of Maharashtra and Dena Bank, will be floating a subsidiary company. The subsidiary will be involved with merchant banking, equipment leasing, project advisory services, portfolio treasury management, mutual funds, credit cards, travellers' cheques, gift cheques and allied financial services.

Participation in the joint subsidiary will be in the ratio of each bank's domestic deposits to the total deposits of the four banks. This works to 45 per cent equity for Bank of India, 25 per cent for Union Bank of India and 15 per cent each for the other two.

Record performance at TEC

The Tata Electric Companies' 500 mW unit at Trombay generated 2,023.3 million units of power during the six-month period from April to September 1988. The plant recorded the highest plant load factor in the country — 92.1 per cent — and on-line availability was 100 per cent. The all-India average plant load factor for thermal stations during the same period was 52.4 per cent.

Dempo diversifies

The Dempo group of Goa, with interests in shipping barge building and iron ore mining, has now diversified into the manufacture of automobile accessories in collaboration with Armstrong Patents of UK.

The company — National Auto Accessories Ltd — has an installed capacity of 200,000 sets of steering linkage assembles, 300,000 tie rod ends and suspension joints and 50,000 drag link assemblies.

Trial production has already started in the Rs.5.5-crore plant in Goa. A market study by Tata Consultancy has shown that the total auto accessories market, both for original equipment and replacement is around 10 million pieces at present. Of this the organised sector currently meets 40 per cent and the unorganised sector, about 15 per cent.

Chhabria tie-up with GNFC

Gujarat Narmada Fertilizers Corporation (GNFC) and Manu Chhabria have reportedly tied up to set up a Rs.200 crore colour TV glass shell project in Gujarat. A separate company will be formed in which GNFC and Chhabria will both hold 25 per cent each of the Rs.85 crore equity. The balance will be offered to the public.

GNFC holds a license to manufacture 1.7 million colour TV glass shells per annum. The industry however has now been delicensed. The company has sought registration for expanding capacity to 2 million pieces.

Shaw Wallace to expand business

M.R. Chhabria, chairman of the Shaw Wallace group, in his annual review of the company for 1987-88 said that the group is planning to expand operations in consumer products and real estate business. A complete range of men's toiletries including cosmetics and skincare, is to be launched under the brand name of Aramusk. In the real estate business, development is to commence soon. Three prime locations in Madras and Calcutta have been acquired for the purpose.

At the annual general meeting of the company on 12 December next a special resolution will be adopted to alter the articles of associations to accommodate this diversification, in conformity with the recommendations of the Bombay Stock Exchange.

DCM trifurcation begins

In conjunction with the recommendations of the managing directors, the board of directors of DCM have taken the first step towards trifurcation of the company into three independent subsidiaries by regrouping their operations under the three members of the Shriram family.

Under the regrouping, Bansi Dhar, chairman and managing director, will look after Shriram Fertilizers, Shriram Rayons, Hindon River Mills, Daurala Sugar Works. Siddarth Shriram will manage Shriram Foods and Fertilizers and Mawna Sugar Works. Vinay Bharat Ram will look after DCM's Bara Hindu Rao textile unit, the engineering products division of DCM, DCM Data Products and the operations of Shriram Fibres Group.

Indal's golden jubilee plans

The Indian Aluminium Company (Indal), celebrating its golden jubilee this year, has announced that the company wishes to invest Rs.350 to Rs.400 crores over the next five years in the areas of foils, sheets, extrusions and captive power.

The amount of investment planned will be more than three times the amount invested by the company over the last five to seven years.

The company has chalked out diversification projects in non-aluminium areas too. Among these is a Rs.14-crore printed circuit board project, based on technology provided by Kollmorgen Corporation of the US to be set up in Karnataka and expected to be commissioned in early 1989.

A 67.5 mW captive power plant is also being constructed at Hirakad in Orissa, and a second in Karnataka. Besides these, the company is planning two joint ventures — Orissa P trusions Limited with the g ernment of Orissa a International Advanced Proc Technologies Limited with t government of Karnataka.

Large CDC credit line for SCICI

The Shipping Credit and Inves ment Company of Ind (SCICI) has finalised a line credit of sterling pound 15 m lion with Commonwealth Deve opment Corporation (CDC London. The CDC loan carries fixed rate of interest of 8.5 pe cent per annum. The fu amount is likely to be used b SCICI by the end of April 198

Export orders for Orson

M.R. Chhabria's Orson Elec tronics Ltd, which has a techni cal and financial collaboratio with Sony of Japan, has with it Black Belt range of colour tele visions established a strong na tional presence. Amidst sever competition, the company ha also received orders for colou televisions from Yugoslavia an Bangladesh — an export busi ness of over US $ one million.

Orson is also presently negotiating export business with a host of West European countries besides East Europe for televisions, stereo and mono radio recorders and a number of contemporary products drawn from Sony's innovative audio range.

In 1989, new export orders are likely to exceed over US $ 5 million.

Soviet order for BHEL

Leningrad Metal Works, USSR, have placed an order on Bharat Heavy Electricals Ltd for supply of alloy steel castings for turbines. The export order worth Rs.3 crores is the first of its kind bagged directly by BHEL from a Soviet manufacturing plant under long term agreement for di-

AHLSTROM PYROFLOW *(CFB) BOILERS

To be manufactured in India under Licence from A. AHLSTRÖM Corporation FINLAND by

ISGEC JOHN THOMPSON

When ISGEC John Thompson chose AHLSTÖRM as the collaborators for *Circulating Fluid Bed Boilers, there were many reasons, but the most important ones were the galaxy of highly reputed Licensees, Co-operation Partners and Associate Companies of Ahlström for manufacturing PYROFLOW *CFB Boilers, and the enviable number of their boilers sold in various parts of the world which, as of June '88, stood at 66!

The outstanding features of **IJT—AHLSTRÖM PYROFLOW** Boilers are :

- ★ Good fuel mixing, long residence time by recycling and high heat capacities of circulating material
- ★ Environmental protection against SO_2/NO_x emission
- ★ Erosion and corrosion of heat transfer surface is prevented, and there are no in-bed tubes
- ★ Low consumption of bed material and high heat recovery from these
- ★ Simplified Fuel Feed System
- ★ Natural circulation, no external heat exchanger required
- ★ Multi-fuel capability
- ★ Adaptability to conversions and retrofits

HYUNDAI
S. KOREA

SNAM PROGETTI
ITALY

STORK BOILERS
HOLLAND

SHINKO PYROPOWER
JAPAN

YUENG FOON YU
TAIWAN

WAAGNER BIRO
AUSTRIA

PYROPOWER CORPORATION
USA/CANADA

CNIM
FRANCE

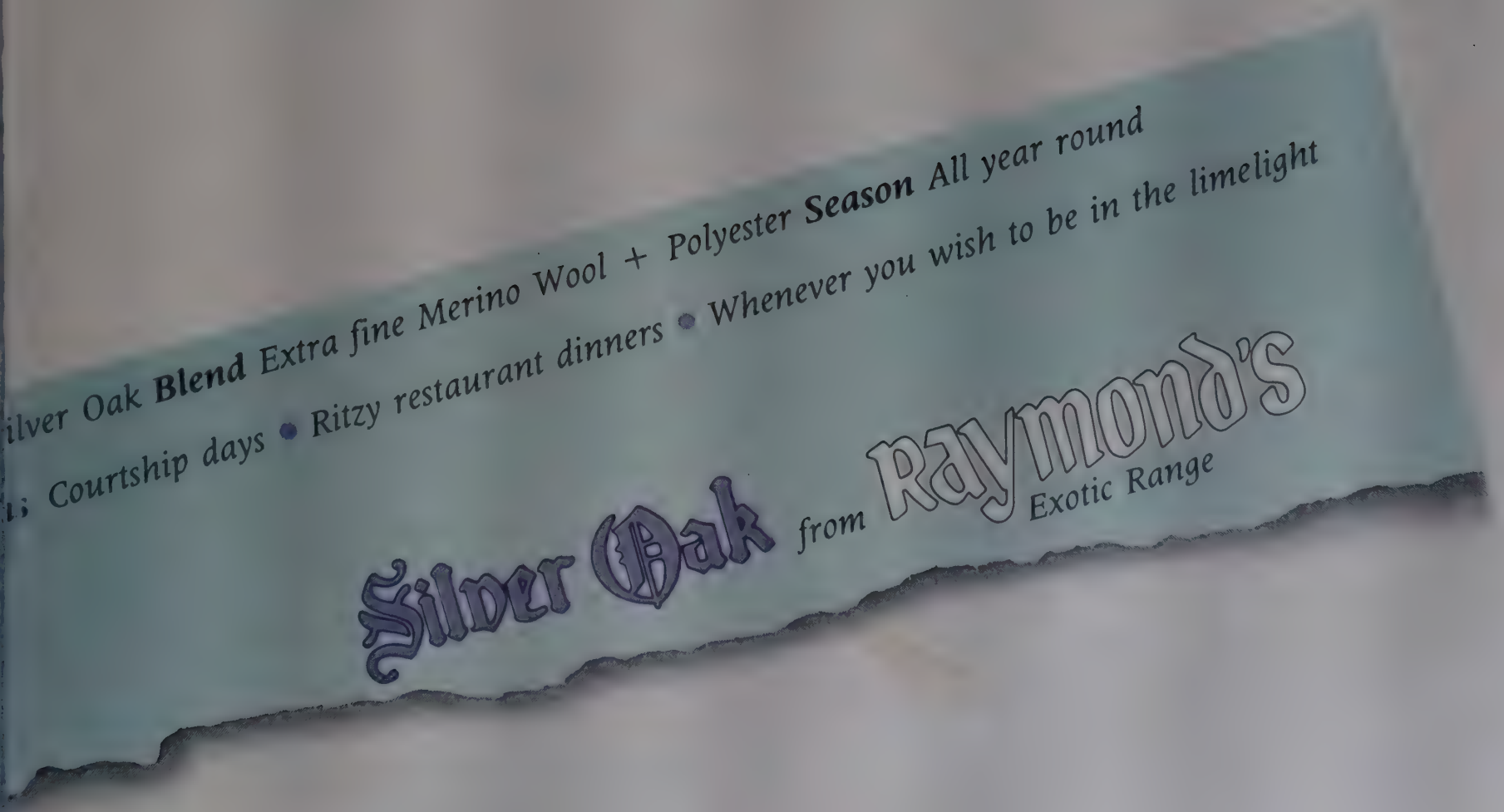
EVT
W. GERMANY

For details and enquiries write to or contact :

ISGEC JOHN THOMPSON
(Division of The Saraswati Industrial Syndicate Ltd. Yamunanagar, Haryana.)
33A Jawaharlal Nehru Road Calcutta 700071
Telephone : 29-5220/5282/8220/8499 Telex : CALCUTTA 7777
Gram "WATERTUBE" BRANCHES *Bombay *Delhi *Madras

React/IJT/056/88

For high-profile men, a fabric that gives a distinct edge.


ilver Oak **Blend** Extra fine Merino Wool + Polyester **Season** All year round
; Courtship days • Ritzy restaurant dinners • Whenever you wish to be in the limelight
Silver Oak from Raymond's
Exotic Range

The Chola Sheraton Business trip

There is a fine difference between a business trip completed and a complete business trip.

It takes more than just a hotel to prove it. It takes the Welcomgroup Chola Sheraton. And the discerning business traveller.

For whom we have created the **Executive Club,** a new world of hospitality with specially appointed rooms and suites, extensive business support facilities and personalised valet service.

And the **Executive Club Lounge.** Quiet, elegant and distinctive. Ideal for informal meetings and private entertainment.

But the 'complete' business trip means more than business. And we at the Chola know this.

The new, fully equipped **Health Club** not only smoothes away the creases of your hectic schedule, it also helps you unwind—for the leisure hours.

So that you can revel in the pleasures of dining at our speciality restaurants, and, of course, the **Peshawri**—the North-West Frontier restaurant that brings you an unforgettable gourmet experience!

All this in an environment which exudes the inimitable Chola warmth and hospitality.

WELCOMGROUP

Chola Sheraton

The complete business experience.

10, Cathedral Road, Madras, Tamil Nadu Tel: 473347 Telex: 041 7200 WELC IN Fax: 478779 Cable: HOTEL CHOLA, MADRAS

HTA 8143

rect co-operation, pursuant to the policy of *perestroika* under which Soviet plants have been given rights to directly negotiate with overseas suppliers.

The order envisages supply of intricate castings for high temperature application in 210 MW steam turbines. These will be manufactured at the central foundry forge plant of BHEL at Hardwar. Supplies are scheduled to be completed by the end of 1990.

New Klockner factory

Klockner Windsor India Ltd the market leader in the manufacture of all types of plastics processing machinery in India has set up a factory with an initial investment of Rs.5.5 crores in GIDC industrial estate, in Chhatral, near Ahmedabad, for the manufacture of sophisticated injection moulding machines with microprocessor controls, the technology for which has been acquired from West German collaborators, Klockner Ferromatik Desma GmbH.

Neoluxe-Mafatlal marketing tie-up

Mafatlal Plywood Industries Ltd has entered into a tie-up with Neoluxe India Marketings Pvt Ltd, a part of the Neoluxe group of companies for the marketing of its entire range of plywoods on an all-India basis.

Neoluxe India Marketings will be fully backed in the venture by Neoluxe India Ltd the flag-ship of the Neoluxe group. Neoluxe India is an aggressive player in the decorative and industrial laminate industry, with a nationwide marketing network of over 400 retail outlets and its own full-fledged branch offices cum depots at Delhi, Calcutta, Madras, Bangalore, Hyderabad and Ahmedabad. The group also manufactures prelaminated medium-density fibre board, in collaboration with Mangalam Timbers.

Colour monitors from Essen

Gujarat-based Essen Peripherals Ltd has begun to produce the complete range of computer colour monitors, at the company's manufacturing facility at Gandhinagar at an approximate project cost of over Rs.1 crore.

The range of monitors include models compatible with the CGA (colour graphics adapter), the EGA (enhanced graphics adapter) and the VGA (video graphics array), all of which are the latest standard products worldwide. These models are in addition to the full range of monochrome monitors already being manufactured. The company has a technical tie up for monochrome monitors with the South Korea-based Samsung Company.

The company will make 6,000 colour and over 20,000 monochrome monitors during 1989, and double production within three years. "The demand for colour monitors in India is over 10,000 today and is increasing by more than 50 per cent per annum. Currently, there are no large-scale manufacturers of colour monitors and the demand is fed by imports.

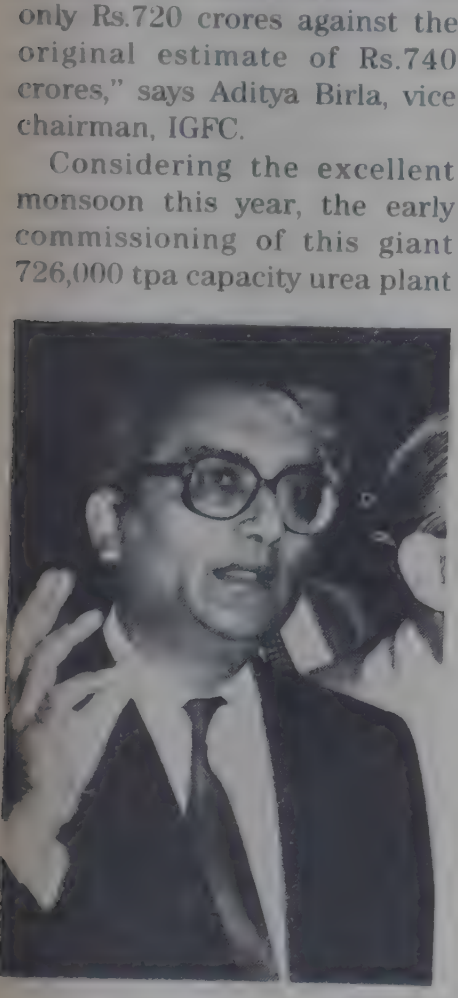
DIARY

DATE	SUBJECT	ORGANISER	VENUE
13-15 December	**Motivation and Work Culture**	National Productivity Council, 40 Monteith Road, Egmore, Madras 600 008 (Tel: 89414/87914)	National Productivity Council, Madras
14-15 December	**'Emerging Competitive Strategies and Effective Resources Utilization'**	The Sydenham Institute of Management Studies & Research and Entrepreneurship Education, 'B' Road, Churchgate, Bombay 400 020	Taj Mahal Hotel, Bombay
14-17 December	**Workshop on 'Modern Manufacturing Inspection Systems'**	Engineering Staff College of India, Visvesvaraya Bhavan, Khairatabad, Hyderabad 500 004 (Tel: 229666/227005)	Hotel Executive Ashok, Pune
16 December	**Export Procedures/Documentation**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay 400 023 (Tel: 273006)	Great Eastern Hotel, Calcutta
16-17 December	**Competitiveness of India in Global Markets**	Madras Management Association, 69 Nungambakkam High Rd, Madras 600 034 (Tel: 475800/478311)	Welcomgroup Park Sheraton, Madras
17 December	**Emergent Opportunities in Consumer Markets**	Management Development Division, Narsee Monjee Institute of Management Studies, Vile Parle (W), Bombay 400 056 (Tel: 6143177)	Narsee Monjee Institute of Management Studies, Bombay
19-31 December	**Course on Materials Management**	Administrative Staff College of India, Bella Vista, Hyderabad 500 049 (Tel: 36952/36956)	Bella Vista, Hyderabad

ADITYA BIRLA

The gas-based fertiliser complex of Indo Gulf Fertilisers and Chemicals Corp (IGFC) which went on stream last fortnight, was completed in 38 months — 3 months ahead of schedule. "Thanks to speedy project implementation and top quality management skills from our group companies, the plant cost only Rs.720 crores against the original estimate of Rs.740 crores," says Aditya Birla, vice chairman, IGFC.

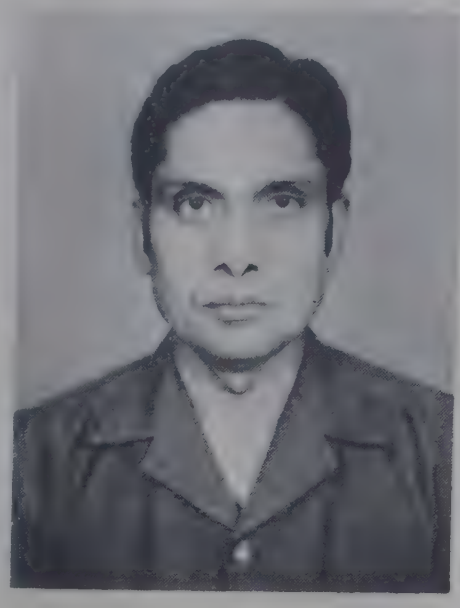
Considering the excellent monsoon this year, the early commissioning of this giant 726,000 tpa capacity urea plant



could not have been better timed. And, as Birla says, "The demand for fertilisers in the Indo-Gangetic plain where we are located is much more than production."

Birla is optimistic about the prospects of the fertiliser industry, as long as there is no adverse change in the way prices are fixed by government. There is some talk of reducing the depreciation rate allowed on fertiliser plants (from 10 to 5 per cent) for the purpose of fixing prices. This would lower prices and reduce subsidies. "Such a move would be retrograde," asserts Birla. "Technology is changing very fast and if we want to keep abreast, plants should be written off at a faster rate."

R.S. AGGARWAL



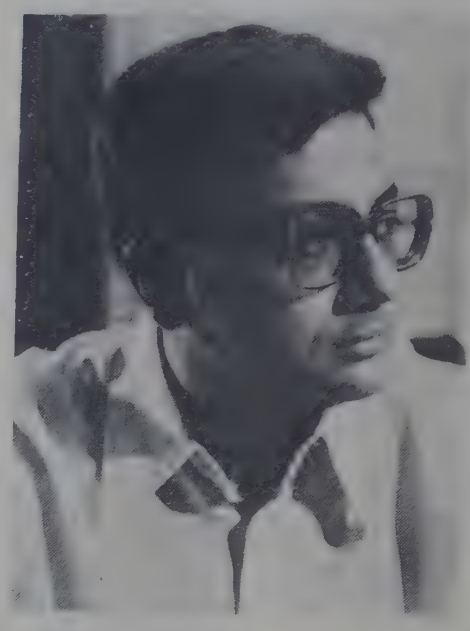
Haryana Petrochemicals, which was incorporated a few years ago and went into commercial production in April 1986, is now ready for expansion. According to R.S. Aggarwal, managing director, the company is more than doubling its spinning capacity from 3,000 to 7,000 million tonnes (mt). Also, the company is diversifying into bright trilobal/speciality yarn.

The total cost of the expansion will be Rs 17 crores. Of this, Rs.2.5 crores will come from a rights issue to be made in January 1989, Rs.3.5 crores from internal accruals, and Rs.11 crores from loans, says Aggarwal. The company has been doing well on the financial front and is likely to announce its maiden dividend of about 10 per cent this year.

N. SANKAR

The board of directors of the Madras-based Chemicals and Plastics India Ltd (Chemplast) and the Mettur Chemical and Industrial Corporation (MCIC) have decided to merge the two companies with effect from April 1988. The subsidiaries of Chemplast hold about 24 per cent of the share capital of MCIC and these subsidiaries are also being merged with Chemplast. The ultimate paid up capital of the merged company would be Rs.887.29 lakhs.

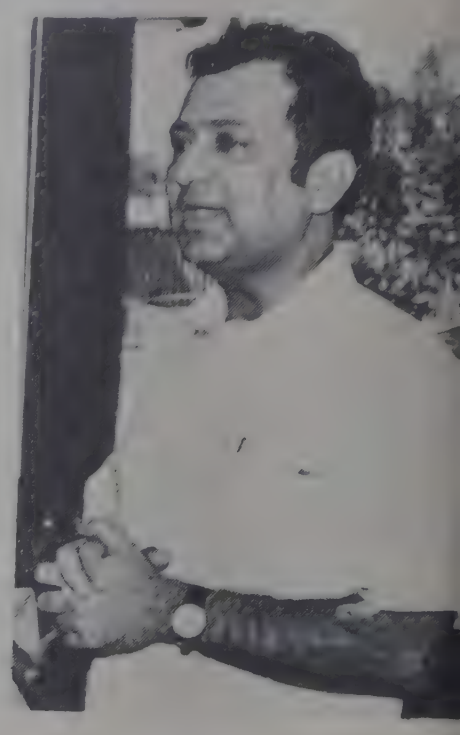
"There is a lot of synergy between the companies," says N. Sankar, managing director of Chemplast, and vice-chairman of MCIC. Chemplast manufactures PVC resins and water treatment chemicals. MCIC is a 52-year-old company which manufactures caustic soda, chloromethanes, trichloroethylene, and refrigerant gases.



Over the years, the two companies have been working together and have established very close links. The operations of the two companies are interdependent in terms of supply of critical raw materials, energy, etc. The combined cycle power plant set up by Chemplast at a cost of about Rs.12 crores is supplying power to MCIC which helps the company to produce caustic soda, a power-intensive product.

NANIK RUPANI

Last fortnight, the Bombay-based Roopmeck Electricals Pvt Ltd set up the country's first telephone, telex and telefax centre authorised by the Mahanagar Telephone Nigam Ltd (MTNL) in the private sector an idea that Roopmeck's managing director Nanik Rupani conceived and implemented in less than six weeks. Contact Point, a division of Roopmeck that is located in Bombay's Nariman Point, will offer its services at MTNL's rates, and receive telex and fax messages for clients for an additional fee.



"Contact Point will provide a total package of communication services under one roof," says Rupani, who has also set up Enkay Teleshop in the same premises to retail a range of office communication equipment. Contact Point's profits are built into the charges -- MTNL will bill it with a 20 per cent rebate. MTNL chief general manager M.C. Venkatram, who flagged off the new facility, hopes to authorise about a 100 such centres in Bombay in a year's time.

A.N. RADHAKRISHNAN

The Madras-based Shriram group of companies, is now gaining a foothold in the fields of hire purchase, leasing and chit funds. "Shriram Industrial

Holdings Private Ltd (SIHPL) was set up in 1986 to broadbase the group's activities and to provide venture capital to technocrat entrepreneurs with viable projects," says A.N. Radhakrishnan, director of SIHPL.

The first venture SIPHL extended support to was for the manufacture of polyethylene terephthalete (PET) bottles. The Rs.1.50 crore project has been set up at Gummudipundi, with a capacity of 6 million bottles and jars per annum.

SIHPL has extended similar assistance to a metal bending unit in Hyderabad. "The trial runs are now in progress," says Radhakrishnan. The third venture — a 100 per cent export unit — is involved in computer software exports.

HENRI GEIGER

Every age has its own myths. A modern myth, that traditional systems of medicine like homoeopathy are unscientific and ineffective, has been disproved by men like Dr.Alfred Vogel who founded Bioforce AG, Switzerland in 1963. Today, Bioforce is a world leader in the manufacture of natural homoeopathic remedies. It has won acclaim in 32 countries where it markets its products.

Says Henri Geiger, vice president, Bioforce, "We see India as a major market for our products. Indians appreciate the value of non-allopathic medicines unlike in Europe where some countries have imposed a ban on homoeopathic remedies." Bioforce products are being marketed in India, mainly Bombay city, by a local firm — Holistic Remedies (P) Ltd, headed by Dr. Mukesh Batra, a leading homoeopath — for the last three years and have gained acceptance.

"The major problem we face in India is the very high rate of import duty at 65 per cent on our medicines," laments Geiger." And the doubling of the Swiss franc in the last three years vis-a-vis the Indian rupee has only worsened things." Bioforce plans to tackle the problem of high cost in two ways. In the short run, it plans to sell its products in bulk to Holistic Remedies which will package them locally in saleable quantities. In the medium term, it proposes to set up a joint venture with Holistic to formulate the medicines locally.

CHARLES MILLER SMITH

What makes a rose smell like a rose? Such are the questions that Charles Miller Smith, president of Quest International, is constantly seeking answers to. Quest is the result of a merger last year between Naarden International and PPF International, both Unilever subsidiaries. With an annual $ 700-million turnover, it is world No.2 in the fragrances and flavours industry, a $ 6-billion (Rs.9,000 crores) business worldwide.

India, in comparison, has a fractional share — about Rs.150 crores. And Quest International India Limited, the Indian subsidiary earlier known as Naarden (India) Limited, has a turnover of Rs.12 crores. The world market growth rate is 10 per cent annually. With the Indian processed foods industry taking off, Miller Smith expects a growth rate of atleast 10 per cent or more out here.

Miller Smith was here not only to promote the company's new identity — "that was one of

the riskiest decisions we've taken" — but to emphasise Quest's growth objective in this "highly creative, research intensive industry". About 7 per cent of Quest's turnover goes into R&D.

ALEXANDER ROSEN

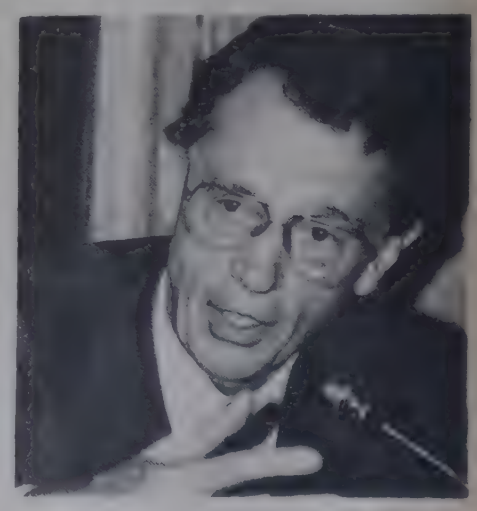
The newly inducted director of Omni Prints India Ltd (OPIL), Bombay, Alexander Rosen, is an expert in the field of MICR technology from the US. Stated Rosen recently, "MICR cheques are the technological need of the year in India. In the US, everyone, even the lowest paid worker, is paid by cheque."

OPIL, with its new plant in Murdbad, Thane, and latest foreign equipment, is all set to undertake printing of MICR cheques, airline traffic documents, business forms, data mailers, etc. The Rs.7.82 crore project will be financed by obtaining a Rs.1.74 crore foreign currency loan and another Rs.1.74 crores from the financial institutions. In addition, the government of India has granted permission for an external foreign currency loan of Rs.1.58 crores through Bank of India, Singapore. The government of Maharashtra has sanctioned Rs.20 lakhs as special incentive for the project. The balance cost is being raised through issue of shares valued at Rs.2.56 crores.

The Reserve Bank of India has included the company in the panel of security printers for printing of MICR cheques required by the banks. "Omni Prints is committed to meet the demand," avers Rosen.

RICK FIRTH

Rick Firth, a leading expert in information technology at the National Computing Centre (NCC), United Kingdom, and vice-chairman of its Computer Education and Training Committee, believes that computerisation, instead of creating



unemployment problems, will actually increase the employment potential by opening new areas even in developing countries like India.

In Bombay in connection with the NCC diploma accreditation by Apple Leasing Industries Ltd, Firth said "I believe that India is in a privileged position as it faces the prospect of increased uses of computerisation. Proper use of computers and information technology, can benefit individual organisations as well as the economic development of India at large."

Your permanent POWERHOUSE

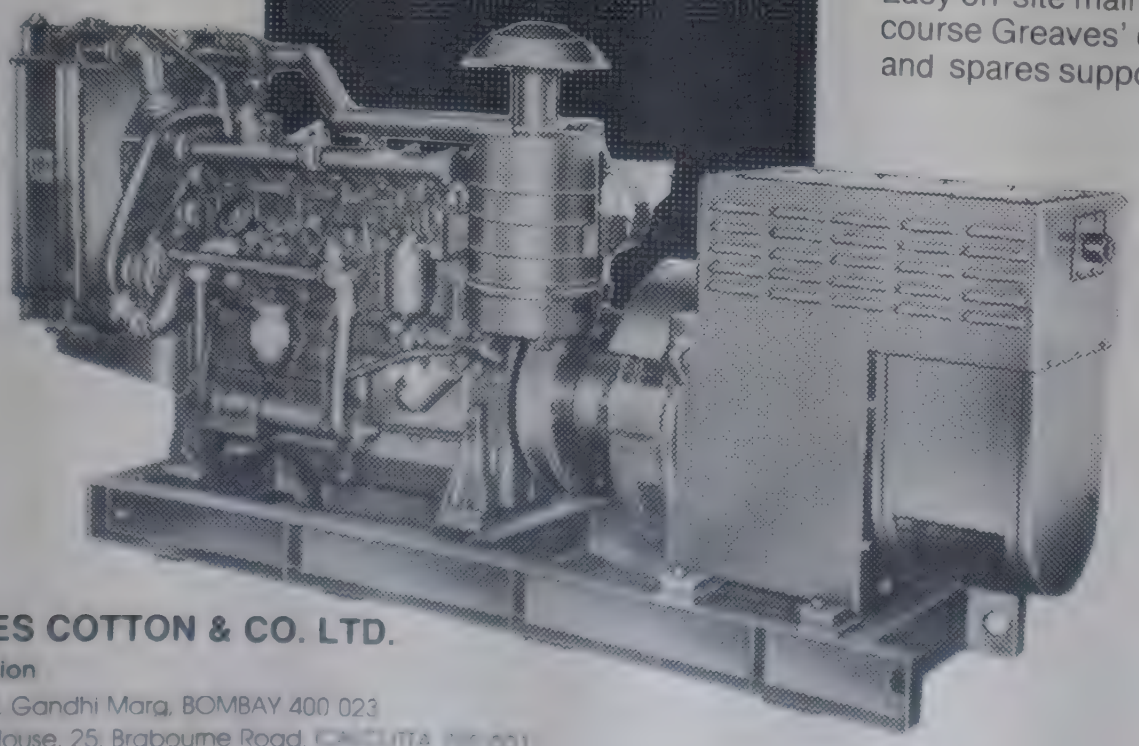
Install a rugged reliable

RUSTON GENSET

for dependable power!

Let's face it! The power crisis can hit you any day ... any time! Resulting in heavy losses to your industry.

Plan ahead now! Install a heavy duty Ruston genset to run your key machines. Your long-term solution to the increasing power shortages facing industry in future.



WHY IS RUSTON THE BEST CHOICE?

Compare Ruston gensets with the others! And you'll see their unique advantages. Round-the-clock performance at full load. Outstanding fuel economy. Longer period between overhauls. Factory engineered, assembled, tested and guaranteed. Certification to international standards like Lloyds, ABS, Bureau Veritas, IRS and MMD. Easy on-site maintenance. And of course Greaves' efficient service and spares support countrywide.

SOLD & SERVICED BY GREAVES

GREAVES COTTON & CO. LTD.

Ruston Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023
- Thapar House, 25, Brabourne Road, CALCUTTA [illegible] 001
- Express Building Annexe, 9-10 Bahadur Shah Zafar Marg, NEW DELHI [illegible]
- 13, Second Line Beach, MADRAS 600 [illegible]

RUSTON GENSET – Your answer to the power crisis

The Thapar Group

Advertisement

FARMERS' AGITATION

At what cost?

Rasayani, a small village in Raigad district just off the Bombay-Pune highway is like any other small Maharashtrian village. Roads are unpaved and dusty; there is little drinking water. The village gets water for four hours a day from the Maharashtra Industrial Development Corporation, because the Patalganga river nearby is too polluted.

Rasayani appears to have gained little from being located next to the polyester capital of the country. The MIDC industrial estate contains Reliance's PTA, PFY and PSF plants, Bombay Dyeing's DMT plant and the Orkay PFY factory. The three units produce a significant proportion of national production of man-made intermediates and fibres.

Now, the sleepy village might find itself embroiled willy-nilly in a fight over cotton. The Shetkari Sanghatana, a farmers' movement lead by Sharad Joshi, has threatened to gherao the Patalganga industrial estate from 12 December 1988.

Joshi: a symbolic statement

Cotton vs synthetics. The agitation is primarily symbolic — it is intended to highlight the government's pro-synthetic and anti-cotton textile policy and the nexus between the government and synthetic textile manufacturers in the formulation of the policy. The Sanghatana hopes to peacefully prevent the removal of synthetic fibres and other raw materials from the estate. According to Joshi, the Sanghatana will make no attempt to stop actual production at the estate. Most of the units in the area have little knowledge of the Sanghatana's plans. Says Harish Bijawal, managing director, Bombay Dyeing, "There is only one road into the area. Any significant influx of people into the area will affect all industries in the area."

Besides making this symbolic statement, Joshi has certain concrete demands of the Maharashtra government. He would like the state's monopoly procurement scheme to pay a price which is 20 per cent above the support price for cotton; an improvement in the efficiency with which the scheme is run; and a reduction in its cost of administration.

The Maharashtra government has come part of the way in meeting the Sanghatana's demands. It has increased the guarantee price for cotton by a minimum of 20 per cent. "The government increased the guarantee price to make sure that the federation procures sufficient cotton to cover its overhead costs," says B.K. Aggarwal, managing director, the Maharashtra State Cotton Growers Marketing Federation. This follows the decision of the state government to allow farmers to sell cotton in neighbouring states if they get a higher price for their produce then they can get from the federation.

A superb tactician, Joshi doesn't conduct an agitation without being able to wrest tangible concessions. However, when asked whether he will call off the stir following the state government concessions, he is non commital. Joshi recognises that there will be a significant human cost if the agitation is actually going to take place. Anywhere from 40,000 to 100,000 Sanghatana supporters are expected to arrive in Rasayani on the first day of the agitation. They are expected to arrive from the cotton growing areas of Vidarbha and also from the districts of Nasik, Dhulia and Pune and just getting to Rasayani is going to be a task.

The Sanghatana has drawn up detailed plans for the agitation to help reduce the hassles that its supporters have to face. This includes information on how to get to Rasayani, what they should bring along in terms of food and clothing. Suggestions have been made on how they can entertain themselves, including a list of local tourist spots! Supporters have been asked to bring enough supplies for at least an eight-day stint, after which plans will be drawn up to bring in reinforcements in batches. This will allow the satyagraha to continue without anyone having to stay too long.

The major problem that the Sanghatana will face will be infrastructure. "We barely have enough water for ourselves," says Nana Karavale, the sarpanch of the panchayat. River water polluted by effluents from the industrial estate is undrinkable and the supplies that the village gets from MIDC is barely sufficient for its own needs. Karavale adds that he has already told Sanghatana leaders that an influx of people into the area would force the village's tiny market to shut down — it just wouldn't be able to cope.

Given the hassles that the Sanghatana will have to face, it is unclear whether it will press on with the agitation. Any gains from the agitation would be at best nebulous; the costs could be high.

■ EAPEN THOMAS

SIGNATURE MATCHING

Simpler with microfiche

When Reliance Industries closes its books every year it is faced with a stupendous task. Its share department has to finalise about 300,000 share transfers within 15 days. Reliance has a signature bank con

DATABYTE'S TLX-10

ELECTRONIC TELEX/TELEPRINTER

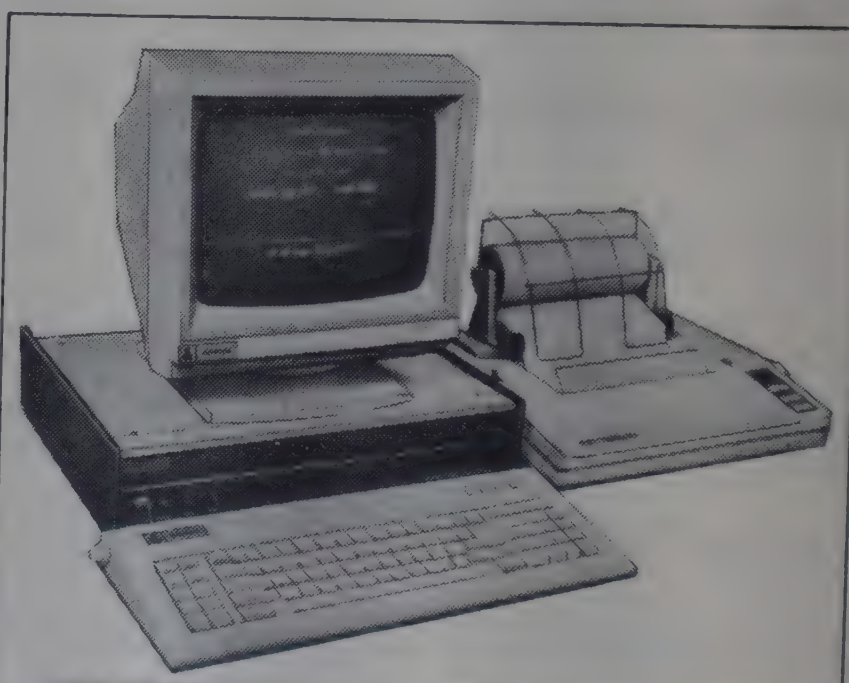
Why did State Bank of India, Indian Airlines, United News of India, Videsh Sanchar Nigam, Press Trust of India, Indian Airforce and Bank of India select 'Databyte' for their Bulk requirement of communication terminals ?

The answer is simple:

1. **WIDEST RANGE —**
   - * Single Port: Telex/Teleprinter
   - * Multiport: A Single machine can handle upto four telex/teleprinter lines simultaneously.
   - * Bilingual: You can now send/receive your messages in English as well as in Devnagari.
   - * Receive only teleprinters: Here again we offer English as well as Devnagari.
   - * Short Haul Modems/Lines Drivers.
   - * And now PC-Telex Box too!: Our Telex box does not have the drawbacks that others do,for instance you do not have to leave your PC on in order to send messages at night.
   - * Soon to be introduced: PSTN terminals.
2. **RUGGED & RELIABLE** — TLX-10 confirms to stiff environmental specifications of defence.
3. **USER FRIENDLY** — so simple, anyone can operate.
4. **INDIGENEOUS TECHNOLOGY** — The entire range has been developed by our in-house R&D team — Comparable to the best in the world — Approved by DSIR.
5. **FIELD PROVEN** — over 500 installations.
6. **SERVICE NETWORK** — The best is backed by a matching All India Sales & Service network.
7. **FUTURISTIC** — TLX-10 can be field upgraded to communicate with networks such as PSTN, X25, X400 Etc.
8. **EXECUTIVE MAIL BOX** — Busy Executives can call their telex number from anywhere in the world at any time and pick up their mail.
9. **NEVER BEFORE FEATURES** — * Battery backed up memory * Memory upto 160 KB * Multiport * Security Lock * Pre-Transmission time * Reliable * Power fail mode * Multi tasking * Word processing * On line traffic * Status * Different type Style * Autodial * Fixed Time calls * Message scheduling * Broadcasting * Refile * Message & Time stamp * Speed dialling * Compatible with all telex exchange * Executive mail box.

WANT TO KNOW MORE? JUST DIAL ANY OF THE FOLLOWING NUMBERS AND TYPE YYYYTELLME
145-596 BYTE IN, OR 31-71075 MTEL IN.

Leadership through indigeneous technology!



- TLX-10 complies with defence requirements as per IS 55555
- TRC Approved No.54-118 2.88 TRC Dt. 14.3.88 for Telex and Private Wire

databyte
databyte Equipment Pvt. Ltd.

200 Narayan Peth Laxmi Road, Pune 411 030.
Tel.: 444742/437032 Tlx.: 145-596 BYTE IN.

India's first and only screen based bilingual Electronic Telex/Teleprinter.

We are also located at: *Bombay:* 8-33/34 Grant Building, Arthur Bunder Road, Colaba, Bombay 400 005. Tel.: 204 2553/204 2858/204 3870. Tlx.: 11-3796 YMC IN. *Delhi:* B-3 Guru Angad Bhavan, 71-Nehru Place, New Delhi-110 019. Tel.: 644 8415. Tlx.: 31-71075 MTEL IN. *Madras:* Dinroze Estate, 79 Mount Road, Madras 600 002. Tel.: 848584. Tlx.: 416693 EXBO IN. *Calcutta:* P-19, C.I.T. Road, Scheme X/M, Calcutta-700 010. Tel.: 363290. *Nagpur:* Tel.: 23115. *Patna:* Tel.: 55435. *Hyderabad:* Tel.: 75191. *Bangalore:* Tel.: 367438.

The microfiche makes verification easier

taining 2.2 million signatures; matching the signatures on the share transfer forms against the specimen signatures was a lengthy, complicated procedure. With the manual card system it was then using, Reliance was running into a backlog of 25 days and hence decided to shift to microfilms and a computer-aided retrieval system put together by Image Microforms and Systemates Ltd.

New application. Microfilming is the technique of storing images of documents on film in a reduced size. It is generally used for storing engineering drawings, service manuals, reference documents, etc. Microfilming of signatures of shareholders and account holders is a fairly new application area. The advantages are several. For one, an enormous amount of space is saved — Reliance stores 2,520 signatures on a 6x4 inch film, technically known as a microfiche. The saving in time is equally significant when dealing with large volumes.

Once the signatures are down on a microfiche, the time saved in accessing the signatures depends on the method of retrieval. Reliance's computer-aided retrieval system is quite efficient in that the computer can not only pick out the required microfiche from a batch but also zero in on a signature occupying a space barely a couple of millimetres wide. The whole process starting from the keying in of a shareholder's ledger folio number to the display of the signature on a video screen takes less than 10 seconds. The system can handle an incredible 200,000 accesses a day.

The Reliance system has been designed so that, in case of system failure, the operator still has the option of manual access via a card index.

The Tata Share Registry, on the other hand, has opted for manual retrieval of microfiches, where the computer supplies only the location of the signature on the film and everything else is done manually. "We are very happy with the system," says S.D.P. Framroze, an officer at the Registry. "We no longer have to work with bulky registers and we can have as many copies as we want for back-ups."

The Hongkong Bank has a totally different tale to tell. S. Kanagaraj, head of the technical services division, says that the old card index method was much faster. "We have only about 150,000 signatures on microfiche. What was initially a simple procedure has now become complicated."

Unexpected problem. The bank ran into an unexpected problem with the microfiches. "In spite of a shelf life of 50 years, we found the films becoming patchy after a couple of months," says Kanagaraj. After a lot of time and effort the problem was traced to the quality of the jackets enclosing the microfiches. The bank is now looking for another solution.

One reason for the differing reactions could be the difference in the sizes of the signature banks. Both Reliance and the Tata Share Registry have to handle large volumes of signatures whereas the Hongkong Bank's signature bank is relatively small. In fact, Reliance is planning to put the 2.4 million signatures of the Reliance Petrochemicals Ltd shareholders on microfiche.

The major disadvantage of using microfilm in India is that it is not considered primary evidence in a court of law. A microfilm of a document is given the same weightage as a xerox copy and hence companies cannot discard the original documents.

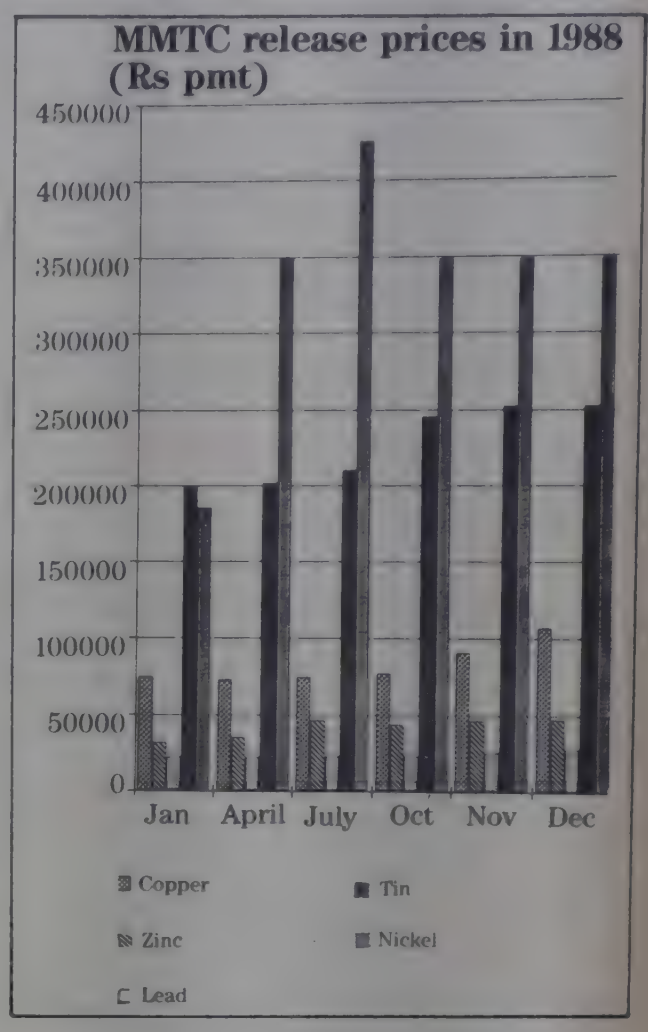
The Micrographers Congress of India has been trying for the past 25 years to get microfilm the status of primary evidence. So far, it has not succeeded.

■ GAYATRI BHANDARKAR

NON-FERROUS METALS

Fighting price inequities

It has been a terrible year for the non-ferrous metals industry. During the past 12 months, prices set by the Minerals and Metals Trading Corporation (MMTC) for copper, zinc, lead, tin and nickel have all jumped by an average 46 per cent. While



the price of nickel has skyrocketed from Rs.1,85,000 per tonne (pt) in January to Rs.3,48,000 pt in December — an increase of 88 per cent — it is the hike in the price of copper that has hurt the industry most. Among the non-ferrous metals, the consumption of copper and aluminium is maximum.

Last straw. "The latest hike of Rs.16,000 pt in the MMTC release price of copper, effected from December 1988, pushing the price level to Rs.1,07,000 pt, is bound to be the last straw, comming as it does on top of previous hike of Rs.14,000 pt just last month (November 1988). The latter itself was enough to break the backbone of the copper consuming industry," says Sevantilal Morakhia, president of the Bombay Metal Exchange (BME).

The nation's own resources are inadequate for the total demand: while the country needs 130,000 tonnes of virgin copper every year, Hindustan Copper Ltd provides only 50,000 tonnes. The balance is procured from the London Metal Exchange (LME) by the MMTC at the international price. The same is true of most non-ferrous metals which are not available in sufficient quantity in India. The price rise here is thus directly related to the bullish trend at the LME which is facing an extreme shortage of copper following protracted strikes at some copper mines in Peru, one of the chief suppliers. The demand for copper has also risen sharply during the past decade, espe-

When it comes to quality, it's difficult to come down.

Indcon—The Reliable Company.

When it comes to

- PSA Nitrogen/Oxygen Generators
- Inert Gas Plants
- Dry Compressed Air Plants.
- Pneumatic conveyors
- Air Blowers

Indcon are the market leaders.

The company that offers a cost-effective blend of international know-how and indigenous components. The company that delivers tailor-made equipment to meet your exact specifications.

And there's the team of dedicated personnel. At your service. So you know your business is in safe hands.

Indcon—placing your business above everything else.

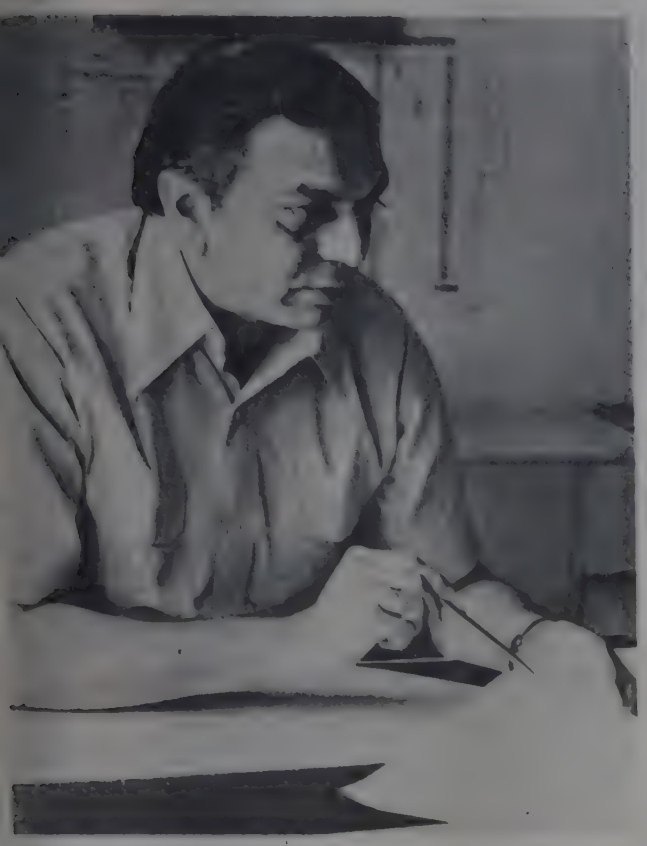
INDCON

INDCON POLYMECH LTD.

311, Mansarovar, 90 Nehru Place, New Delhi-110019 **Phones:** 6431908, 6438365, 6436869 **Telex:** 031-61678

Branches: **Calcutta ▪ Bombay ▪ Madras ▪ Hyderabad ▪ Bangalore ▪ Baroda**

Shems/6056



Kamani: objecting to 100 per cent duty

cially in Japan, China and Korea. The devaluation of Indian rupees, vis-a-vis sterling pounds and US dollars, has further contributed to the price escalation.

While industry insiders are aware of the global situation, they do carry a grudge against the duties that are included in the MMTC release price. When the price of copper had touched Rs.80,000 pt in December 1987, the government had provided a relief by reducing the import duty from 140 to 95 per cent. In addition to that is the countervailing duty (CVD), which amounts to Rs. 6,200 pt for copper. In effect the total customs duty equals almost 100 per cent of the price of copper.

Two birds. "This is what we are objecting to," says Ashish Kamani, president of the Indian Non-Ferrous Metals Manufacturers' Association (INFMMA). Presently the duty is fixed on an *ad valorem* basis. With galloping international prices, this duty element which depends on the price, goes up hand in hand. The copper consuming industry is therefore demanding a change in the duty policy from the present *ad valorem* basis to specific duty per tonne. "This will kill two birds with one stone. With the adoption of specific duty regime, the duty will not be subject to fluctuations in the international price and the currency. It will also eliminate any tendency of over-or under-invoicing by unscrupulous elements, if any," Kamani explained. The INFMMA, along with the BME, have pleaded with the government to cut the customs duty by 25 to 30 per cent and alter the present system to a specific duty regime.

Failure to supply the required quota by the MMTC is another complaint of the copper industry. While only half the quota was supplied by the corporation in October, the delivery in November amounted to only 25 per cent of the required amount. "Even at such a high price, if the MMTC is not able to meet its commitment of quota, what is the point of a central procurement and canalising agency?" they ask. Officials in the MMTC were not available for comment. The industry, in fact, would welcome an open general license (OGL) for the import of non-ferrous metals. "At least we'll be able to meet our requirements and there will be no shortage, thus preventing artificial rise in prices," says Morakhia.

Instead, the OGL has been granted for the import of aluminium, whose price abroad is higher than that in the domestic market. Despite the 17.5 per cent hike in the aluminium price in November from Rs. 25,309 to Rs. 29,749 pt, the domestic price is still lower than the Rs. 36,000 pt abroad. Production of aluminium in the country under the purview of National Aluminium Corporation (NALCO) is still not upto the mark. The backlog is nearing 40,000 tonnes. NALCO's production estimate for the year has also been scaled down from 130,000 to 80,000 tonnes.

Highly unlikely. The government, however, claims a surplus of aluminium and intends to export the entire production of aluminium by NALCO during 1988-89. "The export will hit the small and medium factories the hardest, who will have to import the metal at a higher price. That NALCO will be able to generate a surplus beyond the backlog in one year is also highly unlikely," says a manufacturer.

The future appears bleak for the non-ferrous metals industry. That the international price hike is beyond any control is evident. However, industrialists are demanding a review in the internal price policies of non-ferrous metals. Pressure is also mounting on the MMTC to maintain a buffer stock of about 30,000 tonnes of copper, so that users are not hit unawares by volatile changes in the international market prices and supply position. Ironically, the largest consumers of non-ferrous metals are in the public sector themselves. "If steps are not taken to regulate the pricing policy, the ultimate sufferer will be the taxpayers," industry insiders warn.

■ SHEKHAR GHOSH

NO
GIFT ITEMS CAN
MATCH
Leatherman
YES

Real Class Craftsmanship. World-class Goldplated fittings only from Leatherman. The unique World of leather creations. A name associated with most leading multi-national companies, now invites you to discover hypnotic range of :

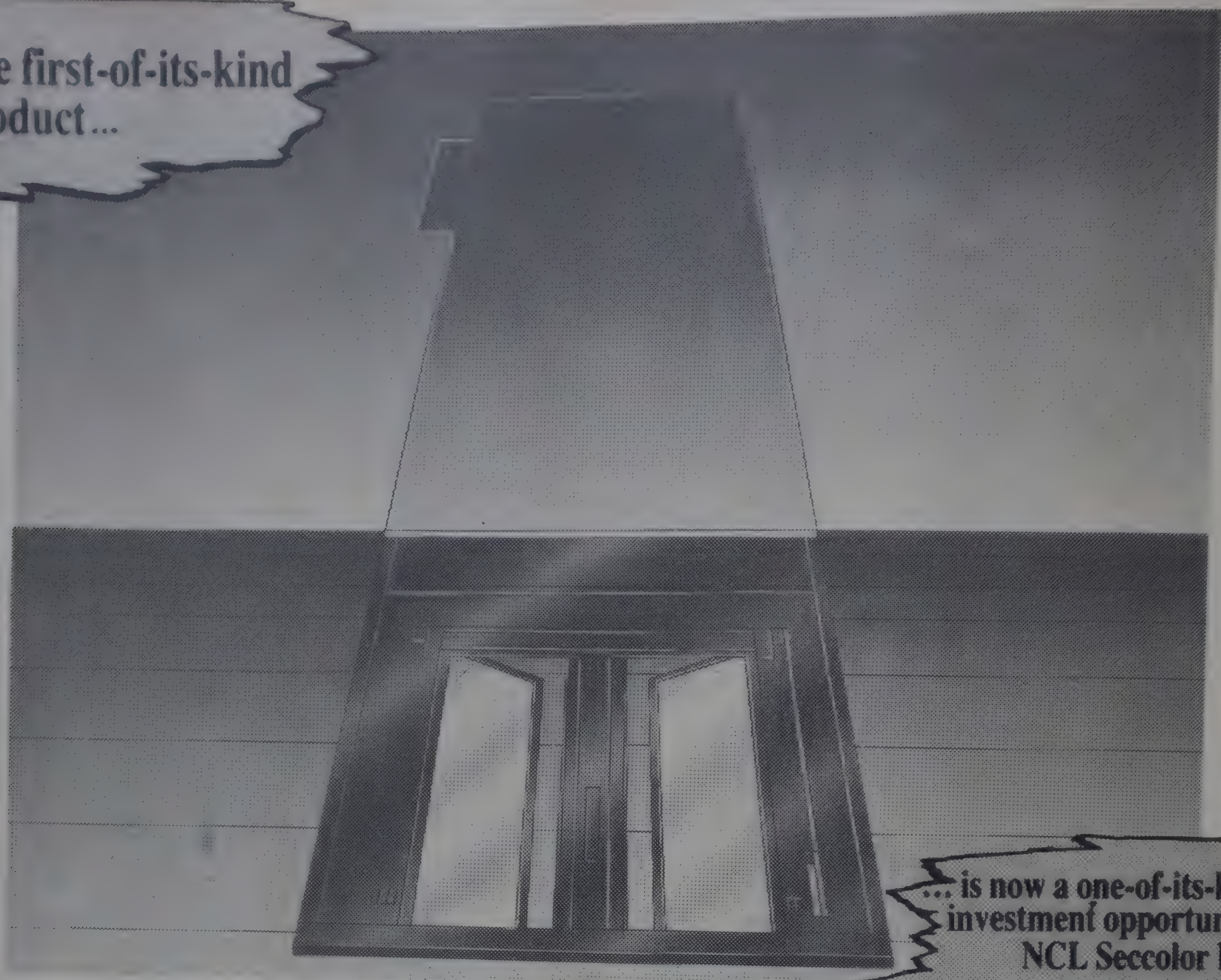
■ Brief cases ■ Portfolios ■ Folders
■ Table Top items ■ Key Tags
■ Gents & Ladies Wallets ■ Manicure Set
■ Passport Wallets ■ Pouches
■ Telephone Index & Diaries and many more items.

Leatherman

(A Division of Jainex Advertisers)
1, A.J.C. Bose Road, Calcutta-700 020, India
Phone : 44-9720, 43-3004, Gram : GIFTLINKER
Telex : 021-2527 AKAY IN

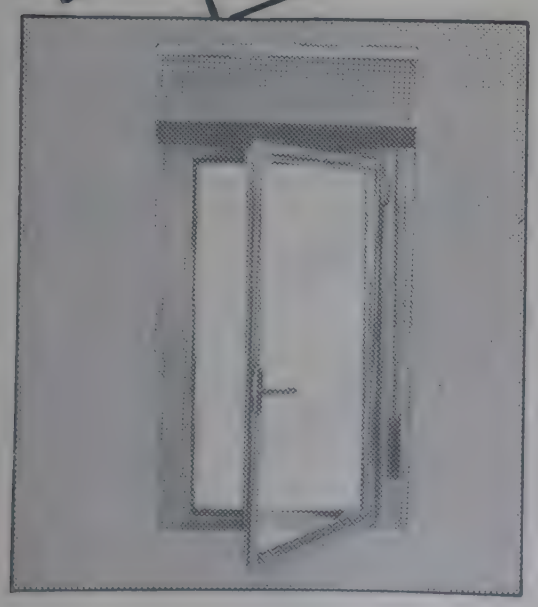
Leatherman. Next to none. No.1.

The first-of-its-kind product...



... is now a one-of-its-kind investment opportunity. NCL Seccolor Ltd.

ISSUE OPENS ON 4TH JAN 1989



NCL Seccolor Limited introduces, a revolutionary range of prepainted, cold rolled steel, door, window and railing profiles. For the first time in India.

Stylish and strong, elegant and versatile, these products are ready to re-define the aesthetics of Indian construction.

NCL Seccolor brings these profiles to Indian homes and offices in collaboration with international leaders — Industrie Secco, SpA, of Italy. Secco profiles are market favourites in over 30 countries worldwide

In India, demand for door and window profiles is put at a phenomenal 84 lakh sq.m. in 1991. NCL Seccolor Ltd. at full capacity will meet only 7% of this demand.

NCL Seccolor Limited is an affiliate of the successful NCL Industries Limited. NCL Industries has a remarkable record of performance that includes paying 70% dividends in its first three years. The share has a book value of Rs. 27/- and the company is in the process of doubling its capacity.

Successful promoters, world leaders as collaborators and a wide open market. Sound reasons why NCL Seccolor Ltd. is your door to prosperity.

Highlights of the issue

- **Excellent track record of promoters.**
- **First-of-its-kind in the country, stylish product.**
- **Growing demand in booming construction industry.**
- **Collaborators — world leaders.**
- **UTI participating in the equity of the company.**
- **No gestation period — product ready to enter market.**
- **80CC 80L and Wealth Tax benefits.**
- **Listing on Bombay, Delhi, Bangalore, Madras and Hyderabad Stock Exchanges.**

Issue of 23,40,000 equity shares of Rs. 10/- each for cash at par.

MANAGERS TO THE ISSUE

SBI Capital Markets Limited, Bombay

CITIBANK Investment Banking, Bombay

Industrial Finance Corporation of India, New Delhi

CO-MANAGER TO THE ISSUE

PNB Capital Services Limited, New Delhi

NCL SECCOLOR LIMITED

Raghava Ratna Towers, Chirag Ali Lane, Hyderabad 500 001

NCL – one constructive move after another.

CORPORATE VOICE NCL 3884

CAUSTIC SODA

Bitter wars

The agro-based paper industry is accusing caustic soda manufacturers of operating as a cartel. Caustic soda, an essential raw material for agro-based paper, constitutes 20 per cent of its cost of production. The other main users are the soap, aluminium and cotton textile industries.

The Indian Agro Paper Mills Association (IAPMA) has charged that the indigenous manufacturers have been hiking prices arbitrarily, taking advantage of the high customs duty, currently at a fixed Rs.3,500 per tonne plus an auxillary duty of 45 per cent ad valorem. The international price has been steady at around Rs.3,000 per tonne, whereas that of indigenous caustic soda has gone up from Rs.5,000 per tonne a couple of years ago to Rs.7,500 per tonne now, they allege.

Viability threatened. "The increases have upset the entire economy of the 800,000-tonnes-a-year agro-based paper industry, which is on the verge of sickness," said an IAPMA spokesman. 'About 15 of 60 mills remain closed.

To safeguard their interests, the industry has sought the intervention of the government and urged it to refer the issue to the Bureau of Industrial Costs and Prices (BICP). Not only is the price of caustic soda very high, but it is not easily available even at the very high ruling price, they say. In a communication to the Alkali Manufacturers' Association of India (AMAI) the agro-based paper mill owners have sought a discussion on the issues.

The other users of caustic soda seem to have accepted the price hike. In the soap industry for instance, caustic soda is a major ingredient. A spokesman of Tata Oil Mills said that though the industry had been affected, the feeling was that the caustic soda manufacturers' claim was justified. VJ. Ojha, chief executive (purchase) for Mafatlal Industries, was of the opinion that though the supply of caustic soda was erratic, the price hike had not caused a major difference to the cost of production for textiles.

The Alkali Manufacturers Association has despatched a communication to the Directorate General of Technical Development (DGTD) giving its reasons for the price increases and offering to solve the problem of non-availability of caustic soda on a case-to-case basis. Caustic soda producers say that they have been forced to increase prices because of the steep increase in the electricity tariff rates, which went up from 61 paise/kWh in 1984 to 95 paise/kWh by the end of 1987. Between 3,500 and 3,700 kWh of energy is required to produce one tonne of caustic soda.

Moreover, the caustic soda producers say, the figures of price increase given out by the agro-based paper industry have been "grossly exaggerated". The industry has been functioning under a voluntary price regulation scheme since 1964, and the upward revisions recommended in the selling prices by the Alkali Manufacturers' Association have been only Rs.400 per tonne in January 1987 and Rs.300 per tonne in February, 1988, much less than the figures that the IAPMA has been stating.

False charges. According to Y.K. Modi, president AMAI, "a cartel in the caustic soda industry is impossible because there are about 32 units which are widely dispersed". Also, he says, the demand for caustic soda is barely 800,000 tonnes whereas the capacity is about 1.2 million tonnes. And, he says, capacity is up by 100,000 tonnes after the entire industry has switched over from graphite anodes to metal (titanium) anodes at a cost of nearly Rs.4 crores per unit.

Modi also said that the charge that the caustic soda producers were passing on the cost of their inefficiency to the consumers was baseless; the industry has now started exporting in a highly competitive overseas market. For instance, Modi Alkalis exported about 600 tonnes of caustic soda in October 1988. And the exports were not subsidised by the government. The industry was going to supply nearly 60,000 tonnes of caustic soda to the National Aluminium Company (NALCO) on a deemed-export basis, he pointed out. Says Modi, "The agro-based paper industry must set its own house in order rather than blame others for its troubles."

Though the agro-based paper millers have made representations to the government, an immediate decision to resolve the issue is unlikely.

■ ANOOP SAXENA

COFFEE

Good news, but...

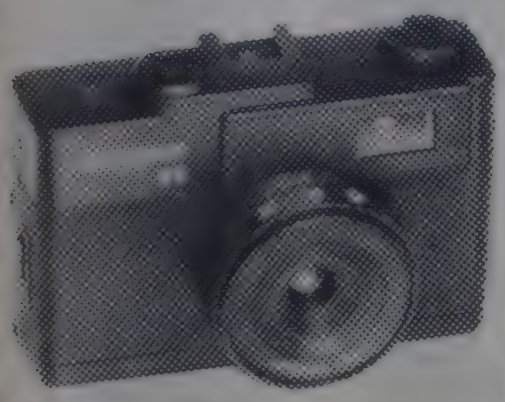
India's recent acquisition of a higher export quota for coffee from the International Coffee Organisation (ICO) is certainly good news. The situation at home isn't rosy though. Growers and

Indian Coffee: production hits a new high

The unforgettable corporate gift

Snapper

CAMERAS



Snapper 35

Snapper 300F

Snapper 110E

Everybody loves a Snapper !

For further details contact:
AGFA-GEVAERT INDIA LIMITED
• 17, N.A. Sawant Marg, Colaba, Bombay 400 005. Tel: 2028812
• 18/A Shivaji Nagar, P.B. No.6211, New Delhi 110 015. Tel: 503993 Tlx: AGIL 031 4116
• 2-A, Shakespeare Sarani, P.B. No.9230, Calcutta 700 071. Tel: 444595 Tlx: AGIL 021 2250
• 611, Anna Salai, P.B. No.1071 Madras 600 006. Tel: 478211 Tlx: AGIL 041 7609

ULKA-11377

traders have just simmered down after a fight over the minimum release price (MRP). And some planters, especially the smaller growers of Kerala, are sore with the Coffee Board for scrapping the outright purchase scheme.

MRPs have never been easy to arrive at. Growers push for higher levels, while traders resist all the way. On 12 October things came to a head when coffee traders decided to boycott the pool sale auctions of the Coffee Board. What had raised their hackles was the hike in MRP consequent on the government's pegging it to a per kg basis instead of the per point basis previously followed. The new revised rates are: Rs.19.81 per kg for Arabica coffee and Rs.15.90 per kg for Robusta.

Traders' fear. These new rates are expected to jack up the price of raw coffee by Rs.6 per kg and that of coffee powder by Rs.8-Rs.9 per kg. Consumers would surely begin to resist and therefore, plead the traders, the MRP should be reduced by at least 18 per cent. But the Coffee Board says that the last time round, in December 1986, a 15 per cent increase in the MRP led to only a 5 to 6 per cent rise in consumer price.

Growers feel that the new price just about covered the cost of production for the 1986-87 period. They in turn charge traders with profiteering. They point out how the retail price of coffee powder rose even before the traders participated in the coffee auctions to buy at the revised MRP.

The Coffee Board has become the common enemy. The Karnataka Planters Association chairman D.V. Viswanath bemoans the high marketing costs of the Board, despite it being in a sellers' market. The board, for its part, points to hidden costs (such as infrastructure) and its efforts to eliminate middlemen.

The Coffee Act permits growers an internal quota which they have not yet effectively utilised. The big growers may not find direct marketing tough. Others are toying with the idea of forming co-operatives to market their produce. The powerful United Planters Association of South India (UPASI) too supports the moves of planters to sell directly in the market outside the Coffee Board's pool marketing system. Only this will allow the industry to clear the estimated 54,000 tonnes of stocks which will pile up by the end of the 1988-89 season, say planters.

Another grouse. The other bone of contention is the scrapping of the outright purchase scheme which accounts for about a quarter of the total purchases of coffee in the country. Under the scheme growers received a flat rate, irrespective of the quality of the coffee, when they delivered their coffee to auction centres.

Now the Coffee Board has adopted a new system of grading coffee according to quality. In the past, says the board, smaller growers were usually losing out to large plantations through the averaging system which lumped the good quality coffee with the bad. The small growers, however, are not overjoyed with the new system. They feel that they will now have to wait much longer because the final payment will depend on realisation by auctions.

The export prospects have been cheering enough, though. In early October, the ICO fixed higher export quotas for coffee producing countries on the basis of exportable production, rather than past export performance.

The ICO has decided that next year's total world exports would be limited to 56 million bags (of 60 kg each). This level will be raised or lowered to maintain the coffee price above 115 cents a pound. (The current average coffee price is 114 cents.) But the global quotas will stay within the range of 53 million to 63 million bags.

India has been given a share of 1.65 per cent of the global quota. This means that in 1988-89 India can export 51,596 tonnes — an increase of 27 per cent over the 40,633 tonnes for last year. This will help partly offset the glut at home. As things stand, India's coffee production is expected to hit a new high of 200,000 tonnes in 1988-89. But the alarming fact is that domestic consumption is not growing apace.

The other threat comes from consumer countries, notably the US and those in the EEC, which apparently do not wish to renew the International Coffee Agreement when it ends next September. If this happens, there will be fierce competition among producer countries. Will India be able to hold its own against the two biggest producers, Brazil and Colombia?

Clearly, the current situation of glut does not permit India to just sit pretty. It will have to beef up marketing, not just in the quota countries, but also in the non-quota countries of Eastern Europe. The Coffee Board will also have to persuade more Indians to drink more coffee.

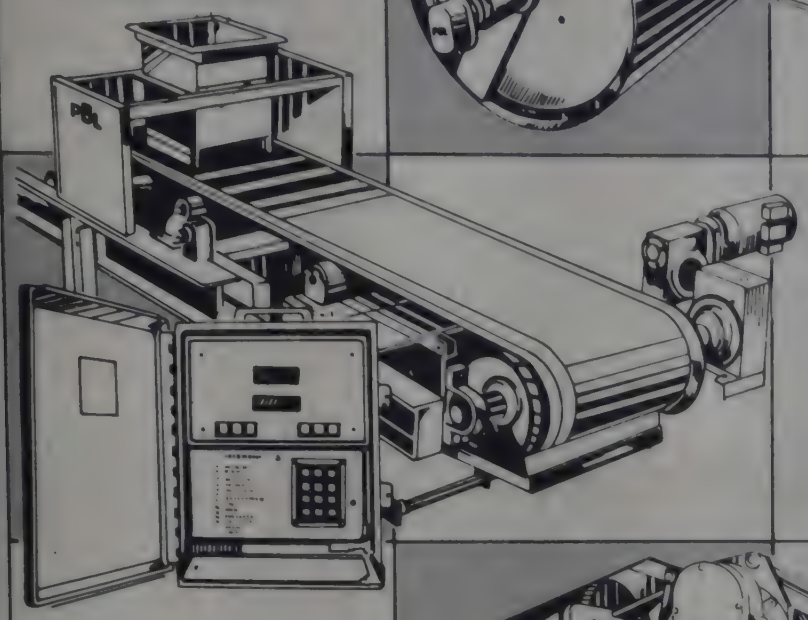
■ K.G. KUMAR

MAGNETIC PULLEY

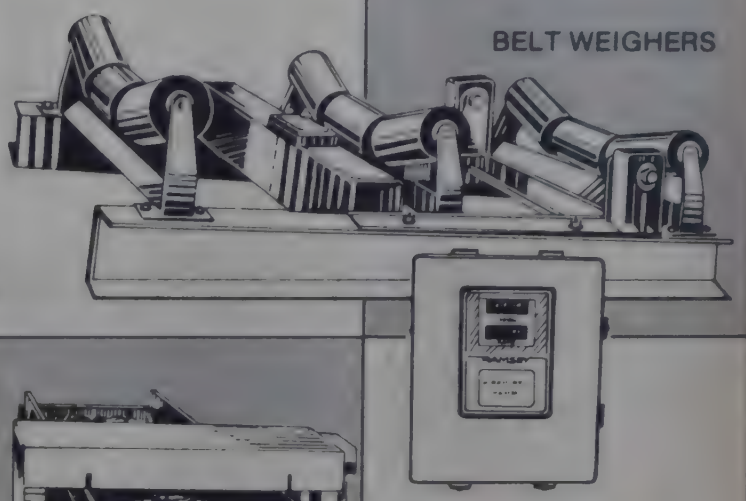
OVERBAND MAGNETIC SEPARATOR

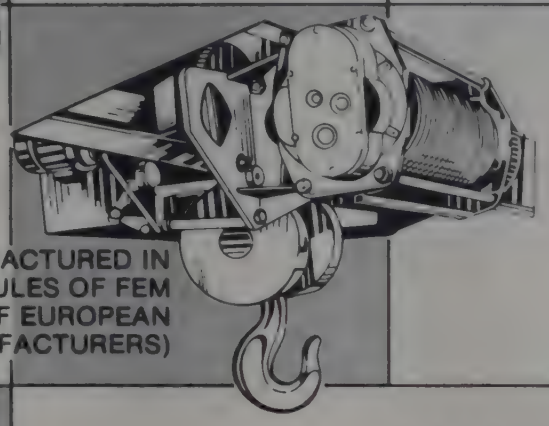
SUSPENSION MAGNET

WEIGHFEEDERS



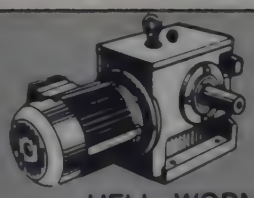
BELT WEIGHERS



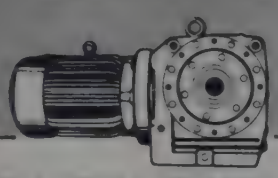


ELECTRIC HOIST MANUFACTURED IN ACCORDANCE WITH RULES OF FEM (FEDERATION OF EUROPEAN HOIST MANUFACTURERS)

METAL DETECTOR



HELI—WORM GEARED MOTOR

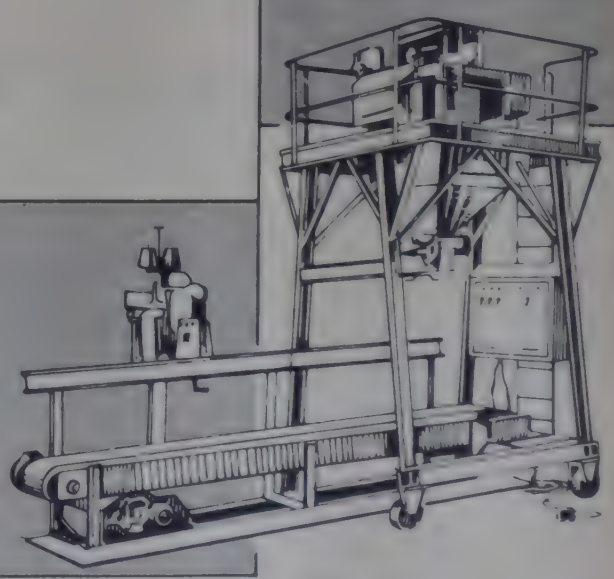


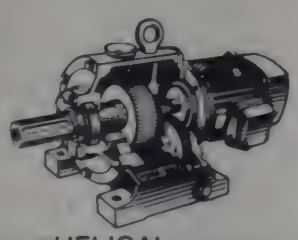
HELI-WORM HOLLOW SHAFT GEARED MOTOR

A RANGE SO WIDE...
THE QUALITY SO RELIABLE...
ONLY POWER BUILD LIMITED OFFERS

WE ALSO MANUFACTURE WAGON/TRUCK LOADERS AND HIGH RISE STORAGE EQUIPMENTS/ORDER PICKERS.

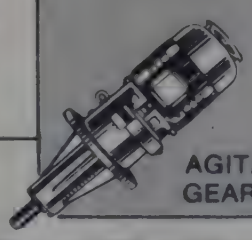
AUTOMATIC WEIGHING & BAGGING MACHINE





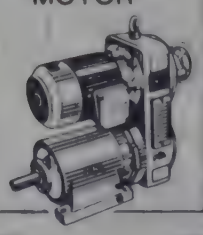
HELICAL GEARED MOTOR

IN-LINE HELICAL GEAR REDUCER



AGITATOR TYPE GEARED MOTOR

PIV GEARED MOTOR



POWER BUILD

GIRDHAR'S IMAGE

POWER BUILD LIMITED

ANAND SOJITRA ROAD, VALLABH VIDYANAGAR - 388 120 GUJARAT TEL. : 7233, 7249 • GRAMS : POWERBUILD • TELEX : 0172-233

SELLING AGENT : **EMTICI ENGINEERING LIMITED** AHMEDABAD PH 23071, BANGALORE 258803, BOMBAY 221315/65, CALCUTTA 285459/289361 (FOR GEARED MOTORS/HOISTS) AND 299118/292287 (FOR OTHER PRODUCTS), NAGPUR 31601, NEW DELHI 3315339/40/41 MADRAS 452237/453497 (FOR GEARED MOTORS HOISTS) SECUNDERABAD 822745 **INTERNATIONAL MACHINERY INC.** MADRAS PH 82633/87823 (FOR OTHER PRODUCTS - TAMILNADU AND KERALA ONLY)

NISHA AGENCIES : BARODA : PH. : 42508 / 42854 (FOR GEARED MOTORS ONLY — BARODA AND SOUTH GUJARAT REGION)

It's CeBIT

HANNOVER MESSE
CeBIT '89
World Center ‹Office · Information · Telecommunications›
8 – 15 MARCH 1989

Time.

communications

The world's largest and most topical display of telecom technology – at Hannover Fair CeBIT '89.

Presented in the overall context of state-of-the-art computer technology.

Showcasing advanced networks, equipment and systems.

Plus the International ISDN Users Congress on 13th and 14th March, 1989.

Office and information systems
CIM – CAD/CAM systems
Production data acquisition
Microcomputers, company-oriented and branch-oriented solutions
User Center for Small Businesses
Peripheral DP equipment
Software, management consulting
Office and organizational technology
CeBIT Banking Center
Security technology
Telecommunications

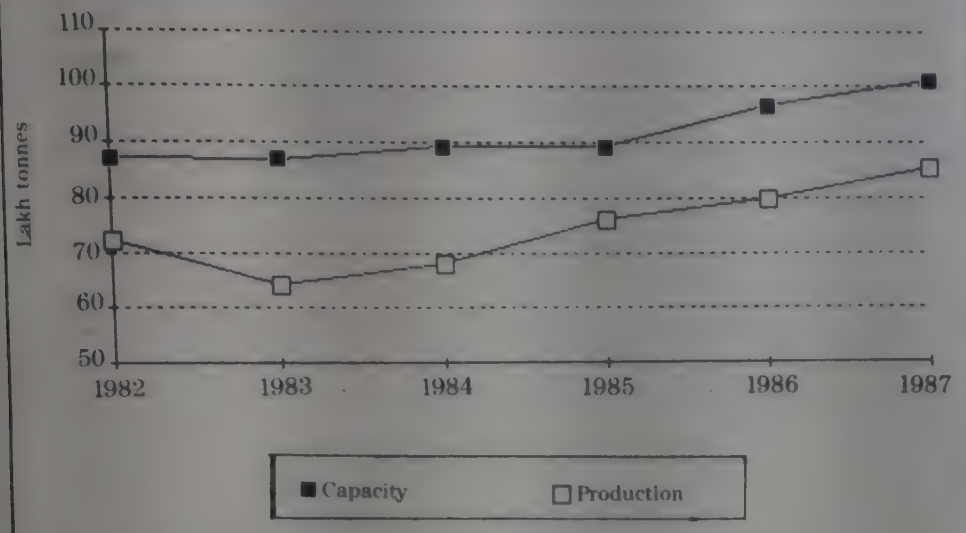
INTERNATIONAL CeBIT FORUM Business with India

For further de
AGFA-GE
• 17, N A. Sa
400 005. Tel
• 18 A Shivaji
New Delhi 1
031 4116
• 2-A, Shake
Calcutta 7
021 225
• 611, A
600 (

rld Center ‹Office · Information · Telecommunications›

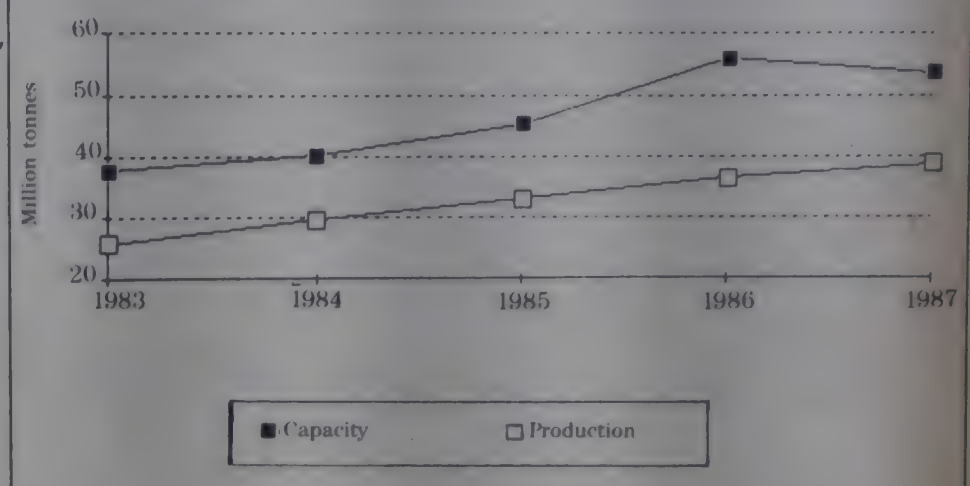
rther information please contact: Indo-German Chamber of Commerce, Maker Towers "E", 1st Floor, Cuffe Parade, Bombay 400005
22) 21 61 31, (22) 21 61 18 Telex: CII-4254 IGCC Fax: 11292

Saleable steel



The capacity of saleable steel in the country has crossed the 10 million tonnes mark in 1987. With the increase in production the gap between capacity utilisation and production has narrowed and currently stands at 84 per cent.

Cement



Cement capacity has risen from 37.8 million tonnes in 1983 to 53.7 million tonnes in 1987, up by 42 per cent. With the rise in capacity, production has also increased by about 9 per cent per annum since 1983, to reach a high of 38.8 million tonnes in 1987. In 1988, cement production is expected to cross 40 million tonnes.

Wholesale price index: The WPI-all commodities has fallen marginally by 0.61 per cent. In the month under review the index for primary articles has been increasing in recent months. The prices of pulses has increased by 7.5 per cent while that of fibres has declined by 5.2 per cent in the month under review. The year has witnessed a jump of almost 50 per cent prices of pulses. Petroleum crude and natural gas prices over the year has fallen by 17.4 per cent during the month. The price of sugar khandsari and gur fell by 12.4 per cent, although on a year to year basis it has risen by 4.4 per cent.

(1970-71=100)

	5 Nov 1988	8 Oct 1988	7 Nov 1987	% change over month	% change over year
All commodities	436.4	439.1	412.3	−0.61	5.84
Primary articles	416.7	412.4	392.8	1.04	6.10
Mfg products	413.0	422.1	390.7	−2.15	5.70

Industrial production index and infrastructure: The industrial production index in July has fallen sharply by 5.1 per cent to 170.9 per cent in July. But it is higher than what it was a year ago. Both steel production and power generation have increased in October over the previous month. There was a marginal fall in production of crude oil in September. It is interesting that all the infrastructure industries have shown a rise over the previous year.

	Latest month	Previous month	Year ago	% change over month	% change over year
Ind prod index (1986-87=100)	170.9(7)	180.10	166.80	−5.10	2.5
Rly. freight (mn tonnes)	22.98(9)	22.71	22.36	1.20	2.8
Crude oil prod ('000) tonnes	2,587(9)	2,653	2,480	−2.50	4.3
Power generation (mn units per day)	591.6(10)	574.4	537.3	3.00	10.1
Coal production (lakh tonnes per day)	4.20(8)	4.23	3.95	—	6.3
Steel production ('000 tonnes)	774(10)	721	709	7.40	9.2
Cement production ('000 tonnes)	3,314(9)	3,298	2,999	0.45	10.5

Figures in bracket indicate month

Consumer price index: The consumer price index for industrial workers has increased by 5 points to 800 in August 1988. The percentage increase is, however, much less than what it was in the previous three months. The index for urban non-manual workers has also increased by 0.7 per cent in August.

	Aug 1988	July 1988	Aug 1987	% change over month	% change over year
Industrial workers (1980=100)	800	795	736	0.6	8.7
Urban non-manual workers (1984=100)	136	135	125	0.7	8.8

Money and banking (scheduled commercial banks): Broad money is up by 1.9 per cent during the month under review. This is the highest increase in recent months. With the rise in M3 there has also been a rise in aggregate deposits and food credit by 0.88 and 0.23 per cent respectively. Food credit is up by 9.4 per cent, but its still much lower than what it was a year ago.

(Rs crores)

	18 Nov 1988	21 Oct 1988	20 Nov 1987	% change over month	% change over year
Broad money (M3)	1,79,771	176,465	153,257	1.90	17.3
Agg deposits	131,436	130,285	112,147	0.88	17.2
Bank credit	75,788	75,612	65,632	0.23	15.5
Food credit	1,198	1,095	3,281	9.40	−63.5
Credit/dep ratio	57.66	58.04	58.52	—	—

Bullion prices and stockmarket index: The prices of gold and silver in the domestic market over the month have risen by 3.2 and 2.0 per cent respectively. Over the year the prices of silver in Bombay and London have moved up whereas those of gold has slumped. The Bombay Stock Exchange index has crossed the 700 mark at 709.65. Within a month the index witnessed a jump of 26 points.

	2 Dec 1988	2 Nov 1988	2 Dec 1987	% change over month	% change over year
Gold (Bombay)	3,235	3,135	3,475	3.20	−6.9
Gold (London)	2,034	1,987	2,055	2.30	−1.0
Silver (Bombay)	6,512	6,382	6,053	2.00	7.6
Silver (London)	2,928	3,041	2,902	−3.70	0.9
Bombay stock exchange index (1978-79=100)	709.65	683.78	427.16	3.88	64.7

The price of gold is in rupees per 10 gms and silver in rupees per kg

OUR AIR-CONDITIONING IS SILENT.
OUR SERVICE IS SILENT.
NEED OUR ADVERTISING MAKE A NOISE?

Silence is the language of efficiency. Observe any of our central air-conditioning plants, packaged air-conditioning units or humidification systems.

Silence is also the hallmark of dedication. Meet any of our 150 committed engineers.

And finally, silence is also the sign of satisfaction. Even a single dissatisfied customer can make more noise than the collective smiles of our 500 satisfied customers in India and abroad.

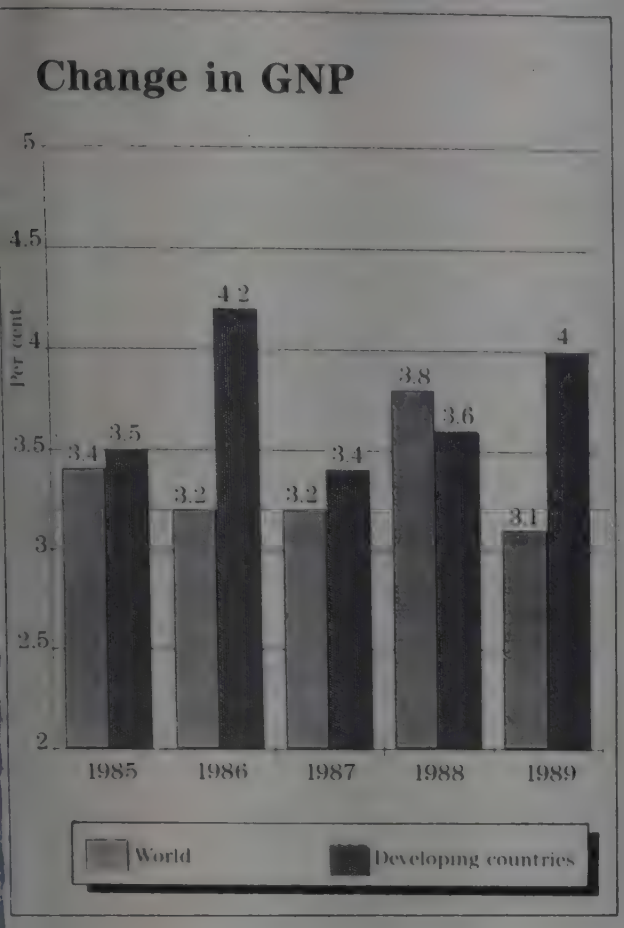
No wonder, we'd like it more if instead of the trumpet, you heard the pin.

For further details, contact: **Batliboi & Company Limited**, Apeejay House,Dr. V.B. Gandhi Marg, Fort, Bombay-400 001. Telex: 011-2284 4852. Fax No: (91-22) 2871558. Offices: ☐ Ahmedabad ☐ Baroda ☐ Bangalore ☐ Calcutta ☐ Coimbatore ☐ Delhi ☐ Ernakulam ☐ Indore ☐ Jaipur ☐ Jamshedpur ☐ Lucknow ☐ Ludhiana ☐ Madras ☐ New Delhi ☐ Patna ☐ Pune ☐ Secunderabad ☐ Vijayawada. Manufacturing Division: Udhna (Surat).

AIR-CONDITIONING &
REFRIGERATION DIVISION

BATLIBOI

For a century,
the engineers' engineers.



Under control

The performance of the world economy in the past two or three quarters has been rather satisfactory. All three parameters output, world trade and inflation are under control. This was the summation of the World Economic Outlook published by the International Monetary Fund (IMF).

In the developing countries, economic activity was stronger than estimated in 1987. Growth in 1988 and 1989, according to revised estimates will be around 4 per cent. But this growth performance is expected to vary considerably, according to the report. The impact of low growth rates will be felt more in fuel exporting countries because of the fall in the price of crude, which is expected to remain low even in 1989.

The countries that are benefiting most from the demand growth in industrial countries are those that are exporters or manufacturers.

Growth in the newly industrialised countries such as Singapore, South Korea, and Taiwan is going to be in the region of 8 per cent. The report is also optimistic about the growth rates in India and China. Among the developing countries in Europe, only Turkey's growth rate is projected to average 5 per cent in 1988-89, largely due to strong exports. On the other hand, growth rates in East European countries will be rather modest because of serious domestic adjustment problems and also rapid inflation.

The Asian primary product exporting countries have done well because of higher commodity prices. But the reverse is true in the case of African countries because of adverse terms of trade development and a narrow export base. Many of the African countries depend on just two or three and in some cases even one commodity as a major export earner. But there are a handful of countries like China, Kenya and Morocco that are expected to achieve growth rates of 5 per cent or more.

It is interesting to note that India is classified as a country whose exports of manufactures accounted for over 50 per cent of total exports. This list includes other countries such as the Asian tigers Singapore, South Korea, Hong Kong, and Taiwan among others. Only a decade back India was classified as a primary product exporter.

Much of the economic malaise of the developing countries in the western hemisphere is due to a delayed policy response to inflation. A case in point is Brazil, where output growth is projected to slow down to one per cent in 1988.

The fuel exporting developing countries are also facing a difficult situation. This is mainly due to falling oil prices, rising import costs and a high debt burden.

The industrial countries have also maintained economic growth. The current expansion which is now in its sixth year is exceptionally long by historical standards. Real GNP in the seven major industrial countries is expected to have increased at around 4.5 per cent over the year up to June 1988. But growth in 1988 is expected to be around 3.9 per cent due to a slow down in the latter half of 1988. However, because of high capacity utilisation in manufacturing in the seven countries — Japan, USA, UK, Canada, West Germany, Italy and France — there is the possibility of overheating in the economy which could result in inflation. But with the tight controls over monetary and fiscal policy to curb demand the danger of hyper inflation is remote.

For developing countries total debt outstanding is still a major problem and at the end of 1987 stood at US $ 1,218 billion. But due to growth in exports the aggregate ratio of debt to exports has declined from 169 per cent at the end of 1986 to 158 per cent at the end of 1987.

The encouraging thing is that both in the developing and industrialised countries economic policies followed by the respective governments are positive. Many countries have embarked on a structural adjustment programme that will combine measures of "fiscal coordination"and "monetary control" to bring about price stability and growth.

■

ASPI CONTRACTOR

ABU DHABI · AL-FUJAIRAH · AMMAN · ATHENS · BAHRAIN · BANGKOK · BOMBAY · CAIRO · COLOMBO · DAMASCUS · DAR ES SALAAM · DELHI · DHAHRAN · DHAKA · DOHA · DUBAI · FRANKFURT · HONG KONG · ISTANBUL · JEDDAH · KARACHI · KHARTOUM · KUWAIT ·

A SCHEDULE THE BUSINESS WORLD CAN SET ITS WATCH BY.

At Gulf Air, we adjusted our schedules and increased our frequency to fulfil the needs of the business world.

Our take-off and arrival hours are designed to give the business traveller the advantage of making the most of his time — the most precious business commodity of all.

And whether it's your work or your sleep you want to catch up on along the way, we give you the space and tranquillity for you to do either in complete luxury.

daCunha/GA/8/88

طيران الخليج
GULF AIR

A TRULY CIVILISED WAY TO FLY.

SHARJAH · SANAA · SALALAH · RIYADH · RAS AL KHAIMAH · PARIS · NAIROBI · MUSCAT · MANILA · LONDON · LARNACA

A people-oriented framework

PARTHA GHOSH

Publicly available information indicates that the Eighth Plan — which is admittedly more progressive than its predecessors — nonetheless suffers from many of the same shortcomings as previous plans. Unless we are content to repeat the mistakes of the past, and allow India to remain in a low-growth mode, we must take steps to reform the fundamentals of the five-year planning process itself. It is particularly important that we adopt an economic model and/or strategic framework which takes into account India's competitive strengths and weaknesses, as well as the needs and aspirations of its diverse population.

Success stories around the world have proven that externally oriented micro-economic strategies based on a country's competitive strengths and weaknesses are most effective in channelling people's energy into nation building activities. Economic strategies and plans in Japan, the Asian NIEs, ASEAN and more recently China are all driven by micro-economic realities. In the same spirit, after some initial trial and error, Mikhail Gorbachev's *perestroika* movement has made major progress by focusing on micro-economic realities in designing and implementing reforms. Globalisation of industries, technologies, and most importantly, capital markets, are making conventional macro-economic aggregates less and less relevant as countries draw up their economic plans.

In adopting a new strategic framework, India too must end its reliance on traditional macro-economic aggregates, and look instead to more realistic micro-economic variables. Furthermore, it must find ways to increase its understanding of the habits, needs and aspirations of Indian people at different economic levels. Finally, it needs to agree on a strategic framework which is people-oriented, builds on our competitive advantages, and aims at systematically removing the constraints on faster growth.

Erasing the delusion

Steeped as they are in the Keynesian tradition, macro-economic policymakers have a difficult time working with variables smaller in size and scope than the gigantic figures for gross national product, money supply, aggregate ICOR, savings rate, aggregate demand, and so forth. Policymakers tend to believe that these parameters capture the real essence of economic life, forgetting that they are nothing more than aggregates of micro-economic results documenting collective and individual economic behavior.

In order to escape the "aggregate trap" and bridge the "perception gap", we must begin our strategic thinking and planning at the industry level. For each industry, we must first identify the key factors for success, and then assess our competitive edge vis-a-vis the most competitive nations in relevant industries. In order to carry out this exercise, we must first examine the profit/loss and asset/liability structure of the most significant companies in the most competitive nations.

If, for example, we want to develop a globally competitive automotive industry, we must first understand the cost structures of the Japanese, Korean, and Yugoslav automakers. If we wish to build a globally competitive textile and garment industry, we must analyze leading textile and garment companies in Taiwan, Korea, Hong Kong and China. Likewise, if we want to focus on agro-based industries, we must turn to the major agro-business players in China, Thailand, Philippines, Malaysia, Indonesia, Argentina and Brazil.

Well-informed decisions

Through this process, we will be able to come to grips with true micro-economic forces, and then make well-informed decisions on which areas we wish to pursue, based on our current or potential competitiveness. After that, we can design various incentive programmes to channel entrepreneurial initiatives and financial resources into the priority areas.

In addition, in order to remove the "rate determining constraints", we should develop what could be called "perpendicular policies". As the name implies, these policies should function perpendicularly to mainstream industry-specific policies, facilitating efficient use of capital, entrepreneurship, management skills and resources in the priority areas. For example, if the ICOR appears lower than desired for several priority industries, specific productivity improvement programmes need to be designed to be implemented nationwide. Similarly, perpendicular policies should include initiatives to improve savings rates, promote industrial discipline, and so forth, to ensure effective execution of industry-specific strategies.

Before we draw up a new economic framework, we must develop a clearer and more pragmatic focus on our own people. Instead of working with generic statements such as "social equality", the Indian government needs to develop insights into the economic habits and aspirations of its citizens in order to set appropriate national objectives.

Communication at all levels

We need to identify innovative ways to communicate with people at different economic levels, tapping their ideas about the future, their opin-

The author is a Principal, McKinsey & Company, Tokyo, Japan

The Kirloskar Electric Challenge Series

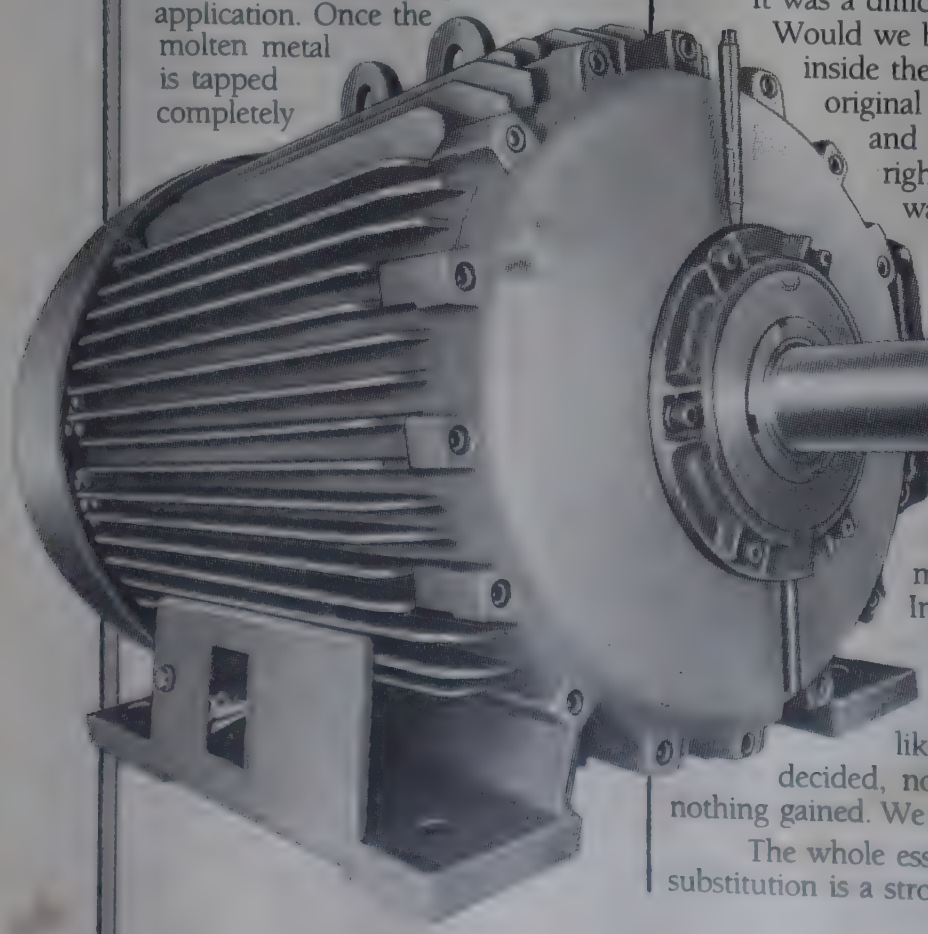
Sure, you know that Kirloskar Electric is a leading manufacturer of AC motors in India.

But did you know that Kirloskar Electric designed and developed the replacement for Russian mudgun motors with hardly any specs for the first time in India?

The story of the mudgun motor we supplied to the Bokaro Steel Plant is one of bizarre coincidences. But the moral of the story is clear: there is more to the specifications of a motor than just the rating.

Some time back, Heavy Engineering Corporation obtained our standard 50 kW motors for the Bokaro Steel Plant through one of our agents. Some time later a Kirloskar Electric technical team held a seminar on the selection of motors for specific applications, at Bokaro. By chance, the Bokaro engineers asked them about the suitability of the standard 50 kW motors for mudguns. This was the first time we learnt what job our motors were supposed to perform.

Mudgun motors as you know are for an extremely specialised application. Once the molten metal is tapped in a blast furnace, a mudgun has to seal the outlet with wet clay instantly. A failure of the mudgun motor can be disastrous.



Our engineers pointed out that mudgun operations require motors of a highly specialised design since these motors require an extremely high torque for short periods. They work with multiple starts and stops in high ambient temperatures. They also have to withstand extended stalling conditions because of the sticky nature of the clay.

We explained that it would take a few months to design a new motor. Would they still be interested? They said yes but they added that there were hardly any specs available. It was their turn now to ask "Would we still be interested?"

It was a difficult question. Would we be able to get inside the minds of the original Russian designers and draw up the right specs? And that was not all. Even the mounting dimensions of the Russian motors had to be adhered to. These motors had never been manufactured in India. Were we then rushing in where angels fear to tread? Quite likely. But, we decided, nothing ventured, nothing gained. We said yes.

The whole essence of import substitution is a strong and experienced engineering team with the patience and the commitment to work for years till they design and manufacture an identical replacement for the original. Plus one other critical factor: the total involvement and continuous guidance of the customer. We were lucky. We had both.

We went back to the drawing board and designed a completely new motor to meet the special requirements of this application. Our new mudgun motor has been working faultlessly since then.

All the trouble we took was well worth it. Because Bhilai Steel Plant and others placed orders with us for similar motors.

What, you may well ask, makes us take on such challenging jobs that others won't touch? The truth is standard motors — small, medium and large — are our bread and butter. We make them with an enormous amount of care because our livelihood depends on them. But it's the really tough jobs that give us our kicks. We don't just thrive on them, we need them to feel alive. What we are doing is developing technological muscle and invaluable expertise and experience. It saves the country crores in foreign exchange. And it does wonders to our self-confidence and the confidence our customers have in us. They know that when nobody else can do the job, Kirloskar Electric will.

KIRLOSKAR ELECTRIC COMPANY LTD

Regd. Office: Industrial Suburb, Rajajinagar, Bangalore 560 010.

When nobody else can do the job, Kirloskar Electric will.

Prabha/KEC 25/88

ions about the present, in short, their hopes and their frustrations. Given the low level of literacy, an economic questionnaire would be a poor choice for gathering the required data and stirring the right response. Instead, we should mobilise our high school and university students to conduct one-on-one interviews with people at all economic levels — a sort of "national economic poll". This approach would not only guarantee feedback from people at every level of society and make them feel that their views matter, but would also spark widespread interest in the new, future India and give educated Indian youth a better understanding of the large section of our population which is underprivileged. Furthermore, if we can reach out to people in this way, and make an effort to collect and record their ideas, we should be able to design specific incentive programmes, rehabilitation programmes, and fiscal and monetary instruments to make different population segments active participants in the nation's economic life. It is clear that we need to arouse the enthusiasm of the Indian people, and give them the tools they need to push forward.

If properly organised, the national economic poll would provide, for the first time in the history of India, a "census" of the people's views and aspirations about their own future. It could very well bring about a fusion of different perspectives — a unity of spirit — for a common cause. Both in the short and long term, this poll would prove enormously valuable to India. Japan and a few other Asian nations have carried out similar polls (although not with the help of students or as extensively as proposed here) with considerable success. Now, it is our turn.

Working with the framework

The new strategic framework should first explore how India could link itself with the rest of the world, and then determine how to work with different segments of the population to realise our full potential in the global economic system.

For example, for major economic/industry policies, we could divide our people (both at home and overseas) into the following ten segments based on economic activity/status: owners of large businesses, owners of small and medium size businesses, government bureaucrats, middle class salaried persons, semi-skilled workmen, unskilled rural dwellers, unskilled urban dwellers, students, non-resident Indians who are owners of businesses, and non-resident Indians who are professionals. A sound industry strategy would include fiscal and often "perpendicular" policies which would mobilise all ten segments appropriately. Of course, different population segments would play different roles in the execution of each industry-specific strategy. For example, to support agro-based industry policies aimed at small and medium businesses, we would need to focus on semi-skilled and unskilled labour in rural areas. To develop our software industry, we must design incentives which specifically appeal to our middle-class, to small and medium sized entrepreneurs and to non-resident Indian professionals.

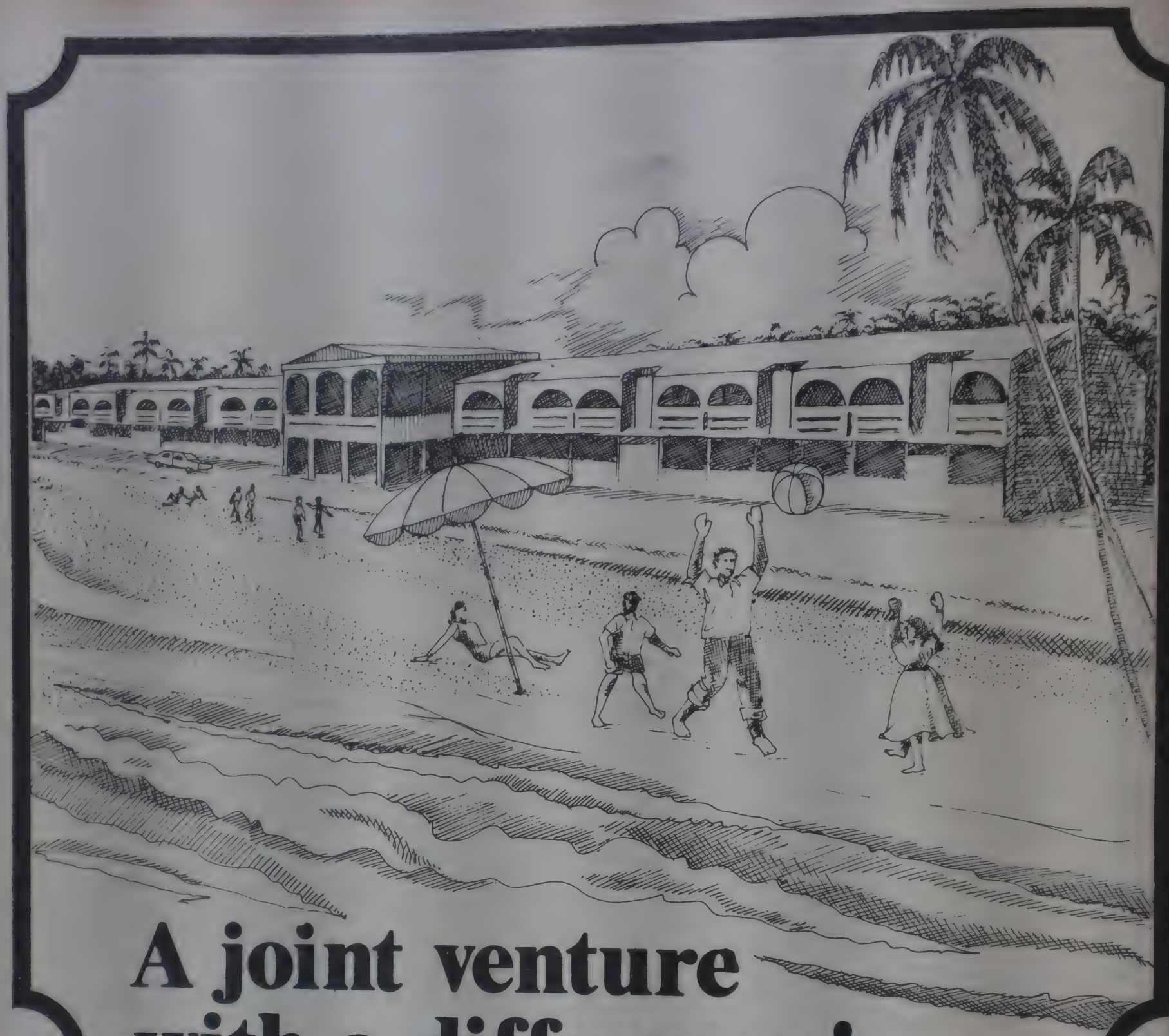
The idea would be to draw our people and our priority industries into an integrated strategy for human resource utilisation and skill development. After all, our own people are our biggest asset base. But they must be properly managed and encouraged if they are to help, rather than hinder, the successful execution of national economic strategies.

In order to ensure that our people can make the most effective contributions to building the economy, we also need to consider the logistics of "people movement" between urban and rural areas and within each commercial centre. Having expensive professionals, government bureaucrats and industry leaders waste 40 or 50 per cent of their time in urban traffic jams, stand for hours in queues waiting to buy tickets or secure approvals, etc, is an enormous drain on our scarce national resources.

Improve infrastructure

The problem stems from lack of people-oriented infrastructure planning, the inadequate commitment of our bureaucrats to the realities of micro-economics, and the legacy of the past British rule (which focused on controlling, rather than catalysing). In the past 40 years, very little has been done in cities like Bombay, Calcutta and Madras to accommodate the common man's logistics. As the population of these cities has increased four-to-fivefold, crowds have spilled over onto the roads, business centres, stations, and ports, clogging the flow of high value-added economic activities. And the continued reliance on labyrinthine approval processes and burdensome paperwork only slows our progress further. Rather than throwing up our hands and continuing to perform in a mutually hindering way, we need to take steps to improve our infrastructure, so that we can all work together in a mutually co-operative and reinforcing way.

In summary, the approach proposed here emphasises on an understanding of the fundamentals of industries and the basic needs and aspiration of our people, and taking steps to develop macro-economic policies which take those micro-economic realities into account. By being sensitive to our young and old, and privileged and unprivileged, by selecting priority industries, and by removing infrastructure obstacles, we can pave the way for a more and more dynamic Indian economy. ■



A joint venture with a difference !

KSTDC invites private sector participation in the Malpe Beach Resort Project.

Situated about 70 kms from Mangalore and just 6 kms from Udupi on the western coast of Karnataka is Malpe. A peaceful haven amidst sun'n' sand. And in this tropical paradise is the sprawling structure of the Malpe Beach Resort. Almost ready for use. With a backdrop of swaying palms and a panorama of golden sands and blue seas. An ideal holiday place for lovers of sun and sand. With the picturesque St. Mary's Island just 3 kms away. Where KSTDC is acquiring land to be developed as a tourist spot.

Covering an area of 3½ acres, this project envisaged as a 3 star hotel, has 48 double bedrooms, a conference hall, shopping arcade, swimming pool and dining and kitchen blocks. The civil work has been completed. Flooring, electricity and sanitary fittings remain to be done.

KSTDC is looking for entrepreneurs to help develop this complex which has great tourist potential. Joint venture conditions are negotiable. Sale or lease can also be considered. Interested parties may please contact:

The Managing Director
Karnataka State Tourism Development Corporation Ltd.
10/4 Kasturba Road, BANGALORE – 560 001
PHONE: 578901 2 3

Over to Madras

Gandhi: whistle-stop TN tours

The enormous efforts being expended on Tamil Nadu by the Congress Party are the direct result of prime ministerial enthusiasm for the assembly elections that are due there soon. The number of visits, six or is it seven so far, of considerable duration, made by the leader-maximus, is of course an obvious indication of how seriously the election there is being taken. And, as expected, various Congress MPs have been making frequent and long trips to their constituencies. The visits, which will no doubt inspire an electorate unused to such ministrations, are of course most visible and energetic where there are plans for a prime ministerial sortie into the area or constituency.

Backing such activity of the purely physical variety are a series of measures on the economic front. The governor, P.C. Alexander, had of course set the ball rolling by a dose of economic incentives that had been warmly welcomed by the people. Industry in Tamil Nadu had for long felt the cold shoulder of Central indifference. This indifference backed by local entrepreneurial diffidence, had seen the state gradually slip in industrial ranking over the last decade. Given the recent spate of tax breaks and other fiscal inducements, fresh investments and new start-ups are likely. Though this may take a while to fructify, there is no doubt that the looming elections have played a role in energising the economy of Tamil Nadu.

The new Madras petrochem project has been awaiting the last few nods from New Delhi and may be honoured with prime ministerial blessing in the near future. There is also news that business houses like the Birlas are contemplating fresh investments in the state. All of which could augur well for Tamil Nadu, where for the last few years attention has been centred mostly on the activities of the Tamil Tigers in the Sri Lanka insurgency.

But economics is hardly likely to be the driving force in the election in Tamil Nadu, when it is announced. While the Congress Party in the state has never had the machinery to win elections and form the government, this time round a major effort is said to be on to get the hustings on an organisational basis. While this seems to be the official party line, the evidence so far suggests though that Rajiv Gandhi is once again attempting the personal charisma card and using his whistle-stop tours to ensure maximum personal exposure. And, matters of policy, like electoral alliances and such like, remain on the back burner.

Whether the Tamil Nadu elections will be the harbinger of a national election, whether the party will be able to bear a defeat, whether Rajiv's personal magic can afford a drubbing and who will finally form the government, are the questions that now hang heavy in the air — both at the Centre and in that state.

Patent pressure

Pressure on the patents' front had begun to mount in New Delhi, well before the current meeting in Montreal of ministers from developing and developed countries. Though the meetings have a larger canvas than just the issue of patents, there has been much worry in New Delhi that loal industry may get anxious over the government's stance on the vexations patents policy. That explains to an extent the public pronouncement last week from ministerial quarters that India was not on the verge of buckling under pressures on the intellectual property front.

Ministerial reassurances, however, have come rather late. Most watchers of the situation were aware that a senior US administration official was in New Delhi last month to do some not so gentle arm-twisting. On one visit to a senior secretary the official was ticked off rather sharply for making the suggestion that economic sanctions on the trade front were perhaps inevitable against countries that did not toe the US administration's line. The visiting US official had to be reminded rather brusquely that India did happen to be a sovereign country that had to decide such issues on its own terms.

The worries that dog Indian industry on the subject are however on account of the fact that such a vein of dogged nationalism does not run consistently through the bureaucracy. Sources in New Delhi suggest that the commerce ministry is one area where official thinking seems to be veering towards a softening of India's rigid stand on the patents' issue.

Though commerce minister Dinesh Singh, currently in Montreal, is an old hand at the GATT negotiation game, the precise stance that India is likely to take is still not very clear. To make matters worse, it is understood that within the prime minister's secretariat too there are doubting Thomases who believe that a flexible approach is essential if India is not to incur the wrath of the US.

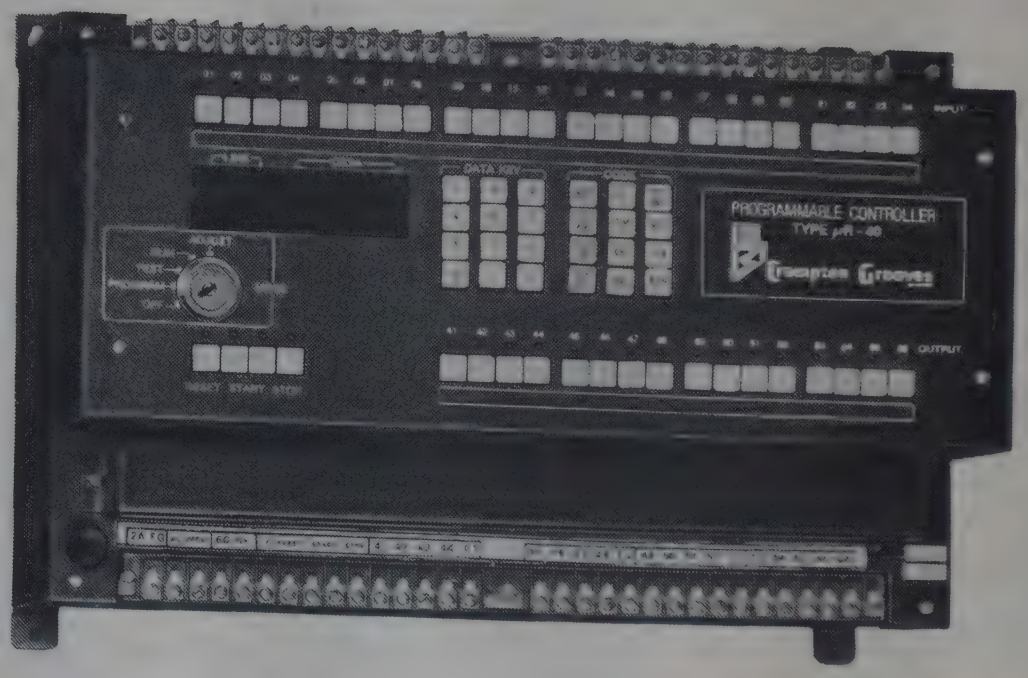
For the moment though, there seems to be sufficient official insistence that developing countries like India deserve special treatment where patents are concerned. The industry ministry in particular seems to be conducting itself with remarkable doggedness in the matter, and no wholesale sellout is likely to occur. And, though patents and complex issues surrounding intellectual property are unlikely to be a popular election issue, given the current political scenario the Rajiv government is expected to tread cautiously in these areas for the moment.

■ DILIP CHERIAN

Crompton Greaves

If your process demands high quality output with minimum downtime

Let Crompton Greaves Programmable Controllers take over!



Crompton Greaves introduces Programmable Controllers to co-ordinate all pre-timed, logical and sequential operations. With a wide range of input-output devices and a dedicated programming module that enables you to reconfigure your system to suit changing process requirements.

The power of Programmable Controllers

A single, compact Programmable Controller, the size of a suitcase, can replace upto 50 relays and its intelligent hardware understands user-friendly ladder diagrams.

Now you can time your production process to optimise efficiency and productivity.

Programmable Controllers reduce maintenance effort and save on power and space. They are expandable and programmable for a wide range of applications like process industries, sugar, cement, steel, packaging, machine tools, fertilizers and more.

However complex your process requirements, there is one to suit your need — from stand-alone 40 input-output units to modular systems upto 2048 input-outputs.

To offer prompt and effective service to our industrial clients, we would like to appoint value added system houses or technocrats, all over India. Interested parties please contact us immediately.

Mail this coupon to our address given below.

Crompton Greaves Limited
Industrial Electronics Division
58, MIDC, Satpur, Nasik 422 007
Tel.: (0153) 30394 Telex: 0752-246

I need further information on Programmable Controllers.

Name : _____

Designation : _____

Address : _____

_____

The Thapar Group

The leaders in electricals, now into electronics.

Crompton Greaves Limited

ULKA-CG-IED-2-87

BHOPAL LITIGATION

Still running around in circles

The four-year-old litigation of compensation claims arising from the December 1984 Bhopal gas disaster has entered a critical phase with proceedings having finally been transferred to the Supreme Court. A five-judge bench headed by chief justice R.S. Pathak is currently hearing cross appeals by the principal parties to the suit, Union Carbide Corporation (UCC) and the government of India. The appeals are against an order of the Madhya Pradesh high court holding UCC liable for compensating the victims and ordering the corporation to pay 'interim damages' of Rs.250 crores, pending a fuller determination of the compensation due. UCC has challenged the order as arbitrary and as a pre-judgement of issues that have yet to be tried; the GOI has sought to restore the higher amount of Rs.350 crores awarded by the Bhopal district court last December as 'interim relief', but without prejudice to the question of liability.

If the question of interim relief has dominated proceedings over the past year, to the exclusion of every other issue in dispute and has brought the case to a virtual standstill, it is for good reason. A curious paradox in the Bhopal litigation is that while the plaintiffs have a strong case against Union Carbide, they singularly lack the means to enforce their claims against the defendant corporation. It is widely recognised that the victims, for the most part, lack the resources to pursue a legal remedy on their own or for that matter, even sustain themselves through prolonged litigation without material assistance.

Only partly solved

With the enactment of special legislation, empowering the government alone to represent the Bhopal victims, the problem was partly solved. However, the government, for reasons best known to itself, refused to accept the concommitant responsibility of providing for them till they had been adequately compensated for their loss of health and employment. By substituting itself in place of the individual victim the government has effectively bound him to whatever choice it makes in respect of both the level of compensation sought and the means adopted to secure it.

If the government opted to litigate the claim rather than compromise it for some immediate recompense, it was duty-bound to sustain him for the duration. The government's failure to acknowledge this responsibility has gradually undermined its claim to represent the victims and in turn, compelled every court that has to date entertained the suit, to recommend a quick settlement as being in the victims' best interests.

Attempts to settle the claims out-of-court have, however, come to naught. Union Carbide's top offer of $ 615 million, reportedly made last December, might have been acceptable to the government, but the two sides couldn't agree to a payment schedule. In the event, the judge then presiding over the case, M.W. Deo had little choice but to initiate trial proceedings. But, first, he had to ensure that the victims were suitably provided for till such time as all issues were satisfactorily resolved.

Interim relief

The government claimed it had already spent the equivalent of $ 87 million on relief and litigation; Union Carbide had publicly offered $ 350 million to settle the case without its going to trial. When the two parties were unable to come up with a satisfactory scheme of interim relief, Judge Deo took it upon himself to do so. UCC, he decreed, would pay $ 270 million as 'reconciliatory interim relief' without prejudice to its defence in the suit and this sum would be either adjusted against or recovered from the amount finally decreed.

UCC appealed Judge Deo's order as a 'judgement without trial' arguing that the award of such a large sum against one of the parties to the suit amounted to a *de facto* determination of liability and a decree of damages. Justice S.K. Seth of the Jabalpur high court upheld UCC's plea that Judge Deo had in fact exceeded his jurisdiction in awarding what amounted to damages under the guise of interim relief. (In fact, he later accepted UCC's contention that Judge Deo was 'biased' and actually removed him from the case).

Instead of reversing the interim relief ruling and getting the hearing restarted, Justice Seth proceeded to summarily try the case himself! Applying the principle of absolute liability established by the Supreme Court in the Sriram case, Justice Seth found UCC *prima facie* liable in the Bhopal case. Its 50.9 per cent equity holding in its subsidiary, which operated the plant in question, was sufficient to directly implicate UCC, he argued. Finally, borrowing a convenient UK statute, he decreed that UCC would have to make a down payment of Rs.250 crores or $ 195 million (which curiously equals the corporation's insurance cover) as 'interim damages' pending a more accurate determination of damages.

Thus the case before the Supreme Court includes all the crucial elements involved in the Bhopal litigation, whether the principles governing liability or damages, the procedures to be adopted in the trial of the case or the enforceability of a final decree. Were it to uphold the absolute liability standard, the Supreme Court would still have to determine the standard of compensation applicable as well as the procedure to be followed in evaluating over 500,000 claims.

Thus far UCC has refused to commit itself as to whether it would be bound by the Supreme Court's decision, and the bench has also chosen to ignore the Attorney General K. Parasarn's plea that UCC first furnish such an undertaking. But even so, the court has been given an opportunity to place the case as a whole on a firmer foundation, by looking to the victim and to his immediate needs.

The challenge before the Supreme Court lies in ensuring that the Bhopal victim is not subjected to undue privation in the name of seeking compensation and fixing liability. The government can be compelled to meet the entire relief needs of the victim population as a condition to its pursuing the case against Union Carbide. But equally, it is for the court to guarantee that the Bhopal victim is not denied his right to a legal remedy only by reason of his poverty.

The government having arrogated to itself the right to seek justice for the victims, clearly hasn't been very effective. In the meantime, as time passes, interest in the case gradually wanes both in India and overseas. There is the greatest likelihood that this case will then be just one other case in our law courts.

One only has to ask, what would have been the outcome to date had the disaster occured in the west, to realise how little has been done so far for the victims.

Oswal: capital market savvy

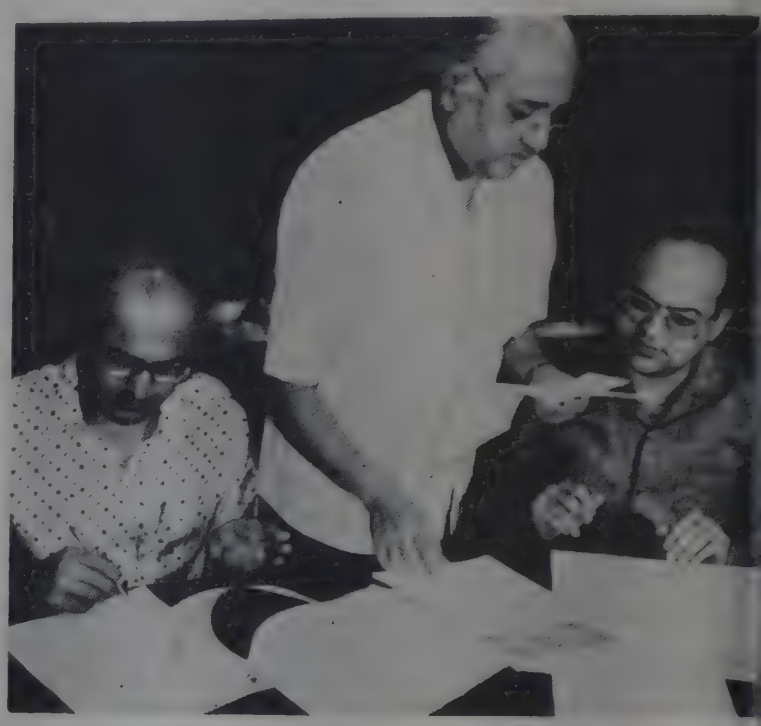
THE OSWAL MAGIC

Will it last?

The rapid growth of the Ludhiana-based Oswal group, engaged in the agro-based industry, demonstrates that managing projects has become as important as managing corporate finances. The recent entry into petro-chemicals will put to the test the managerial capabilities of Abhey Oswal and his team in a different environment

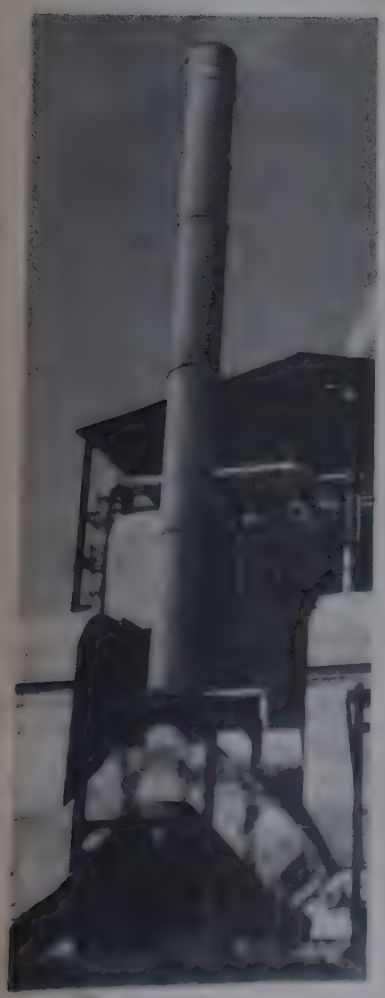
It wasn't exactly a party, but the atmosphere was certainly festive in the UCIL chairman's suite at Mehta Mahal Bombay, on 27 November. On that day at 6 in the evening Vijay Gokhale, chairman and managing director of UCIL (Union Carbide India Ltd) and Abhey Oswal, chairman and managing director of Oswal Agro Mills Ltd (OAM) signed a formal agreement transferring the assets of UCIL's petrochemical plant at Chembur, north-east Bombay to OAM.

The event marked the formal entry of Ludhiana's best known company into the petrochemical industry which many consider a goldmine. An acute shortage of end-products — ethylene, PVC, HDPE, LDPE among others — has driven prices through the roof in India and abroad.



Ghokale (UCIL) and Oswal: historic deal

The deal was clinched a month ago when OAM made corporate history by successfully bidding through a tender for the Chembur plant and paying the entire purchase consideration of Rs.58.5 crores out of its own coffers. "This is perhaps the first time that any company in India has bought assets in this open manner," Oswal had proudly proclaimed to a gathering of journalists in Bombay in October.



Boiler plant of Oswal Agro Furane

Some view the acquisition as questionable: "A too high a price for such an old plant with a book value of Rs.7 crores for which Reliance had offered Rs.30 crores in 1984," says one analyst. Insiders have a different view. They say it is a good deal. Comments a UCIL executive, "Take any existing petrochemical plant in the private sector, Herdillia, Nocil — they are of similar vintage. This is the quickest route for a new entrant into petrochemicals — no licence, no hassles of putting up a greenfield project, no delays, no gestation period." And, as one manager says, "There is also a lot of potential after modernisation." Depending on what the new owners want to do with it, additional investment could range between Rs.5 crores and Rs.150 crores.

Another feather

Coming after the inauguration of the Rs.51-crore complex agro-furane plant in the Sangrur district of Punjab in the last week of October (albeit after a year's delay which Oswal says was unavoidable given the complex nature of the plant), this was one more feather in Abhey Oswal's already much-adorned cap. Oswal Agro Furane Ltd was set up as a joint venture company with the Punjab State Development Corporation. It gives corporate analysts more evidence of the 39-year- old Oswal's obsession with commodity — based projects combined with capital market savvy. Comments Sam Palia, executive director, IDBI. "I visited the plant and was thoroughly impressed. The project conception is very good, with furfural (that will be 100 per cent exported) being a very small part of the project." And all waste matter is used. Spent rice husk after extracting furfural will supply the plant's 5.5 MW power requirement. Similarly rice bran will be used to make rice bran oil and the deoiled cake, a residue of the oil extraction process, will be sold outside.

The Oswal group (not to be confused with Oswal Woollen Mills Pvt Ltd and associated companies managed and controlled by Vidya Sagar Oswal and R.C. Oswal, father and uncle of Abhey Oswal) has become the cynosure of the investing public in just six years. It comprises three companies: Oswal Agro Mills manufacturing toilet soaps, vanaspati in bulk packs and sugar, Bindal Agro Chem making soya oil and soon to embark into the production of LDPE from alcohol once the recently acquired IEL plant at Rishra begins

roduction, and Oswal Agro Furane.

Since the time the flagship company Oswal gro made a maiden public issue of Rs.1.13 rores in 1983, the group has returned to the apital market ten times either through rights or ublic issues of convertible debentures and quity shares. The total collection of money from he public was Rs.166 crores including a fat remium of Rs.60 crores. Passage to the vast eservoir of public savings became smoother ith every offer of capital, for Oswal "saw rapid rowth by increasing my family of shareholders nd taking care of them, which philosophy my ather and brothers did not share".

onvincing success

oday, OAM, Bindal Agro and to an extent the ascent Oswal Agro Furane scrips, though not he hottest on Dalal Street, have certainly be- ome some of the most controversial scrips/ ompanies. The sweeping success of the group as caused wonder and envy among a large umber of stock brokers, investors and other orporate analysts.

The Oswal magic has produced returns to hareholders at a blistering pace. Rs.1,000 in- ested on OAM in 1983 has multiplied into s.1,35,000 in July 1988 at current market prices.

Singhania, Oswal and Kaul: good business opportunity for banks

If the share prices of the three companies are quoted many times above face value, the reason is simple: the companies have produced results which have left the competition gaping.

During the year ended 30 July 1988, OAM reported a turnover (unaudited) of Rs.197 crores and net profit of Rs.15 crores. Bindal Agro Chem's turnover during the year ended 31 December 1987 was Rs.54 crores, with a net profit of Rs.4.5 crores. This does not reflect the contribution of the newly-installed vanaspati plant. Add to this the potential sales and profit contributions from the LDPE unit at Rishra which was

World's largest paddy processing plant

INDIA'S UNIQUE GRANITE PROJECT

Total Technology upgradation

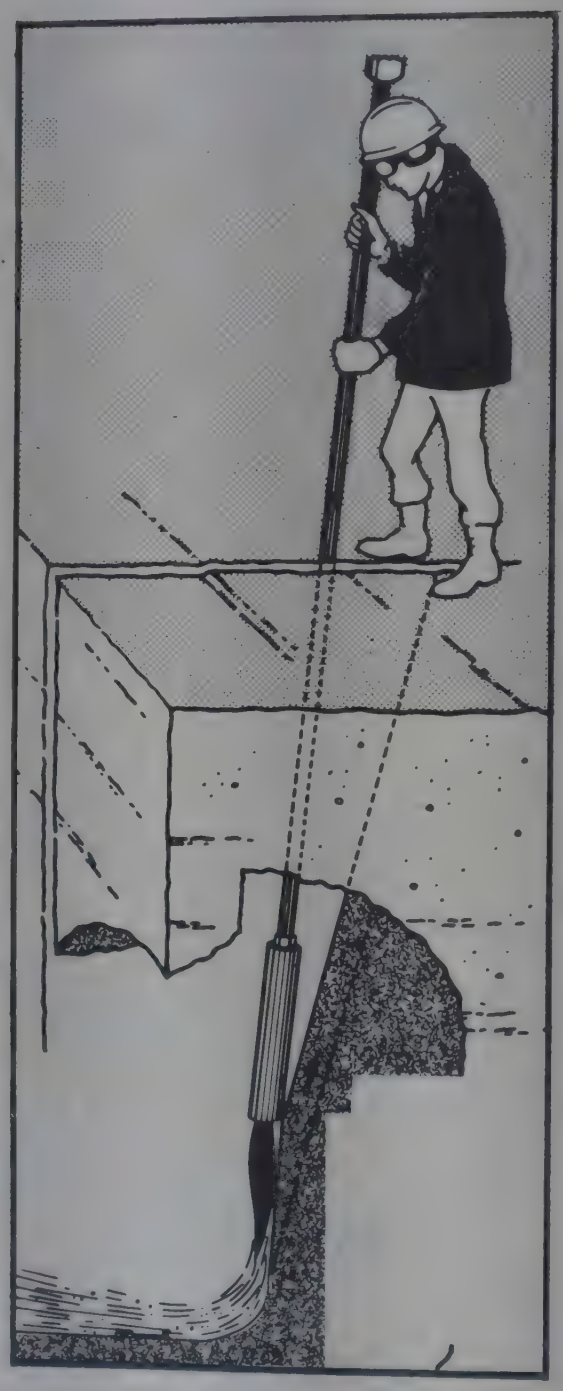
INDIA'S UNIQUE GRANITE PROJECT: JOHNMEYERS is an unique granite project with total technology upgradation planned on par with industrially advanced countries. The company has entered into a technical collaboration agreement with Carl Meyer GMBH & Co., West Germany, who are internationally renowned for advanced stone working technology, equipment and allied services. Under this agreement, Johnmeyers will establish the most modern granite processing plant in the country. Johnmeyers has already concluded a purchase contract with Pellegrini Meccanica SPA, of Italy, who are world leaders in the field of integrated quarrying technology; having erected plants successfully in over 54 countries the world over. Under the direct supervision of Pellegrini, Johnmeyers will erect India's first fully mechanised granite quarry which is expected to go into stream shortly.

LARGE RAW MATERIAL ASSET BASE: Black granite is a scarce raw material in the world. Johnmeyers possesses 14 quarry sites of which 10 are black granite quarries spread over Andhra Pradesh and Tamil Nadu. Detailed investigation conducted by foreign collaborators show JM owns large export quality black granite. This is a major strength area of the project.

HIGH PRIORITY INDUSTRY: Export is India's No.1 priority today. As a Green Card holder, JM's EOU operations are entitled to a host of incentives and concessions which among others include: i) duty free import of capital goods, tools and components, ii) exemption from Central levies, iii) tax holiday for a period of 5 years, etc.

MARKETING TIE-UP: It is estimated that the world demand for granite is over Rs.6000 crores annually. Johnmeyers has successfully concluded marketing tie-up with DSP Traders Inc., of USA who have agreed to underwrite sales valued at Rs.30 crores initially. The company has received confirmed purchase orders to the tune of US Dollars 1.5 million or about Rs.2.10 crores with advance payments on hand.

A TRULY PROFESSIONAL MANAGEMENT: Johnmeyers Management consists of top notch technocrats, industrialists and professionals, each one a leader in his own chosen field now taking professional competence towards making Johnmeyers a resounding success.



HIGH GROWTH POTENTIAL: With India emerging as a No. 1 exporter of high quality black granite and world prices taking a quantum jump of over 300% during the last 5 years, there is an extremely bright future for Johnmeyers.

BOARD OF DIRECTORS:

Mr. T.T. John	.. Chairman and Managing Director
Mr. A.N. Haksar	.. Director
Field Marshal Sam Manekshaw MC	.. Director
Mr. K.K. Pai	.. Director
Mr. P.K. Choksey	.. Director
Dr. W. Hannak	.. Director
Prof. Carlo Costa	.. Director
Mr. J. Griesel	.. Director
Mr. B. Victor Monteiro	.. Director
Mrs. Suma John	.. Director
Mr. C.N. Damodaran Nampoothiri	Director

Highlights:

- ★ **Johnmeyers is a 100% Export-oriented Unit.**
- ★ **Black granite is a scarce raw material in the world. Johnmeyers hold large export quality granite deposits.**
- ★ **Pellegrini Meccanica SPA of Italy to support Johnmeyers to erect India's first fully mechanised granite quarry and Carl Meyer of West Germany to provide the most modern processing plant from concept to commissioning stage.**
- ★ **As a Green Card holder, 100% exports are eligible for a host of incentives and concessions which among others include: I) duty-free import of capital goods, II) exemption from Central levies, III) tax holiday for 5 years from commencement of commercial production, etc.**
- ★ **Marketing tie-up with DSP Traders Inc. of USA who are a major equity shareholder of the company.**
- ★ **Exports to the tune of Rs.30 crores concluded. Confirmed purchase orders valued at US $ 1,500,000 (about Rs.2.10 crores) with advance payments on hand.**
- ★ **80 CC and other tax benefits (approval awaited).**
- ★ **Easy liquidity. Listing at Hyderabad, Bombay, Ahmedabad and Delhi Stock Exchanges.**
- ★ **Impressive dividend expected during first full year of production in 1989.**

Public Issue of 8,70,000 equity shares of Rs. 10/- each for cash at par.

MANAGERS TO THE ISSUE

BOB FISCAL SERVICES LTD.,
Bombay - 400 023

SYNDICATE BANK,
Hyderabad

ADVISORS TO THE ISSUE

WEIZMANN
Financial Resources (India) Ltd.,
Bombay - 400 020

TWENTY-FIRST CENTURY CORPORATE CONSULTANCY PVT. LTD.,
Bombay

Issue opens: 14th December, 1988

Johnmeyers Granite Limited

Registered Office: "Granite House", 8-2-674/2/B, Road No.13, Banjara Hills, Hyderabad - 500 034. INDIA.

BOX 1

Instant decisions is the name of the game

In his quest for growth, ***Abhey Oswal*** *continues to prove the Cassandras — who have made dire predictions of this agro-based group's fortunes turning from wealth to waste — wrong again and again. The chairman of the Ludhiana-based three company group gives a first person account of his views on his obsession with growing big, the bounties of the capital market, on how he mastered the commodity business. This is based on two long discussions in Bombay and Delhi, with Basudev Dass*

My decision to leave my family, which controls Oswal Woollen, Punjab Concast, Punjab Woolcombers, Malwa Cotton, Vardhaman Spinning, came because they are conservative. They did not want to grow with the public. They wanted to do business and confine wealth within the family. Except for Oswal Woollen Mills Ltd, closely held by my father Vidya Sagar Oswal and his brother and their families, all the others are joint sector companies with very small public shareholding. This was because the Punjab government had the letters of intent and invited the Oswal group to join hands with the state industrial development corporation to set up the units. My family did not have a choice but to become a partner in these companies.

They consider me rash. Actually I am not rash but prone to quick decision-making. I started the vanaspati division at Oswal Agro when it was a subsidiary of Oswal Woollen Mills. The oil business, unlike the textile industry requires instant decisions. Purchase of raw material (commodities) in a fluctuating seasonal market enables companies to make money or lose it. This is not the case with today's textile business which does not require dynamism in any form.

Trading down. Initially we did engage in trading. The idea was to make profits and give returns to shareholders without making them wait. At that time we had manufacturing units only in Ludhiana and Bhopal. We bought import licences in the open market for import of edible oils and portable gensets. We refined and packed and sold the oil in the market for high profits. But our trading activity has now come down sharply. In 1987-88 only 5 per cent of profits came from trading.

Public participation. I saw that the day was not too far when growing companies could do little without public support. Escorts in the north and Reliance Industries have been good examples of corporate growth linked to public participation in project funding. I came out of the group at the right time with Oswal Agro Mills which was a wholly owned subsidiary of Oswal Woollen Mills Pvt Ltd. At that time (late 1982) Oswal Agro's sales were Rs.3 crores. The net worth of the company was Rs.1.75 crores against the group turnover of Rs.200 crores.

People say that Abhey Oswal is a commodity trader and not an industrialist. To that I may add : yes, Oswal is a commodity trader, but do you know what it takes to be a successful trader? A lot of companies in the soya business have repeatedly made the same mistakes. In the process they have been weakened and many of them face ruin.

Why did this happen? It is because the management lacks the understanding and knowhow of a very critical function — the purchase of raw materials. In the agro-based industry, the cost of raw materials is as high as 85 per cent. In the textile and petrochemicals industries, raw materials account for only 25 to 35 per cent. That gives these industries the flexibility to cut costs in fuel consumption, labour and processing. But for us, investment in plant and machinery account for only 6 per cent of the total cost. So we don't have the scope to make cost adjustments elsewhere.

The key to the success of the Oswal group is shrewd and timely purchases of raw materials, which in our case is soyabean and rice bran powder. For this we have a full fledged department led by an executive director. We have our people based in Bhopal who are in constant touch with the soya, and edible oil mandis. They feed our people in Delhi and Ludhiana with information on a continuous basis about stocks, prevailing prices, and other relevant details.

No manipulation. The Oswal group has given top attention to return on shareholders' investment. Whenever companies do well financially and this starts getting reflected in the share price, allegations start flying around. One of the common allegations made against me is that I manipulate share prices, which is incorrect. Manipulation of share prices is never in the best interest of the management or the share holders and could lead to very high shareprices at unrealistic levels. Which in turn would raise the expectations among the investing public. But, yes, if support of share prices is required, it should be given up to a point. Shareholders must not panic about their investments declining in value, on account of factors unrelated to company performance. But supporting share prices is not the same as manipulation.

We have always looked for suitable industries for diversification. Why have we chosen petrochemicals for diversification? The scope for expansion in agro-based industries is limited. Besides there always is uncertainty about the monsoons. And the threat from smaller units with low overheads cannot be ignored. I believe petrochemicals is a high volume industry where demand is great and so are the chances of growth in the near future.

But I don't believe in looking beyond a three year horizon. Planning too much into the future can be futile.

Mehta: using distributors' channels profitably

Jain: mastering the commodities market

bought from IEL for Rs.18 crores in early 1988, and the colour of the bottomline changes to a healthy black.

Both the companies' Rs.10 scrips command market prices of Rs.120 and Rs.110 respectively (28 November), and both paid a dividend of 50 per cent each in the last year that accounts have been published. The ruling share price of Oswal Agro Furane, which commissioned its plant only in October 1988, was Rs 80 on the same day.

Then what is the controversy all about? It has everything to do with the financial performances of OAM and Bindal Agro Chem. Oswal's detractors (and he has collected many) allege that "there is no way he can make the profits he claims. The soaps, deoiled cakes, and edible oils markets are very competitive."

And yet the performance of OAM's toilet soaps division has been quite something. How did the three brand names — Oasis, Kalpa, and Tarun — virtually unseen and unheard of in the national media (at least in recent years) capture a sizeable market share, touch sales of Rs.90 crores during the year ended 31 July 1988, and make profits despite their selling price being lower than other manufacturers?

Cost-effective processes

Abhey Oswal sees nothing surprising: "Why should we be in business if we are not making money?" Says M. Satyanarayana, technical director of OAM, who has spent 20 years with Tata Oil Mills Company Ltd, "We have a highly integrated toilet soap making operation in Ludhiana which makes our products highly cost effective. Therefore we are able to sell at very economical prices and yet make profits." According to him, the soaps are made mainly of rice bran oil, which is cheap. The company has seven soap drawing lines of 15 tonnes per day each with four soap vacuum drying units. "Most of the competition do not have the technology to make soap from this oil. Moreover, outside Punjab, say in a city like Bombay, where the soap units are clustered, rice husk/bran is not available. Most of the rice bran is available in Punjab and there is a ban on taking it outside the state," says Satyanarayana. Thus while most other major toilet soap manufacturers bring oil and fatty acids (neutralised by caustic soda in the suponification stage) from outside, OAM makes both these critical ingredients inhouse.

To take the soap to the market, the company had set up an elaborate marketing infrastructure. The company started with a three tier system — distributors, wholesalers and retailers, and a host of salesmen. "But that did not work and has been done away with," says B R Mehta, vice president, marketing.

Says Mehta, "We found this was not producing results and was actually bleeding the company. We would need an army of salesmen to make a dent in the market. We then opted to use the distributors' own channels." Today the company claims it is the only one to sell soap

Bhalla: instant decision

Kaur: sugar and success

BOX 2

The route to quick profits

Asset purchase is a quick route to profits provided the plant is in running condition and does not require large investments for reaching optimal capacity utilisation. Oswal Agro's diversification into sugar is a good example.

In August 1987, Oswal Agro Mills (OAM) took over the sugar mill complex of The Jagatjit Sugar Mills Co Ltd, Phagwara, Punjab. "The first phase of modernisation and expansion costing Rs.40 crores has been completed in a record time of nine months," says Raminder Kaur, corporate manager, sugar division, OAM. The entire cost has been taken care of by the company's own funds. Before the end of December the mill's cane crushing capacity will increase from 1,100 tcd to 4,000 tcd.

The mill is a 55 year old museum piece, but was in working condition. After OAM bought it, the mill has been working even better judging from the profit of Rs.65 lakhs that has been reported in the first nine months of working after ten years of losses.

Main attraction. Why did OAM buy this unit? The idea was to diversify into sugar. The Punjab government (like the others) grants new licences only to the co-operative sector. But it has no objection if existing units expand capacity. Given the incentives available to new sugar units, it made the business very attractive. "The main attraction was that such units are permitted to sell 95 per cent of their production in the free-sale market where the realisation is higher than under the levy quota. Therefore we did not miss the chance and acquired the unit," says Kaur. To ensure that the expansion was completed very quickly, "we decided to go in for equipment purchase and therefore did not give the contract for expansion on a turnkey basis," states Ajit Bhagat, chief executive of the sugar division.

For a sugar mill to run profitably the active co-operation of the farmers is important. Soon after acquiring the unit, a cane development programme was initiated in September 1987. It included the grant of Rs.2 crores in loans to farmers and supply of subsidised insecticides and pesticides. "For this the company had budgeted an expenditure of over Rs.50 lakhs per year," recollects Kaur.

And the results are already encouraging. In the last six months the cultivable area for cane has increased from 10,000 acres to 35,000 acres. (The available cultivable area is 200,000 acres.) The company is already planning to expand capacity up to 6,000 tcd. Kaur does not expect marketing of sugar to pose any difficulty. "Currently our sugar attracts a premium of Rs.10-15 per bag (of 100 kg) because of its superior quality and the bolder grain."

When the modernisation, expansion and diversification into furfural and industrial alcohol is completed by early 1990, this unit is expected to contribute Rs.75 crores to OAM sales and profits of "at least 15 crores."

Satyanarayana: economical prices, yet profitable

The group has also made clever locational decisions. Take the vanaspati plant of Bindal Agro. It is one of the two plants (the other one is in the co-operative sector) which is located at Mandideep in Bhopal. By a state government notification, Mandideep enjoys complete sales tax exemption for seven years. Says K.L. Jain, executive director Bindal Agro, "this helps us to compete effectively and sell our products at competitive rates."

Also a good knowledge and experience of the commodity market (soya beans and edible oils) has stood the group in good stead. During 1987-88, when the soya crop was poor because of the drought, the company changed its commodity purchase policy. We bought soya on a daily parity basis all the nine months while most of the other companies went headlong into the market and accumulated stocks," recalls Jain. Consequently OAM and Bindal Agro incurred an average cost of Rs.5,000 per tonne while the industry average was minimum between Rs.5,800 and Rs.5,900 per tonne.

The typical reaction to the group — profitable, giving good returns on investment, yet skating on thin ice — has yet to change. "Oswal is a mini Dhirubhai, and he is known for his financial wizardry," says Chittaranjan Kaul, assistant vice president, Bank of America, Bombay, one of the first bankers to the group.

Does the group have a clearcut strategy? Yes. And that is to:

- raise equity at high premium
- shun virtually all forms of loans, short-term and long-term.
- pay high dividends which it can afford to do as cost of funds of the company has been declining — currently at 8 per cent.
- go for asset purchase, not companies, to avoid gestation periods and enable the

gainst cash in advance through a net-ork of 3,000 wholesale buyers.

The company, which used to advertise s products widely, slashed ad budgets. We prefer to direct that money to re-ailers by way of higher commission, par-icularly in the rural markets," says)swal. The other factor of course is that)AM soaps are cheaper than most other n the same price category. Admits a mar-eting manager of one competing com-any, "They do sell on a price platform — ut our sources of data (the ORG retail udit report) indicate that OAM sales ould not have been more than 20,000 onnes in 1987-88 against the claim of 0,000 tonnes."

Mehta has his explanation for the conflict between ORG and Oswal figures. "We sell a large amount to institutions — hotels, government institutions, canteen stores departments, the Indian Navy, and also undertake job contracts for other soap companies. These go unaccounted to our credit, given that ORG's is a retail audit." OAM is currently the largest suppliers of miniature pack soaps to the hotel industry, worth Rs.10 crores a year.

High volumes, smart decisions

One of the cornerstones of the success strategy has been to ensure high volumes of production through maximum utilisation of capacity. All group plants — vanaspati/solvent extraction, toilet soap, sugar have been running at full capacity.

company to start production quickly.
• issue the shortest-maturity fully convertible debentures.

The equity route

Viewed as an innovator who refuses to stay on the beaten track, Abhey Oswal has by effective use of the equity route progressively reduced the cost of funds of his operation. A method which is today becoming popular with the private corporate sector, eg. Great Eastern Shipping, Essar and others. "Our business requires large amounts of money on call. For us to take positions at opportune moments is crucial," he says.

By replacing costly bank loans with equity shares and convertible debentures, issued at a premium, the group's effective cost of capital is "about 8 per cent currently, where other companies' cost of funds is 15-16 per cent," says R.K. Singhania, director finance of the group.

The size of issue increasing with every entry into the market, merchant bankers have been drawn to the group like iron filings to a magnet, quite undeterred by the controversies. Says one manager, "We are in business and the Oswal group presents a good business opportunity for us." A senior manager from SBI Capital Markets, which is likely to manage a major forthcoming issue says, "We would not take up a business proposition, without looking at the details — current demand in the company's products, importance to rational priority and whether it is a well managed company. We find this true of the Oswal group."

The group has relied heavily on acquiring assets of existing companies instead of going for greenfield projects or buying companies. The term 'gestation period' does not exist in Oswal's dictionary. Says Singhania, "Our strategy has been to raise funds through debentures with early conversion (three months). To match this we must have quick returns through early production. In a new project the minimum waiting period is two years," observes Kaul. "Abhey could have gone slowly accepting a four year gestation period. In which case he would have his current level of turnover in 10 years."

Like other industrialists, the options before Oswal were and are bank loans, equity, NCD&CDs, with short maturity. "Raising equity (or short maturity CDs) appears eminently suitable for financing acquisition, because he is not going to stop at one, two, three... It gives him the cash flow and the capacity to borrow later if the needs arise," says Kaul. Observes another banker, "So far Oswal has had a comparitive advantage in selling equity. That is not enough. If he is thinking of selling debt tomorrow, all will depend on the performance of the petrochemicals plant in Bombay and Rishra."

While Oswal is the first one to admit that the group is 'Abhey-driven' and is a one man show, his senior executives are of the view that they have the flexibility and full liberty to make quick decisions. According to Anil Bhalla (in charge of OAM's Ludhiana and Phagwara units), the decision to buy the sugar unit from Jagatjit Sugar Works was made in one day.

Today the group which had started out on trading operations "to keep the business going and reward shareholders" in the early eighties has come a long way. 1984-85 Rs.8.31 crores were earned imports of emergency lighting units (po table generators with panels). In th year, the profits from trading in this ite helped the company to subsidise its oth operations — soap, cakes, edible oils and it closed the year with a net profit Rs.2.58 crores. By 1987-88, the figure h altered considerably.

A trip to the market

Once again it is time for Oswal to retu to the market. The UCIL plant nee funds for modernisation. Plans are bei finalised to raise the capacity of t naptha cracker from 80,000 tonnes p annum to 150,000 tonnes per annu LDPE from 20,000 tpa to 32,500 tpa a XLPE grade from 1,500 tpa to 10,000 tp As the transformations take place, t group which has seen quick growth c hope to make the quantum jump to jo the big league.

Is Oswal being too hasty? Time alo will tell. But there are others who a willing to hazard a guess today. Says senior executive from a bank, "The grou has shown amazing managerial savvy an a certain resilience. In today's context isn't enough to manage projects well Finances also should be managed equal well."

With the group having embarked in what is referred to as "serious manufa turing", the odds are that whatever trac of doubt remain will soon be erase Chances are that the magician will co tinue to conjure wealth for his investor

■ BASUDEV DAS

View of the new sugar plant Oswal Agro mills

Best of the west. Europe every day.

Linked daily with Switzerland, Bombay is only one stop away from over 50 bustling cities in Europe. In Germany alone, we fly every day to as many as eight important centres: Bonn/Cologne, Dusseldorf, Frankfurt, Hamburg, Hanover, Munich, Nuremberg and Stuttgart. Five in France: Bordeaux, Marseilles, Nice, Paris and Toulouse. Four in Italy: Catania, Genoa, Milan and Rome. Three in the U K: Birmingham, London and Manchester.

Best of all, you can take our hospitality and punctuality as read.

swissair

details call your IATA travel agent or the nearest Swissair office:
MEDABAD 449149 • BANGALORE 571983 • BOMBAY 2872210 • CALCUTTA 444643 • COCHIN 360380 • DELHI 3325511 • HYDERABAD 224244 • KATHMANDU 222452 • MADRAS 861583

erest/88/SW/53 R1

Bold, sporty and fashionable. The statement of rich and refined Vimal suitir

V I M A L ' S □ W I N T E R □ S T A

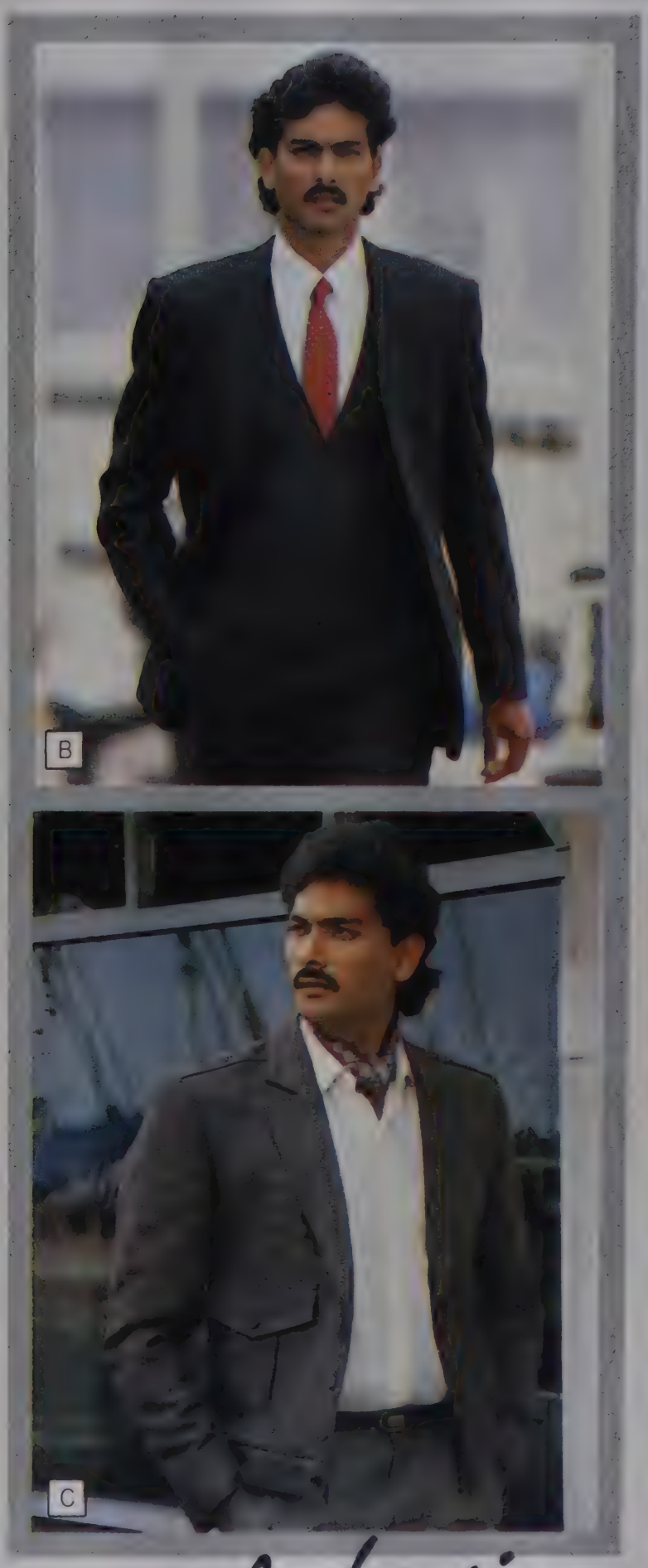
A) The tasteful diamond black tuxedo in vicuna weave is worn over a wing collared shirt. With multiple pleated front Trousers have two pleats and cross pockets. Patent leather shoes complete the look.

B) For a brisk, confident lounge suit in midnight blue. Lapels are single breasted notched. Pockets have flaps. No slits at the back. Trousers are double pleated.

C) A unique jerkin that looks a cross between a coat and a safari jacket. Two large box pleated pockets. A thick waist band that ends three inches below the waist. Dashing contemporary style.

statement of Ravi Shastri.

M E N T S



The looks of a winner

VIMAL

WOOLLEN & POLYRICH SUITINGS

Mudra A RIL 4393

S.K. MITRA

Capital market boom and thereafter

The mood during this year's pre-Diwali trading in the Bombay Stock Exchange was in sharp contrast to that which prevailed in the preceding two years.

In 1986 and 1987 the Indian stockmarket went through a long listless phase. All efforts of the authorities were seen as steps to prevent a further slide rather than to give the market a boost and largely failed to cheer up market sentiment. This year, however, the excellent monsoon, good corporate results, and the government policy of gradual liberalisation on many fronts, have succeeded in clearing the gloomy clouds hanging over the Indian capital market.

By all accounts, both primary as well as secondary markets are gearing up for a boom. In 1985, a number of mega projects were conceived in the private and joint sectors with an eye on the responsive capital market. The Reliance Petrochemicals issue has proved that such projects can now be speeded up.

Changes required urgently

A buoyant capital market is a primary prerequisite for achieving the ambitious growth rate of 6 per cent being proposed for the Eighth Five Year Plan. In order to ensure a qualitative and quantitative quantum jump in the Indian capital market, a few fundamental changes are required urgently. Most marketmen believe that the policies and procedures of the Controller of Capital Issues are as out of date and of as dubious value as the recently dropped CAS formalities of the RBI. There is great need for a more professional and modern approach, both in the office of the CCI as well as in the stock exchanges.

During the 1985 boom, while the authorities were busy congratulating themselves, speculators and unscrupulous promoters were having a field day. In response, the authorities continuously tinkered with matters like the number of prospectuses to be supplied, merchant bankers' fees, underwriting commission and brokerage, issue premium, etc, which should have best been left for market forces to equalise. During the inevitable slump that followed, however, the authorities demonstrated their capability for constructive action by setting up the Securities and Exchange Board of India (SEBI), the Credit Rating Information Services of India Ltd (CRISIL), the Stock Holding Corporation of India Ltd (SHCIL), etc. At an early stage of the current upward trend in the capital market, SEBI should demonstrate that it has set itself clear goals and intends to act swiftly towards them. It has already developed an outline for comprehensive legislation which will have far-reaching consequences. It will be worthwhile for SEBI to pla for another boom; it is of critical importance upgrade the infrastructure and the overall lev of managerial competence in the stock e changes so that they are able to comprehend ar implement the new approach.

While it is natural for the government to b concerned about the health of the capital ma ket, it should restrict its role to creating a cond cive atmosphere and system for healthy growt Fluctuations in the stockmarket are natura Government should resist the temptation to d bble in the market to create an artificial boor Direct government intervention in the stoc market can only restrict its growth.

The special treatment and terms of referen enjoyed by public sector institutions engaged merchant banking, mutual funds, leasing, ve ture capital and other financial services bree inefficiency and malpractices. It should be a preciated that even in the highly regulated fina cial market in India, the private sector ha always taken the lead in introducing new prod ucts and services.

Not venture capital

While public sector companies should be cor trolled while raising huge amounts from th capital market, with the help of unequal fisca concessions, private sector companies shoul also be discouraged from treating the capita market as a venture capital fund. Venture capita financing is the job of specialists.

If the Big Bang really takes place in the India capital market, the need for a greater variety o instruments of different maturities will be fel immediately. The Indian market is now matur enough to welcome the introduction of commer cial papers, note issuance facilities, options an warrants. At the same time, the market player must have adequate financial resources for thei respective levels of activities. Stock brokers an merchant bankers must have a strong capita base. Corporate membership in the stock ex changes should be allowed without delay.

As in the case of the manufacturing industry financial service companies should also be al lowed to enter into foreign collaborations t bring new technology to the Indian capital mar ket.

With a little courage and effort, it should b possible to ensure sustained growth and sophis tication in the Indian capital market. It shoul then be possible to successfully float India funds or NRI funds without paying an unduly high price.

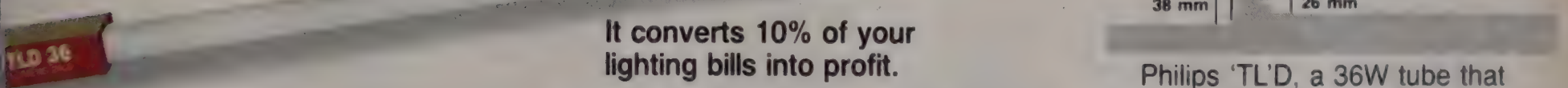
The author is director, Empire Finance

PHILIPS

converted 10% of the office lighting bills
to profits. With just one switch."

Philips 'TL'D.

When you're talking about lighting in offices, industries, hospitals, institutes, clubs... you're talking about a large number of installation points. And long hours of lighting. Imagine the savings!



It converts 10% of your lighting bills into profit.

Switch to Philips 'TL'D 36W, the slim, energy-efficient tubelight that actually pays back money over its service life.

Philips 'TL'D, a 36W tube that provides as much light as any ordinary 40W tube. It fits easily into existing luminaires and operates efficiently on a 40W ballast.

Switch to Philips 'TL'D. Slim tube • Slim bills • Bright light.

Philips India BI
Light Department, Band Box Building,
254-D, Dr. Annie Besant Road, Worli,
Bombay 400 025.

Kindly send more details on how I can save money for my installation.

Name: _____

_____

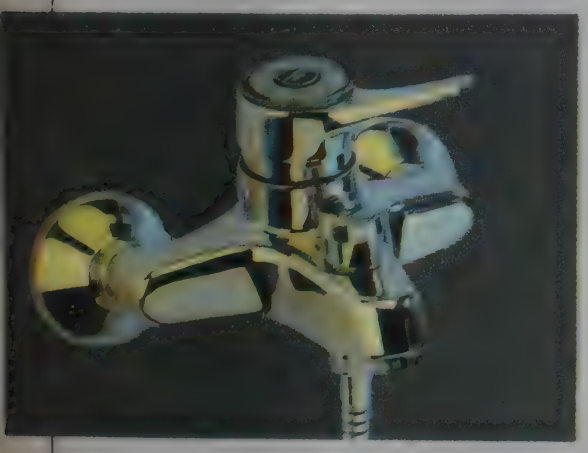
Designation: _____

Address _____

_____

When it's Philips, you're sure

RANUTROL HANSA AQU
THE EASIEST WAY TO GET HO
WATER.



Bathing is such a joy with the Ranutrol Hansa Aqua Mixer. The single-lever water temperature and flow control.

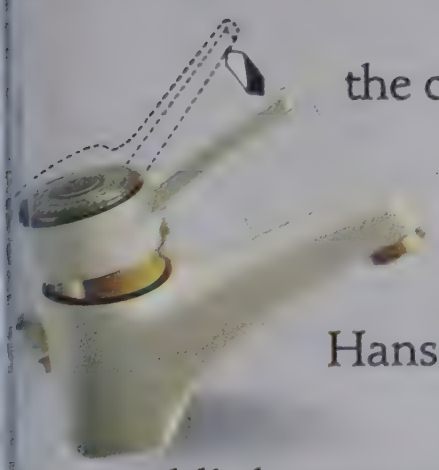
Just one flick of the lever and you get hot or cold water. Or any temperature in between.

Move the same lever up and you get more water. Move it down, you get less.

No unpleasant shocks. No groping around with two taps. No changing rings and washers ever – the Ranutrol Hansa Aqua Mixer simply doesn't have any. Thanks to

For a free booklet, write to: Auto Controls Private Limited, 414, New Delhi House, 27, Barakhamba Road, New Delhi-110 001. Tel.: 331 6464/01

IXER.
OLD OR AS-YOU-LIKE-IT



the ceramic cartridge technology of Hansa Metallwerke AG, he world's largest seller of aqua mixers. A name synonymous with convenience and style.

So, if you want to take it easy in your bathroom or kitchen, all you have to do is choose from a range of stunning designs.

RANUTROL HANSA
AQUA MIXER
From Hansa Metallwerke AG, West Germany.

RANUTROL GROUP

anch Offices (Tel.)–Bombay: 492 7125, 492 0297, 23 3629, 23 4424. Calcutta: 29 1755. Madras: 47 6723. Bangalore: 57 8846.

Enterprise D AGL 112

THE NEW U SERIES

BY ZODIAC

Van Heusen. The new international line of luxury shirts by Zodiac.

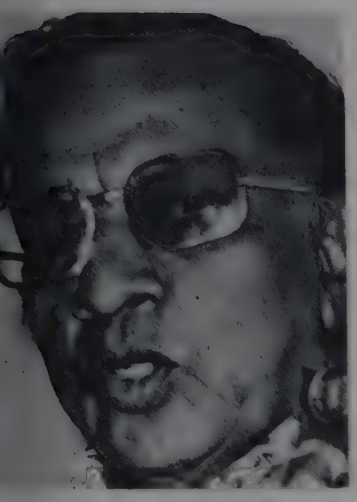
Because you want things which only very few people have.

That special feeling of luxury at all costs.

And why not ?
Because that's U.

Van Heusen

Very Zodiac, very you.



HANTILAL SONAWALA

The gold trade must be freed

The jewellery industry is a traditional one, existing in this country from ancient times. The stories in *Ramayana* and *Mahabharata* and in the scriptures both in North and South India references to the jewellery made in those days. Paintings and sculptures in the caves like Ajanta, Ellora and such other monuments in the South and in the temples all over India show the flourishing of this ancient art.

The jewellery trade touches all sections of Indian society. Though it is a small scale industry it gives employment to lakhs of people. As many as 400,000 licenced goldsmiths along with their families and about 20,000 licenced gold dealers are engaged in the gold trade. Besides, people engaged in gem cutting, gem setting and rough gem mining constitute a big community contributing to the trade. Such a trade needs recognition as an industry of consequence.

Lately, the Central government has been conscious of this trade and has realised its export potential. A policy liberalisation to help the export of diamond and gold jewellery is likely to go a long way to boost the exports of these items. India figures as a big centre for rough diamond cutting and is considered second in the world after Israel. The efforts of the Gem and Jewellery Export Promotion Council to get maximum concessions to this trade requires special mention. If there are any impediments, it is not in the policy but in its application and procedure which will have to be overcome. The grant of financial help, starting of development of productive centres, promotion of designing, and permitting import of machinery and technology for this trade and offering export incentives by tax relief would all be efforts in the right direction and would help to boost exports of jewellery.

Steady demand

The demand for gold in India is steady due to social and economic reasons. An estimated 200 to 250 tonnes per annum of gold is required for local consumption for fabrication into gold ornaments. There are 400,000 goldsmiths who manufacture gold jewellery -- about 300 gm per four goldsmiths per month. This demand is to be satisfied by recycling of old gold existing in the country and through mine production. The remaining gap is covered by import of gold or by sales etc. Yet 50 to 60 tonnes and mine production brings in hardly two tonnes. The remaining gap of 150 to 200 tonnes is met by way of smuggling as official imports are banned.

The government's lethargic attitude is not amending the Gold Control Act, in spite of its continuous failure since inception some 30 years ago, and in not realising the havoc it has caused to the country's economy in general and the gold trade in particular, is particularly baffling. Even the two committees appointed by the government to take in-depth review of the Gold Control Act have recommended official imports of gold, on a moderate scale to begin with. But sadly enough the government has not yet taken any decision in the matter.

On the contrary, the government is reported to be contemplating a second review of the whole thing. In this national interest this situation should not continue. It is needless to say that whenever gold is smuggled into the country it is paid for in foreign exchange. How is this exchange earned? It may be underinvoicing or overinvoicing of goods imported or exported as the case may be, or through clandestine exports of items like drugs, narcotics, armaments, etc. The foreign exchange needed for payment of smuggled gold is bought in the open market at huge premiums.

It is abundantly clear that artificial barriers on gold imports help neither the goldsmith nor the gold dealers. It does not benefit jewellery buyers, and least of all the government. Somebody else usurps all the benefits at the cost of the nation's economy. The government is taking its own time in coming to a decision on the issue of imports of gold too. It should be realised that the economy of the country will get a tremendous boost if gold imports are liberalised, even if on a limited scale

The Act is only creating havoc with the economy and trade

The author is vice-president, The Bombay Bullion Association

Liberalisation will encourage legal consumption

as recommended by the official committee.

With liberalisation, first, the unofficial foreign exchange reserves being used currently to finance gold smuggling will immediately become redundant.

Second, it will energise export efforts further. Whenever any item is imported the exchange spent on the same has to be earned by exports of goods. The illegal import of gold does not create any potential for exportable goods at present. The lacunae will be removed once gold imports are regularised.

Third, free import of gold will curb the generation of black money. The profit in the sale of smuggled gold in India in the form of rupees is spent financing more imports of smuggled gold, thus perpetuating a cycle. This will be arrested by freer imports of gold.

Fourth, imports of gold would reduce the rate of inflation in the official money market. The investment in official imports of gold could eventually lead to funding of a Gold Bank, from which supplies could be drawn by the licenced goldsmiths or dealers for fulfilling their orders.

A fifth advantage will be the creation of national wealth which will be accounted for. Because it encourages legal consumption of gold in jewellery making, industrial uses, etc. Moreover, it will generate huge employment potential as jewellery making will get a boost. The government revenue will also increase in the process by way of sales tax, import duties, income tax etc. If the rate of sales tax is made less prohibitive (two-and-a-half per cent as in Maharashtra) and is reduced to half a per cent it would result in far greater revenue to the state governments, since the jewellery business is estimated at Rs.12,000 crores a year.

Encouraging crafts

Free availability of gold to gold dealers and goldsmiths would encourage them to develop their skills and exclusive designs in order to remain in a highly competitive market. This is all the more essential as jewellery exports have been given a prominent place in the overall scheme of the country's exports.

It has also been suggested that passengers coming from abroad should be allowed to bring gold in their baggage. The government may also consider allowing NRIs to bring a portion of their money into India in the form of gold. The NRIs selling this gold within the country and using the income thereof within the country may, over a period of time create a block of foreign exchange reserves.

Let us hope that the day is near when the gold trade is freed from the bondage of the Gold Control Act and that the industry may breathe fresh air soon.

THE BEST THINGS IN FLIGHT ARE FREE.

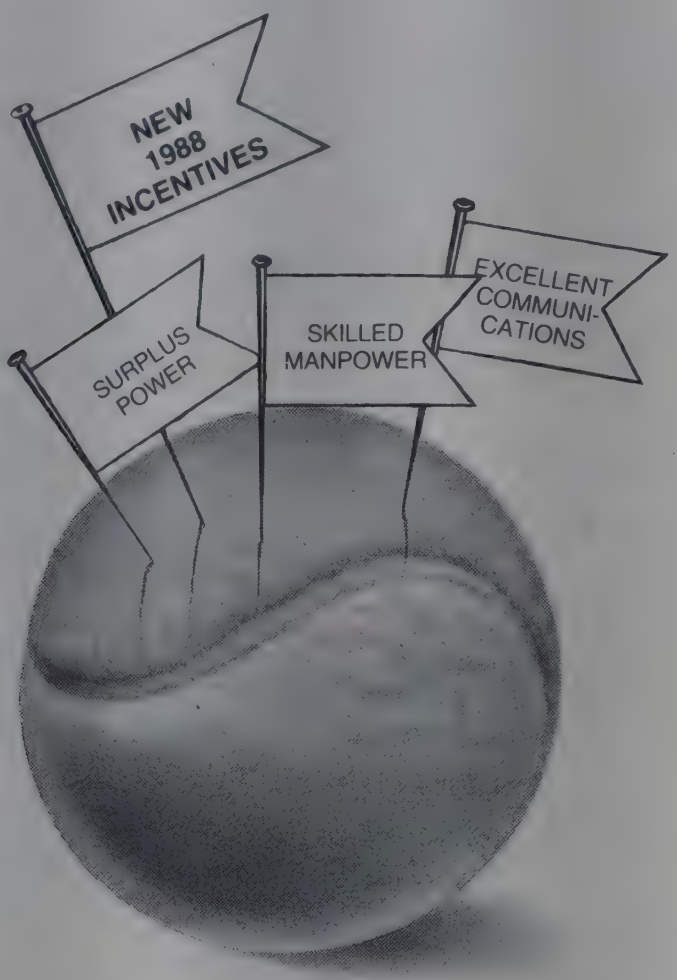
Fine wines. Premium brands at the bar. Feature films. And possibly the most gracious, attentive service on Earth – now available at 35,000 feet. Economy class in a class of its own... compliments of British Airways.

BRITISH AIRWAYS

The world's favourite airline

NEW INCENTIVES | SURPLUS POWER | SKILLED MANPOWER | EXCELLENT COMMUNICATIONS

◆THAT'S ADVANTAGE MAHARASHTRA◆



WHEN YOU THINK OF INDUSTRIES

Set up your industry in Maharashtra. And avail of the new 1988 package of incentives. Super incentives you would have hardly imagined any State would give.

Extraordinary features:

Substantial increase in Sales Tax incentives and Special Capital Incentive. Incentive periods raised upto 10 years. Sales tax exemption/ deferral made available where expansion/diversification is undertaken with minimum Rs. one crore investment. Extra incentives provided for energy saving devices, pollution control measures and for local employment. For power intensive units, there's exemption from electricity duty. Resource-based industries get incentives on par with other industries. You get these incentives practically all over Maharashtra except Bombay/Pune and some nearby areas.

For details contact:
The General Manager – Business Development

SICOM

THE STATE INDUSTRIAL AND INVESTMENT CORPORATION OF MAHARASHTRA LIMITED
Nirmal, 1st floor, Nariman Point, Bombay-400 021.
Phone 2023018, 2021855 Telex: 011-3066
FAX: (022) 2023008

SICOM

The ingredients for success

Besides, Maharashtra offers your industry everything it needs to thrive. Unrestricted power. Abundant water. A readymade communications network. Infrastructure complete with modern amenities in the Growth Centres. A ready market and most of all, an industrial culture that provides skilled productive labour.

SICOM – to top it all

Whatever the size of your unit – medium or large – you can depend on SICOM for plant location, technical guidance, finance and escort services. Everything you need to get your industry off to a flying start.

ORKAY SILK MILLS

Troubled times

Despite the Rs.32-crore bail out by the banks last July, Orkay continues to spin in trouble. Its latest annual report has become a "model case" of how far financial reporting norms can be stretched. The company may well slide into sickness unless the shareholders bail it out

There is a lot of trouble at the once high-flying Orkay Silk Mills Ltd. The company's annual report for 1987-88 released last fortnight has become the talk of the "city" of Bombay. This much coveted report is being carefully filed away "for future reference", as one banker put it. Reason: it carries a string of qualifications by the auditors, H.N. Mehta, that are fast making it a "model case" of how far the rules of financial reporting can be stretched.

Some of the major qualifications of the auditors to Orkay's accounts:

- underprovision of depreciation by Rs.4.22 crores
- non-payment of dividends for 1986-87 within 42 days from the date of declaration and non-funding of the unpaid dividend account thereafter
- advancing interest-free loans without any recovery schedule
- non-compliance with every major rule governing fixed deposits including non-repayment on maturity
- non-payment for 8 months of the tax deducted at source (Rs.55.28 lakhs) from dividends to the tax authorities
- non-provision of several contingent liabilities arising from the alleged evasion of excise, customs and income tax running into several crores of rupees

"Behind us now"

Enough to shake many businessmen. But not Kapal Mehra, the smooth-talking chairman of Orkay Silk. "Don't keep looking at the past, look at the future," said Mehra at the 20th annual general meeting of shareholders held in Bombay on 6 December. "I am not denying that we had a severe liquidity crunch, but that is behind us now." He revealed that Orkay had already made a profit of Rs.5.5 crores in the five months to August this year which was proportionately much higher than during last year.

But despite all the smooth talk not many shareholders were convinced. Many felt, intuitively, that despite the pat replies, there must be something seriously wrong with their company. As one aged investor asked: "When I look at the sales, profits, assets, net worth of our company, it looks very healthy. But then why can't you pay us our interest and dividends on time? I just can't understand." Another investor, younger and more fiery, left no holds barred: "Shame, shame, shame! What you say in the annual report about having paid interest on deposits is all lies. I have come to your office twenty times but I have yet to receive my interest. Do you think I am a beggar?"

Clearly, the chickens have come home to roost for Orkay and the reckless Mehra. As is now well-known, the troubles of Orkay began in 1986 when Mehra lost around Rs.50 to Rs.60 crores in trying to manipulate Orkay's share price on the Bombay Stock Exchange through some "associate" concerns (see *Business India*, 25 July 1988). A large part of this loss (around Rs.25 crores) was squared up by Orkay acquiring the assets (mainly land and buildings which do not contribute any sales or cash flow) of these associates in March 1987. The depreciated value of these assets was only Rs.4.10 crores. These assets were simply transferred to Orkay's books: there was no cash inflow. Moreover, even after this transfer, the associates owed and still owe Orkay Rs.9 crores.

The State Bank of India (SBI), which has lent over Rs.27 crores to Orkay, has remarked in an internal assessment that these were "dubious transactions of (a) questionable nature, which resulted in a diversion of working capital funds to the extent of Rs.24.60 crores." Mehra now justifies this, saying that he will sell the acquired real estate which will fetch a much higher price. "We brought in the cash crop to harvest it," he says.

Bled white

This huge diversion of funds coupled with the arrest of Kapal Mehra in late 1985 for alleged excise and customs duty evasions bled Orkay white. So much so that to date it has still not been able to pay customs duty and clear 89 out of the 100 sulzer looms imported more than two years ago, for which it now needs more than Rs.15 crores. Compare this to the c.i.f. value of the hundred looms — Rs.23 crores. Meanwhile, the government hiked the import duty from 45 to 95 per cent. And the Swiss franc, in which the loom acquisition was financed, has doubled against the rupee. So whether these looms would still make a viable project is a big question.

Kapal Mehra: "forget the past"

But today, with the proceeds of the Rs.32 crore NCD issue available, why hasn't Orkay defrayed the customs duty and cleared the looms? According to reliable sources, the banks are not releasing the required funds because the company has now applied to the government for a concessional duty of 25 per cent instead of 95 per cent on the ground that these looms will be used only for export production. Earlier, the looms were imported for the domestic market. However, the office of the Textile Commissioner is yet to give the go-ahead. Once the permission comes through, it will take around six months to install the looms, i.e. well into the next financial year.

The remaining part of the NCD pro-

Mr Kapoor had 8 Dobermann Pinschers, 10 armed guards and a 22 foot high wall... yet they couldn't protect his factory from being eaten away.

Yes. Mr Kapoor's factory was attacked... by rust. Because he neglected one vitally important security measure: lasting protection against corrosion. So what with unending repairs and renovations over the years, his profits kept getting swallowed up.

Fortunately, 7250 factories, 310 dams, 1830 underwater structures and many other constructions in India have escaped the same fate... Thanks to STP Limited. The most trusted name in corrosion protection: pioneers and leaders for over 50 years. Only STP has developed such a wide range of durable products and systems. Like Tarstil Tar for general corrosion protection, Tankmastic for steel and concrete, and solutions to specific corrosion problems like Carseal.

STP Limited also offers a range of high-quality mastic asphalting treatments, both for roads and industrial floors. And it has an equally impressive record in pipe coating and waterproofing.

So, invest in STP protection for your factory today—and avoid the continuous maintenance expenses that eat away your money.

Because STP protection means the longest-lasting protection.

STP Limited

SHALIMAR TAR DIVISION

Your shield against corrosion

* For further details contact:

Head Office: 13th floor, Shantiniketan, 8 Camac Street, Calcutta-700 017. Tel 447139/447662.

Divisional Offices: 6, Lyons Range (1st floor), Calcutta-700 001. Tel 205191/201300. 16, N G N. Vaidya Marg, Bombay-400 023. Tel 2864643/2862313. PNB Building, 3rd floor, 5, Parliament Street, New Delhi-110 001. Tel 384155/384156. 6, Indian Chamber Building Annexe, 2nd Floor, Esplanade, Madras-600 018. Tel 560719/561022.

Branch & Unit Offices: Ahmedabad, Asansol, Bangalore, Baroda, Bhopal, Chandigarh, Cochin, Cuttack, Dhanbad, Guwahati, Hatinol, Jaipur, Jamshedpur, Kanpur, Kathmandu, Kolhapur, Lucknow, Nagpur, Patna, Pune, Raipur, Rajkot, Ranchi, Rourkela, Secunderabad, Siliguri, Visakhapatnam.

LINTAS:CAL/STP 43C. 2820

ceeds (Rs.17 crores) has also not been released to Orkay. It has been "appropriated" by banks to reduce the company's account "irregularities", ie, its excessive borrowings from the banks. The shareholders, including the Mehras, did not respond to the NCD issue. Their subscription only amounted to Rs.10 lakhs! Thus the devolvement of underwriting on the banks was virtually 100 per cent.

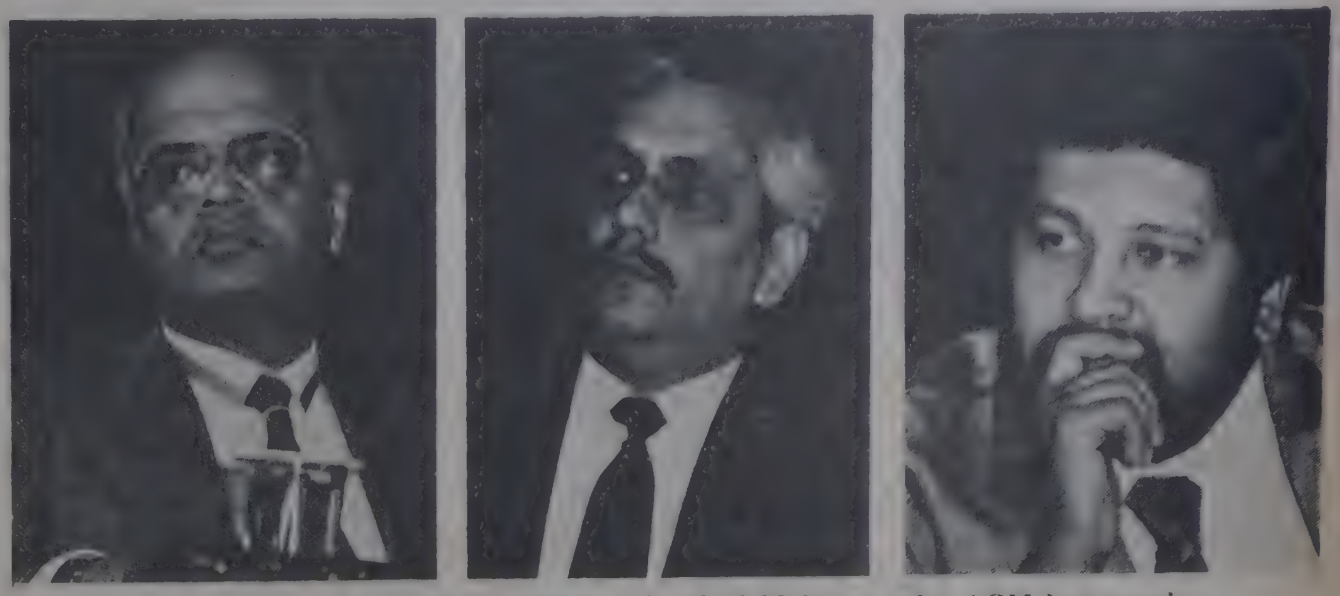
So Orkay's "irregularities" with the banks will be brought down by none other than the same banks! But in the process, the form of the loan will change. The excessive drawals from the cash credit account, for instance, will now be converted to debentures. The major advantage here is that debentures unlike cash credit are marketable, even if at a hefty discount. But the total exposure of the banks in Orkay has further gone up.

Yet another indicator of the continuing cash crisis is the fact that the Mehras have recently taken up timber trading through some "associate" concerns. One of these is Texo Timber (P) Ltd (Texo is the brand name of Orkay's suitings). These companies import teak from some East bloc countries into the Kandla port under OGL and sell it in the domestic market. Since timber is in short supply locally, it is sold on a cash basis. But it is imported on a 180-day credit. So the whole operation works more like a financing scheme.

There are also strong rumours that the Mehras continue to borrow large sums of money at high interest rates. Earlier, the Hindujas are believed to have financed the Mehras. But now, the Chhabrias top the list and there is talk in corporate circles of the Chhabrias acquiring Orkay shares.

The investor, again?

So the key fact remains: Orkay needs a large infusion of cash to survive and to get back on track. The multi-crore question: where will the money come from? In all probability from the 100,000-odd shareholders and investors who have repeatedly supported the company's capital issues ever since it went public. According to reliable sources, several rights issues are on the cards. Mehra admitted last fortnight that Orkay had applied for CCI approval of a rights equity issue on attractive terms. This is likely to be a Rs.33 crore issue in a 1:2 ratio at a premium of Rs.5 per share, to open during the first quarter of 1989. Later will come a Rs.83 crore convertible debenture issue and a Rs.42 crore NCD issue. If all these issues come off on schedule, the company could rake in nearly Rs.150 crores within the next two years.



Directors C.K. Parkash, Jitendra Mehra, Pankaj Mehra at the AGM last week: anxious moments

The major object of these issues, apart from "working capital requirements", will of course be the "expansion of polyester yarn capacity from 6,000 to 15,000 tonnes per annum." Since 1986, this has been the stated purpose. In September 1986, Mehra told shareholders that convertible debentures would be shortly issued to part finance the PFY expansion. Last year, he was not so precise, but clearly misleading. He said: "These two issues (ie, the Rs.19 crore rights equity and the Rs.36 crore NCD issue, both placed this year) would go a long way in putting the company on an absolutely strong footing and with the economies of production to be achieved in the expansion from 6,000 to 15,000 tonnes.... the long term outlook of the company is fairly bright."

To date there has been no increase in the yarn capacity. Moreover, despite the shareholders repeatedly contributing to the company's working capital needs 89 of the 100 sulzer looms imported more than two years ago have yet to be cleared. In September 1986, Mehra told the press that these had already been installed and 500 more looms were planned.

Chronic malaise

An analysis of Orkay's finances during the last three years shows up the chronic malaise afflicting the company. Between April 1985 and March 1988, total product sales have more or less stagnated around an average of Rs.234 crores. At the same time, the fixed assets have risen by Rs.137 crores, working capital by Rs.73 crores, net worth by Rs.50 crores and borrowings by Rs.89 crores! So the "new" assets are not generating any income and the massive increase in working capital is not related to any rise in the scale of the company's operations. Yet, these have been financed largely from borrowings at a heavy interest cost. Last year, Orkay earned a cash profit of Rs.14.19 crores, but had to pay out Rs.12 crores as interest.

Not surprisingly, Orkay fares poorly on almost every major performance yardstick. The efficiency with which assets are used, be it fixed assets or working capital, has halved during the last three years. An interesting feature is the sharp rise in credit sales from 29 days in 1985-86 to 74 days in 1987-88. Most observers find this surprising since the company's major product, polyester yarn, has been in great demand in recent years and its sales are virtually on a cash basis. (Synthetic industry insiders suspect a large part of these outstandings to be bogus). Profitability has also suffered: the return on net worth has nosedived from 17 to 7 per cent. All this despite a brisk demand for polyester yarn, unlike fibre. As one industry insider said: "Thank heavens, Orkay is not in the polyester staple fibre business. Otherwise, it would have collapsed long ago."

In the context of the poor operating performance and the severe cash crunch, the company has followed a reckless payout policy. Last year, Orkay paid out 74 per cent of its net profit as dividend. As the SBI assessment remarks: "Despite dwindling cash generations, Orkay were liberal in dividend payments" and "have not been following a prudent financial management policy". The objective here is clear: keep the shareholders, who are now the life-line to the future, happy

■ MUKARRAM BHAGAT

IMI INTERNATIONAL MANAGEMENT INSTITUTE-INDIA

INVITES APPLICATIONS FOR

POST-GRADUATE PROGRAMMES

ABOUT THE INSTITUTE : IMI India is an autonomous non-profit educational Society (President Shri Dinesh Singh, Minister of Commerce) under Societies Registration Act, 1860 The Institute has academic collaborations with International Management Institute-Geneva and with McGill University, Montreal.

For adding depth and purpose to its teaching/training, the Institute has a continuing programme of research and consulting. IMI has a distinguished full time faculty, who are assisted by visiting professionals from abroad, and its programmes have attracted participants from a number of countries in the developing world (eg, Afghanistan, Burma, Ethiopia, Ghana, Jordan, Sri Lanka, Vietnam and Zambia). The Institute is building its own Campus in south Delhi and, till the campus gets ready, the programmes are conducted in rented premises in Kailash Colony in south Delhi.

1 SIXTH POST-GRADUATE PROGRAMME IN INTERNATIONAL MANAGEMENT (Recognised by Government of India)

STARTING ON 1 JULY 1989, this one year programme, comprising three terms, is residential and full-time, and its curriculum is designed to impart core management skills and to prepare bright and promising young men and women to operate in a business environment which is becoming increasingly international. The faculty and participants—mix of the programme are international. A wide variety of learning methods are adopted to promote awareness and sharpen understanding of critical issues in all areas of management.

ELIGIBILITY: A candidate desiring admission should have a Bachelor's degree or equivalent in any discipline and, preferably, three years of work experience. In cases of outstanding record of achievement in academic/extra curricular activities, the work experience requirement may be relaxed.

FINANCIAL ASSISTANCE: The Institute will arrange limited financial assistance in the form of loans on the basis of merit/need. In addition, Scholarships will be awarded to participants for outstanding academic performance.

PLACEMENT : The Institute has a campus recruitment programme to assist its graduates to secure challenging career-opportunities. Graduates of the four previous batches are employed with some of the leading international banks, multinational corporations, as also large Indian companies in both the public and private sectors.

LAST DATE for receiving completed applications is 15 FEBRUARY 1989.

2 FOURTH (PART-TIME) POST-GRADUATE PROGRAMME IN MANAGEMENT

STARTING ON 1 JULY 1989, this three year Programme (equivalent to an MBA degree) is meant for those working managers in public/private sector industry, government, or public systems who have not had the opportunity to acquire formal management education. Being a part-time (evening) programme, it is best suited for persons living in and around Delhi. The recognition of the Programme is under the active consideration of the Government of India.

THE CURRICULUM consists of a set of compulsory courses in basic and functional areas. In addition, there are elective courses to enable participants to pursue their special interests in depth.

ADMISSION REQUIREMENTS are a Bachelor's degree and, preferably, 3 Years' executive experience. The final selection will be made on the basis of past academic record, length of relevant work experience, leadership potential, and performance in the personal interview.

HOW TO APPLY: The brochures and application forms for each of the above Programmes can be obtained by sending Rs 50 by bank draft / money order in favour of International Management Institute-India at B-31/B Kailash Colony, New Delhi-110 048 Telephone : 643-9080, 641-4651, Cable : ACHIEVING NEW DELHI. Telex : 031-66657 MACM IN.

Space donated by: RALLIS INDIA LIMITED

AN INTERNATIONAL AGENCY HOUSE FOR

- **Effer Spa.. ITALY** Mobile & Marine Cranes
- **Scandia Consult International, SWEDEN**
  Project Consultancy for Energy, Industry, Transport, Fisheries, Water Supply, Pollution Control etc. Under World Bank, African Development Bank, UNDP, FAO, & UNIDO Schemes.
- **Davle Tech Inc., U.S.A** Electronic tools & Accessories
- **Thomas Ashworth & Co., U.K.** Moisture Tester,
- **G & C Autogrues Spa., ITALY** Telescopic Heavy Duty Mobile Cranes.
- **Westa Werkzengbau Gmbh, WEST GERMANY**
  Hammer drill bit, Percussion Drill Bit, Precision router bits.,
- **Stanley Bostitch, U.S.A.** Construction Fastening tools,
- **Roeper, WEST GERMANY** CEROGA Instant Fruit Powder

For your requirements please contact.

VOLKSKAS MERCANTILE LTD

Plot No.14, Viking House, Motilal Nehru Colony,
Begumpet, Hyderabad-500 016, A.P. INDIA.
Ph:842190 Grams: VIKING Telex: 0425 - 6820 HACK IN

BRITANNIA INDUSTRIES

Rajan Pillai: the new biscuit baron

J.M. Rajan Pillai has acquired Nabisco Brands UK's 38 per cent holding in Britannia Industries last week to become the country's new biscuit king

Nabisco's branded products: will they come to India?

In the shadow of the 'deal of the century' — leverage buy-out firm Kohlberg, Kravis & Roberts' 25 billion dollar acquisition of food and cigarette giant RJR Nabisco in New York — a 41-year old Indian engineer from Quilon, Kerala, has quitely pulled off his own coup.

J.M. Rajan Pillai, non-executive chairman of Britannia, is the new biscuit baron of this country. The London-based son of India's "cashew king", Janardhan Pillai moved fast last fortnight to acquire Nabisco Brands, UK's 38 per cent holding in Britannia only days after the British firm's own American principals RJR Nabisco was taken private by Kohlberg, Kravis & Roberts.

In a telephone interview with *Business India* from New York's Regency Hotel where he has been camping while his lawyers worked out the deals, Pillai who is currently area president, Nabisco Brands Ltd UK, for Asia, Africa and the Pacific, refused to reveal the exact amount he paid for his takeover saying that "the consideration is far higher than the US $50 million reported in Indian newspapers."

Straight transaction

Unlike the leveraged buyout of RJR Nabisco, Pillai claims that his acquisition was made in a 'straight' debt-equity transaction. A leveraged buy out is one where the acquisition is made with the help of bank loans which are normally repayed by selling off the acquired company's often grossly undervalued assets. Pillai says he put in his own money to buy the shares and borrowed money from banks to tie up the package. "There is no group involved in the takeover," he says.

As part of the deal, Pillai will also acquire Nabisco's interests in its Hong Kong, Singapore and Malaysia subsidiaries. While the Hong Kong company distributes Nabisco products such as Planters Nuts and Kellogs Breakfast Cereals, the Singapore and Malaysian companies manufacture as well as distribute these products. Collectively they accounted for sales of US $50 million last year and turned in a profit of $5 million.

Judging by Pillai's claim, his passage into the roster of shareholding of the four companies has been unusually smooth unlike the takeover drama enacted in New York. Legal agreements between him and the Nabisco group "dating back to 1976 and 1985" ensured that in case of a change in the US company's management, he would have the first option to buy RJR Nabisco's holdings in BIL and the three south-east Asian companies.

At the time of going to press, however, reports from New York investment bankers indicate that the deal was yet open and there were other suitors for the four companies. This puts to question Pillai's "exclusive" legal arrangement with Nabisco.

But undoubtedly, Pillai's plump acquisition is the 38 per cent stake in Britannia. The company is India's largest biscuit manufacturer with sales of over Rs.200 crores in 1987-88. He already has had a near 10 per cent stake in the company, and his new acquisition makes him BIL's single largest shareholder, a status so far enjoyed by the financial institutions with a 26 per cent holding.

Pillai: takes a bigger bite

Pillai joined the BIL board in January 1983 after the company's erstwhile principals Huntely & Palmer Ltd, UK, were taken over by Nabisco Brands, UK, as the nominee of the latter. He took over as chairman in February 1985. His association with Nabisco dates back to 1974 when he moved to Singapore from Kerala. In 1976, with obvious help from his prosperous cashew trading family, he teamed up with Nabisco Brands in a 50:50 participation to set up 20th Century Foods in Singapore, to manufacture snack foods and oil roasted nuts as also to distribute Nabisco's other products.

Suprising move

In 1985 in a surprising move he sold his holding in the company to Nabisco itself and moved to London to take up an executive position as area president in charge of all Nabisco Brands' activities outside Europe and the Americas.

Why did Pillai liquidate his holding in a company which presumably was doing well? "I wanted to take up a senior executive position in London. And also because I wanted to invest the money I received from the transaction in the principal company. His current holding in RJR Nabisco he claims is of an "insignificant" nature.

What does the change of ownership mean to Britannia in India. "The existing arrangement between BIL and Nabisco will continue which includes BIL's right to be the first user of this name in India and transfer of technology for new products. A host of new food products and diversifications will follow in the near future," says Pillai. These would include convenient and packaged foods, snacks, oil roasted nuts, extruded snacks etc. "We hope to introduce the Nabisco and Kellog brand of products in the country within the next 12 months," he adds.

■ BASUDEV DASS and N. RADHAKRISHNAN

GREAT EASTERN SHIPPING

Shipshape and steaming ahead

Buoyant freight rates, cheaper oil, low gearing and a low-cost fleet have propelled Great Eastern Shipping Co into a new growth phase. The market-wise company, which is more shipshape now than ever before, is cautiously implementing a Rs.250-crore fleet expansion programme

Unlike the Indian government which waits for the annual Republic Day functions to distribute its awards to the hundreds of citizens selected for the awards, the Norwegians act immediately after selecting the awardees. And the award of the Royal Norwegian Order of Merit conferred by Norway's King Olav, on Vasant Jagjivan Sheth, the 60-year-old chairman of Great Eastern Shipping Co Ltd on 7 September this year, could not have been timed better. Great Eastern, the country's largest private sector shipping company had, in 1987-88, posted record freight earnings and profitability, in a fitting celebration of its 40th anniversary.

Cyclical booms and slumps

The highest award from Norway to a foreigner went to Vasant Sheth for furthering Norwegian interests. Vasant Sheth's 40-year-long business links with that country is highlighted by his chairmanship of the Indian arm of the Norwegian classification society, Det Norske Veritas, for 11 years now.

Back home, it has been a period of consolidation and further insulation in a business that is notorious for its cyclical booms and slumps. Besides adding 11 ships to increase its fleet strength to 36 over the last two years, the company has also reduced financial gearing with substantial expansion of its equity base, and pruned operating costs to shore up profitability. The bottom line for the year ended 30 June 1988 tells all — while total income rose 13 per cent over that of 1986-87 to Rs.116.14 crores, pre-tax and post-tax profits jumped 142 per cent each to Rs.19.5 crores and Rs.16.43 crores. Dividend has been hiked by 2.5 points over that of 1986-87 to 15 per cent.

It has been the first year of comfort in the eighties for Great Eastern — after incurring losses totalling Rs.9 crores in 1982-83 and 1983-84, its profits were far from respectable in the subsequent two years. Now on safer ground, the company is in the thick of a massive Rs.250-crore fleet expansion programme that took off in 1986, when the world freight markets were in the penultimate phase of a 14-year-old recession, and tonnage was cheap. "Our timing could not have been better," says K.M. Sheth, deputy chairman and managing director of Great Eastern, reputedly a tough negotiator. "We got good quality ships at bargain prices." The disagreement among members of the Organisation of Petroleum Exporting Countries (OPEC) over production-sharing helped pull down bunker (oil for ships) prices. This, along with the improvement in the freight markets, helped shipowners increase margins substantially. "Now oil is a cheap commodity, and a fuel-efficient ship is not a necessity," says Vasant Sheth. "What you need is an interest-efficient ship, that is bought cheap with the minimum downside risk."

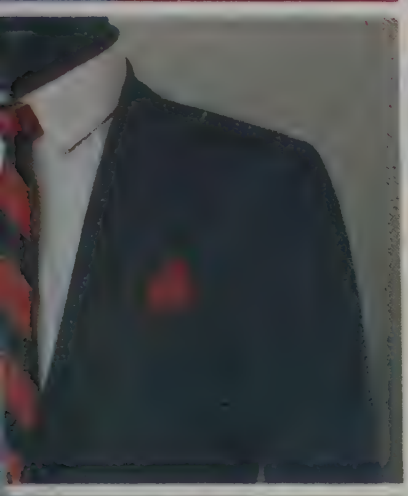
Vasant Sheth

Rich dividends

In shipping, heavy interest burdens invariably bring about a downfall. So, Great Eastern's policy of low financial gearing has paid rich dividends. "We have taken a conscious decision of raising our equity capital," says N.P. Gidwani, advisor to the group. The company's equity capital, only Rs.15.33 crores in the early eighties, has grown to Rs.55.6 crores, with one bonus issue and two rights issues, including the 5 million shares allotted to the World Bank affiliate, the International Finance Corporation (IFC), Washington. This is the first investment made by the IFC in any shipping company. If one takes into account the IFC option of subscribing to 3.25 million shares more, and the uncalled for monies from the last rights issue, the capital will stand at a formidable Rs.71.26 crores.

With reserves of nearly Rs.40 crores, Great Eastern's net worth crosses the Rs.100 crore mark. "Our hidden reserves are much more," says Vasant Sheth. "We are probably the only company whose

We cut no corners.
We give you a square deal.



Clothes make the man. And Sharmas set the trend with ready to wear fashion that is not available elsewhere.

Jackets, Trousers, Shirts, Fashion accessories and Knitwear with a winning combination. And anything else you could ask for the entire family. Yes, Sharmas offer you more.

Capture the very essence of Sharmas, especially its impeccable tailoring that is often copied — but never equalled.

Sharmas

India's Leading Fashionwear House

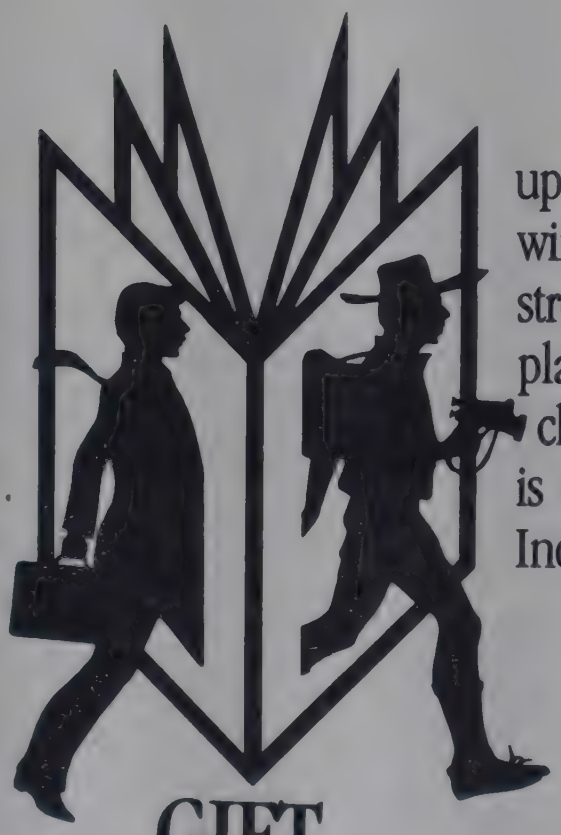
S.C. SHARMA & CO. PVT. LTD.

7-D, Connaught Place, New Delhi-110 001
Tel: 3320174, 3322180

TO YOUR FRIENDS, RELATIVES, BUSINESS ASSOCIATES
IN INDIA AND ABROAD...

NOW GIFT A COLOURFUL ONE-YEAR VOYAGE OF DISCOVERY TO THE WORLD'S MOST FASCINATING COUNTRY: OURS.

Far away from the reverberations of the India most people know are the mellifluous echoes of an India waiting to be discovered. An India brought to thousands of readers around the globe by 'Discover India'. A magazine that takes you



up mountains, down rivers. Through winding roads and cobbled streets. Meeting people, seeing places. Experiencing the subtle charms of myriad cuisines. If this is the India you know, isn't it the India you would love to share?

GIFT Discover India

THE BEST THING YOU CAN DO FOR INDIA IS TO SHARE THE MANY-SPLENDOURED EXPERIENCE.

PLEASE GIFT-WRAP AND RUSH A 1-YEAR SUBSCRIPTION OF DISCOVER INDIA TO:

Name .....

Address .....

.....

My Name & Address .....

.....

.....

Newstand: Rs. 20/- Annual Gift Subscription (12 issues): Rs. 180.
You save Rs. 60/-

Tick one ☑

☐ Cheque ☐ P.O. ☐ M.O. ☐ Draft

Charge my Credit Card ☐ Diners ☐ Andhra/Visa ☐ Central/Master

Card No. ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Expiry Date ☐☐☐☐☐☐

Signature .....

Media Transasia (India) Pvt Ltd, 103 Anandlok, New Delhi 110 049.

fleet has a written down value of Rs.219 crores, but a market value of about Rs.350 crores."

In its hurry to clear its debt, the company has also been repaying loans at a pace faster than originally scheduled. During 1987-88, the company repaid about Rs.30 crores of loans, and plans to shed another Rs.30 crores in the current year. By 1990-91 it would have paid off an additional Rs.57 crores, if things go according to plan.

Great Eastern's skills in managing its finances stand out in an industry which has, over the years, wiped out its entire net worth. "One of the most positive features about Great Eastern is its financial structure," says Naresh C. Singhal, managing director of the Shipping Credit & Investment Co of India (SCICI). "It has not resorted to extreme levels of borrowing. Its low gearing has helped tremendously during the recessionary period." The company's debt-equity ratio is now at a healthy 1.37:1 against the industry norm of 6:1.

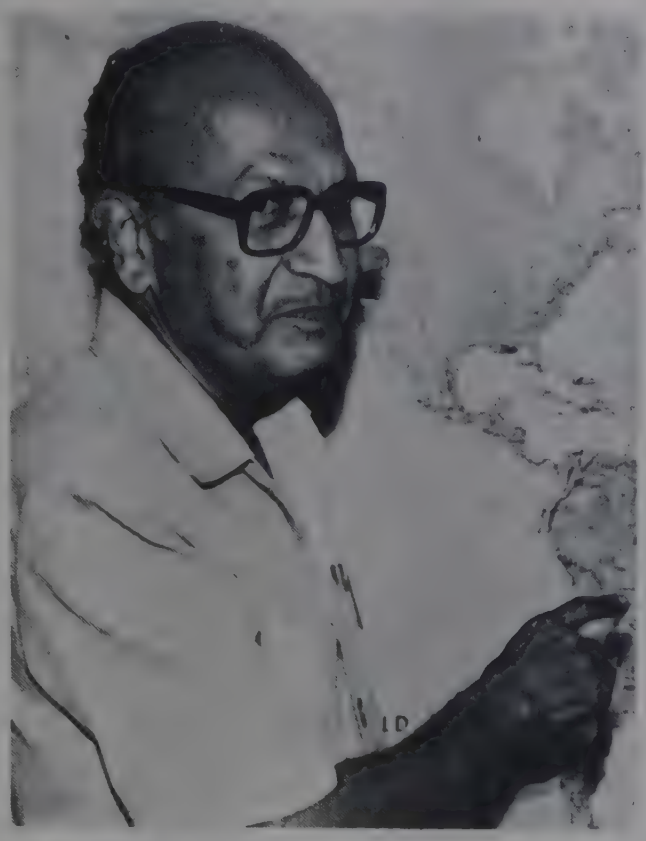
Promising years ahead

The technical status of the world fleet also places Great Eastern at an advantage. "The real promising years for the company are ahead," says Vasant Sheth. "The world fleet is ageing, and something like 100 million deadweight tonnes will have to be replaced by the turn of the century. But people are not daring to order ships yet...newbuilding prices are at fabulous levels."

With an average age of 17 years for its 23-strong dry cargo fleet and 9 years for its 14-strong tanker fleet (including four offshore supply vessels), Great Eastern is comfortably placed to exploit market opportunities. The Baltic Freight Index, which was in the region of 1,200 about a year ago, is now in the region of 1,500, while the tramp trip charter index during 1987-88, averaged around 193.75 as against the levels of 105.22 between 1982 and 1985.

"The freight market has still not reached a stage where newbuildings can be supported," says Vasant Sheth. "A boom-like condition would be required to trigger off newbuildings. I have a faint suspicion that it is round the corner. World trade has gone up by almost 25 per cent over the last two years, and if this tempo continues, there would be a shortage of tonnage, which would result in a flare-up of the freight markets."

Against such a back-drop, the company's proposed investment in fleet expansion will necessarily have to slow down. Ship prices in both the second-hand and newbuilding markets rise along with any firming up in freight markets. The company plans to acquire 18 to 20 ships over the next two to three years, including six bulk carriers, three offshore supply vessels (OSVs), an LPG carrier, and some other petroleum product carriers. With more and more refineries being set up in oil producing countries of the Middle East, the demand for specialised petroluem product carriers is slated for a big increase, according to company officials.



K.M. Sheth: tough negotiator

Best buying time

Gidwani agrees that the best time to buy ships is during periods of slump. "To give you an example, we bought five ships that are similar in terms of vintage, size and specifications, over the past two years or so. The first cost us $2.55 million, the second $3.05 million, the third $4 million, the fourth $5.5 million, and the fifth $6.5 million," he says. A sixth ship with similar specifications that was bought last fortnight cost the company $.8.1 million.

"We may have to go slow on expansion," says B.N. Adappa, executive vice-president in charge of dry cargo at Great Eastern, "but if you put a complete brake on all acquisitions, there is a possibility of missing out in a good freight market." Already, the company has abandoned plans to sell off two ships — it sees more profits in refitting them and running them.

The company plans to finance its expansion with subsidised loans from the SCICI, which is currently stipulating a promoter's contribution of 20 per cent. "We have 14 per cent of the Indian fleet, and it is only fair that we get an equivalent amount of the subsidised funds," says Vasant Sheth. "Currently, we have only about 0.33 per cent of that." The company management does not favour a rights issue in the immediate future to support the expansion. "We don't want to dilute the earnings of our shareholders so quickly," says Vasant Sheth.

The outlook for the current year appears to be bright. Freight earnings during the first six months of the current year that will close on 31 December 1988, will be in the region of Rs.70 crores, with the dry cargo fleet contributing about 66 per cent of it. K.M. Sheth says that profitability is likely to be better than that of last year. "Last year we did not have the full impact of the improvement in the freight market," he says. "I am personally optimistic that it will improve further."

Clean deals

Even as the company is consolidating it is diversifying — civil construction and hotels are the two areas identified. The Great Eastern Developers, a cell formed for the construction business, has already built an office complex at New Bombay and a residential building in suburban Bombay. "We intend managing the division professionally, and there will be clean deals," says Gidwani. "There is a certain amount of logic in this. Like shipping, the buying and financing of the asset is the key to profits in construction." He claims that the company is also looking at a couple of "future industries" for further diversification, but decline to identify them.

Meanwhile the policy environment in the country for shipping is also improving, due to the setting up of the SCICI in 1986, and the streamlining of procedures for the buying and selling of ships. "Great Eastern has earned the silent respect of the government," says Gidwani. Vasant Sheth sees more accolades on the way. "If the heroes of yesteryear were those in import substitution industries," he says, "the heroes of tommorow will be those who bring in export earnings. Our shipping industry is now getting to be internationally competitive." He, of course, expects Great Eastern to be among those heroes.

■ SHANKAR P

If you travel Executive Class in the air, shouldn't you stay Regency Class on the ground?

At Hyatt Regency Delhi, the book of hospitality translates into the global language of business travellers.

The Hyatt Business Centre, replete with hi-tech facilities, awaits your urgent command. With personal computers, telex and telefax machines, and a discreet secretarial service in attendance.

For those of you who wish to fly higher still, the Regency Club presents an entire floor of corporate luxury.

Thoughtful little touches like special elevator passkeys, a concierge service and personalised stationery complement elegantly appointed rooms and suites. While an exclusive lounge and a conference room complete the ideal executive environment.

If a workout is part of your daily schedule, step into the Hyatt Fitness Centre. A nine-station multi-gym, jacuzzis, chill pools, saunas, steam baths, massages and a swimming pool rejuvenate your tired muscles. While tennis courts beckon the sports-minded.

Four restaurants pamper the executive palate. Valentino's serves the flavours of Italy. Pearls, authentic Chinese. Aangan is a taste of India. While Cafe Promenade brings you the world.

At the end of a long, hard day, unwind at the million-dollar club discotheque, Oasis.

You'll soon find that Regency Class at Hyatt Regency Delhi takes on a special meaning. Hospitality redefined for business travellers.

THE HYATT TOUCH™

HYATT REGENCY DELHI

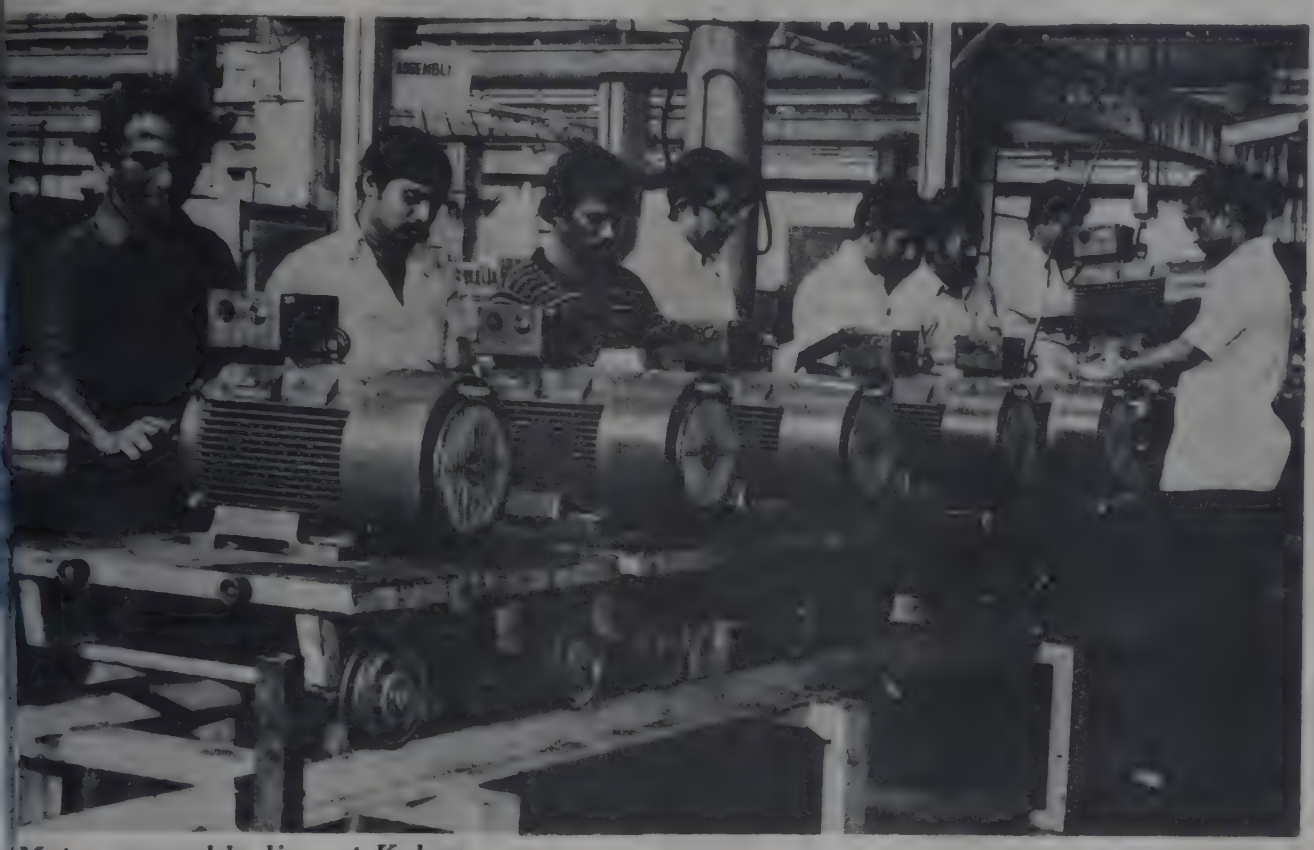
Bhikaiji Cama Place, Ring Road, New Delhi 110 066. Tel: 609911. Tlx: 031-61512 HYT IN. Fax: 678833

For reservations at any of 44 Hyatt International Hotels or 89 Hyatt Hotels in North America, call Hyatt toll free, or your travel planner.

SIEMENS

A change of current

Stockmarket speculation in recent weeks about attempts by the Ambanis to gain a foothold in Siemens Ltd has been quietened by prompt denials by both sides. While corporate gossip is focused on the prospects for this FERA and MRTP company in the event of a strong Indian partner coming in, it is pulling up its socks by restructuring existing operations and setting up joint ventures



Motor assembly line at Kalwa

Close on the heels of the irrepressible Ambanis of Reliance picking up about 12 per cent of Larsen & Toubro's equity and subsequently wangling berths on the company's board in September this year, rumours were rife that Siemens Ltd may be next on their shopping list. Corporate circles expanded upon this to foresee the West German parent Siemens AG unloading a part of its 51 per cent stake in the Indian company's equity in favour of the Ambanis.

For the Reliance group which is keen on entering core sector industries, and has plans to set up a Rs.750-crore 600 MW power generation plant in Gujarat, market watchers saw useful access to Siemens' expertise in the power industry. For Siemens, they speculated upon a release from the shackles of the Foreign Exchange Regulations Act (FERA) and the Monopolies & Restrictive Trade Practices Act (MRTP), if Reliance uses its skills in persuading the government to look its way.

Much of this was fuelled by the sharp increase in Siemens' share price — from around Rs.70 in July this year, it jumped to Rs.120 last month. Denials from both Siemens (jointly with Siemens AG) and the Reliance group, however, pushed the price down to its current level of Rs.108 or thereabouts. Even as marketmen alleged that the Reliance group had bought about 25,000 shares of Siemens, the former stated that "Reliance has no intention of acquiring a stake in Siemens". It must, however, be pointed out that the Ambanis had made a similar denial in the case of Larsen & Toubro, before they changed their mind.

"Planted rumours"

"There is no reason for us to dilute," says Albert Hoser, managing director of Siemens Ltd. "It would be stupid for me to request my parent company to dilute because then I would not be considered to be a part of the Siemens family. If they have less than a 51 per cent holding, I am not allowed to carry the name Siemens any more — it would become a portfolio investment for them." He explains that Siemens in India has access to patents that Siemens AG has negotiated worldwide with other companies. "This advantage I would immediately lose if Siemens AG dilutes its holding," adds Hoser. "I am afraid that the rumours are being planted by somebody who wants the price of Siemens' shares to go up."

Top Reliance officials maintain that their group would not invest in any company where they will have no active role to play. "We operate in more than 100 countries," says Hoser, "and we run all our operations on our own. It is not possible for any Indian shareholder with less than 25.1 per cent to have an active role in the running of this company." (A shareholding of over 25 per cent allows the right to move or block a special resolution.) Most important, Hoser says that the Ambanis have no hope of making it to Siemens' board as a conflict-of-interests situation would arise because of their seats on Larsen & Tourbo's board — Siemens and L&T are fierce competitors in the markets for low tension switchgears and switchboards.

Despite these assertions from both sides, there have been significant shifts in the shareholding pattern of Siemens — between March and November this year, the holding of the Thackersey group has fallen from 1.87 per cent to 1.72 per cent, while that of the Kapadia group has fallen from 2.09 per cent to 2 per cent. The gainers have been some non-nationalised banks, whose holding has gone up from 0.11 per cent to 1.3 per cent. This has lent credence to the theory that the Thackerseys and the Kapadias may be keen sellers. Both Sudhir Thackersey, former Siemens chairman, and N.N. Kapadia, a director of the company, were unavailable for comment. Other significant shareholding groups led by Dilip Khatau (0.33 per cent) and P.C. Mehta (0.85 per cent) say that they have no intention of selling their holdings in Siemens' equity.

Warning bell

Even as Hoser maintains that the company is not in need of a strong Indian partner, he is well aware that unless Siemens sets its house in order, it could face declining profitability in the years to come. In fact, the warning bells were sounded back in 1980, when FERA regulations compelled the company to give away the marketing of cables and transformers manufactured by the Cable Corporation of India and Bharat Bijlee Ltd, respectively, under Siemens' licences. Net turnover fell from Rs.123.53 crores in 1979-80 to Rs.104.98 crores the next year,

before increased production at existing facilities and the commissioning of a new plant at Nashik began to lift the turnover figures in subsequent years.

For the last year, which closed on 30 September 1988, the company's board is expected to report a turnover of Rs.225 crores, about 13 per cent higher than the Rs.198.44 crores achieved in 1986-87, and improved profitability (pre-tax profits in 1986-87: Rs.9.55 crores) when it meets to consider the accounts on 12 December.

"Last year's performance has been up to our expectations," says Hoser. Union negotiations were concluded much quicker than in earlier years, and there were no disturbances on the shop-floor. In a major restructuring of production, the Nashik factory was revamped to concentrate on industrial electronics, while the Kalwa facility consolidiated the manufacture of switchgear, switchboards and motors. The Worli plant in Bombay was designated for medical electronics.

CAT scan manufacture

"Another high point of the year was the Technogerma fair in Delhi, where we managed to get substantial orders for industrial electronics," says Anil K. Shrivastava, chief manager, managment services, at Siemens. "The prospects for medical electronics are also good." The company hopes to start the manufacture of CAT scans for which it recently obtained a letter of intent, in the current year. All this is not enough reason for cheer. The company's energy and automation division, which accounts for roughly 85 per cent of the turnover, is the poorest contributor to profits — the telecommunications division tops the profitmakers, followed by the medical electronics division. Within the energy division, in which switchgear is dominant, followed by switchboards and motors, the latter two groups are being given a run for their money by the intense competition in the marketplace. Industrial electronics, which chips in about 8 per cent to the turnover, enjoys a modest profitability.

Besides switchboards, it is the motors range that is getting battered in the markets. "Competition for motors has now reached saturation point," says Shrivastava, "and we are giving ridiculous discounts of 45 and 50 per cent. Each one of us in the market is bleeding to death." Shrivastava, who is busy preparing a five year perspective plan for Siemens, sees switchboards and motors playing an increasingly reduced role in

Hoser: taking stock of operations

the future, while industrial electronics will be given a push to eventually match the size of the switchgear division, which could be in the region of 30 per cent. With the introduction of newer products such as CAT scans and angioscopes, the medical electronics division is also slated to play a larger role than that of the telecom division, although its share in the turnover is not likely to exceed 10 per cent.

Restructuring exercise

In fact, the restructuring at Siemens in India is taking place at a time when even Siemens AG is engaged in a similar exercise the world over. "The multinational will see sweeping changes in its management and overall organisation, far reaching changes that Siemens has not experienced over the past two decades," says a recent report in a West German magazine, *Manager*. The report foresees the splitting up of the Siemens organisation's seven large divisions into a larger number of "more flexible and operatable units" in time to come.

In India, Siemens is finally finding ways to exploit its technological strengths in areas barred for it on its own, by setting up joint ventures. Webel Telematik Pvt Ltd, a joint sector venture with the West Bengal Electronics Corporation Ltd holding 51 per cent of the equity and Siemens the remaining 49 per cent, will start the manufacture of electronic teleprinters with Siemens knowhow by March 1989 — a Rs.4-crore order from the Mahanagar Telephone Nigam Ltd is already on hand. Deltel Communications Pvt Ltd, a three sided joint venture among Siemens, GTE Atea of Belgium and Delton Cables, is awaiting government clearances — th company proposes to manufacture elec tronic private automatic branch ex change (EPABX) systems with GTE-Ate knowhow to start with. Siemen watchers feel that the company has belat edly woken up to the opportunities o entering into joint ventures for product and technologies in which it has exper tise. The company has a string of li cencees such as Bharat Heavy Electrical (power turbines and generators), Bhara Bijlee (transformers), Cable Corporatio of India (cables), and Bharat Electronic Ltd (X-ray tubes and vacuum interrup ters), among others. The BHEL tie-up i the most significant, and Hoser admit that Siemens did try to forge a joint ven ture, and failed.

Missed opportunity

Another missed opportunity for the com pany was supply of knowhow for the man ufacture of public telephone switchin systems, which CIT-Alcatel of Ital bagged against competition from Sie mens (this was before the Centre fo Development of Telematics was set up t develop public telephone switching sys tems in the country). Siemens, however was selected as one of the three com panies to supply knowhow for the manu facture of telephone instruments in th country, along with the Swedish Ericsso and the Italian FACE.

Hoser still maintains that "there is n area where an additional push" in Delh could help. "Except public telephon switching systems, all areas are open t us," he says. The company has, however asked Webel Telematik to apply for a licence to manufacture these systems — the only route is through a joint ventur where a public sector company has a majority shareholding.

For the long term, Hoser is pinnin substantial hopes on the government' liberalisation policies, although he is no entirely happy with the progress achieve so far. "Liberalisation, in Germany mean that you can do whatever your briefcas or your billfold allows you to do," he says "Here, you are allowing those people t do something who don't have the mean to do it, or the technology," he says. "Yo are allowing people to go into a poo when they cannot swim." For a compan that is often swimming against the tide i Delhi, a change of current will help in a small measure. ■

SHANKAR I

In your concern for their happiness

You deserve a bank which equally cares – VYSYA BANK

Their happiness — your concern, it is intense. Setting your children in the right direction — guiding and supporting to ensure success. We care. Relating ourself to your need, with experience and foresight.

That is — through the varied and flexible schemes of Vysya Bank — designed to support success to sustain.

And this has been the secret of our success — in being responsive, in being proactive to challenges, in going beyond banking through equipment leasing and credit cards, in occupying the premier position in the private sector.

In your pursuits, team up with the winner — Vysya Bank.

VYSYA BANK
Now ranked
150th
in ASIA

Come, let us grow together.

THE VYSYA BANK LTD

Regd. Office: Avenue Road, Bangalore-560 002.
Admv. Office: 72, St. Marks Road,
Bangalore-560 001.
Chairman: Ramesh Gelli

KIRON/VB/Corp 887

5 GOOD REASONS WHY YOU SHOULD TAKE THE MACHINERY BREAKDOWN INSURANCE POLICY FROM UNITED INDIA

1 The Production Reason

"One important machine down and the whole assembly line comes to a standstill. Production schedules go awry. Targets can't be met. Downtime goes up. Everything goes haywire."

2 The Finance Reason

"Cash flow disruption. Short-term financing. Locked-up working capital. All this can make a big difference to profits."

3 The Personnel Reason

"Deployment of labour becomes a problem. Overtime later to make up for production loss. Employee morale goes down. If we can't manage machines, we can't manage men!"

4 The Marketing Reason

"Availability and flow of products into the market can make or break a company. Loss of credibility among distributors and customers will allow competitors to get their foot in. It'll be marketing suicide!"

5 The Maintenance Reason

"Turbines,compressors, pumps, generators, transformers — all costly equipment. I can control routine repairs, but not unforeseen breakdowns or losses. I'm not God, I'm only a man. I'm not even a machine!"

Avoid management by crisis. Make insurance a part of your policy.

Any kind of mechanical and electrical machinery — at work; at rest; or being cleaned, inspected, overhauled, removed or re-erected within the insured premises... UI covers them against any unforeseen loss or damage. This policy can also be extended to cover loss of profits following breakdown.

So whether you are the manager of a big factory or a small scale industrialist, make sure sudden loss of machinery and lack of re-financing doesn't bring your operations to a standstill.

UNITED INDIA INSURANCE CO. LTD.

(A subsidiary of the General Insurance Corporation of India)
24 Whites Road, Madras 600 014

Act now. Contact any of our 1000 offices.

HTA 7014

Some surprises at SEARCC

Despite the absence of some of the top international computer companies, the four-day South East Asian Regional Computer Conference (SEARCC) had a few surprises in New Delhi. Some new software packages were visible, sophisticated hardware was on display and more than 100 companies bought stall-space in all the available halls at the Taj Palace hotel. An added bonus was the presence of a handful of computer "gurus" from the west who made perfunctory appearances at the conference held concurrently with the exhibition, from 28 November through 1 December this year.

Yet, there seemed to be some spirit missing in the event. The usual crowds were present, the presentation papers had the right audiences and most visitors to the exhibits seemed satisfied with what was on display. But, compared with the other major event in computer melas, the Computer Society of India (CSI) annuals, SEARCC '88 did not exactly take off in New Delhi.

The signs were evident right from the beginning. In spite of SEARCC being among the most prestigious shows held throughout the 11-member Asian community, key heavyweights stayed away, the most important being prime minister Rajiv Gandhi, a self-confessed high-tech fan himself. Perhaps if he had formally inaugurated it, SEARCC may have got more publicity than it did.

Vice-president Shankar Dayal Sharma also stayed away. The conference was formally inaugurated by the low-profile minister of state for science and technology, K.R. Narayanan. The exhibition was opened by the Lieutenant Governor of Delhi, Romesh Bhandari. Key absentees included Sam Pitroda, special advisor on technology mission to the PM, K.P.P. Nambiar, secretary of the department of electronics, and P.S. Deodhar, chairman of the Electronics Commission and ET&T (Electronics Trade and Technology Development Corp).

Members absent

The other anachronism was the skewed proportion of exhibits from SEARCC members. The group includes Hong Kong, Indonesia, Malaysia, Thailand, Singapore, Pakistan, the Philippines, Sri Lanka, Bangla Desh and India. Yet, over 90 per cent of the exhibitors were Indian companies.

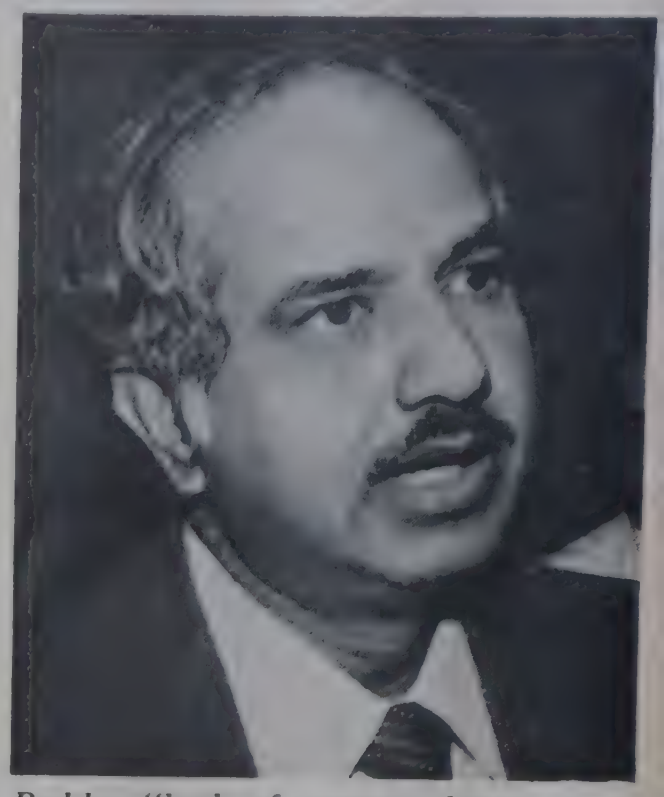
International Business Machines Corp (IBM) kept out of the stall area and its only contribution to the event was a small "manufacturer's presentation slide show" with the AS/400 (Application System/400) supermini series. Other significant absentees were Apple Computer Company, Unisys Corp, Compaq Computers Inc, Hewlett-Packard Inc, and Nippon Electric Company. Significantly, there were almost no exhibitors from any other SEARCC countries, prompting one visitor to remark that SEARCC seemed to be a "scaled-down CSI show".

On the positive side, 1,100 delegates from 18 nations pooled papers at the conference held in the adjoining Maurya Sheraton hotel. The conference was kicked off by Raj Reddy, director of the Robotics Institute at Carnegie-Mellon University in Pittsburgh, Pennsylvania. Reddy spoke on the lack of a common language being a barrier to growth in developing countries and later analysed the relationship of gross national product to information technology. "About 15 to 20 per cent of the United States' GNP is accounted for by the information industry," he said. "In the USSR, this is just around one per cent, and in India it is probably even less than that."

Narayanan struck a cautious note in his inaugural address, calling for "bridges to close our poverty levels, education gap, exports gap and the emotional gaps." One way the government was tackling this anomaly was by developing a network of computers throughout the land, under the National Informatics Centre (NIC), now headed by N. Seshagiri. "We have to use computers to elevate people from ignorance to enlightenment," he said. "One symbol of our faith in doing this is in getting advanced systems from the west. The latest Cray X/MP has just arrived. That proves our determination to enter the supercomputer race and prove our capabilities."

Computer still not trusted

"Our major concerns in the Asian region will be on how to keep up with technology, train more people, create more computer awareness and address social concerns," said F.C. Kohli, dubbed the "father of SEARCC" and chairman of the conference. Kohli, who first mooted the idea that led to the first show in



Reddy: "lack of common language, a barrier"

Kohli: father of SEARCC

Sonawala: "share our resources"

UNISTAR.
Means soaring progress.

The versatile cable. UNISTAR

• PEX Power Cable LT/HT/EHT • Flamuni Cable FRLS/FS/HF. • PILC Cable MIND/ Draining. • PVC Power and Control Cables • Elevator Cable PVC/Rubber • Railway Signalling and Loco Cables • Aircraft Wiring/Air Field Lighting Cables • Mining Cables Fixed and Trailing • High Temp. Cable Silicone/Fluoroplastic • Oil Exploration Cables (Rig and Data-Logging) • Welding Cables GP & HR • Ship Wiring Cable • Nuclear Radiation Resistant Cable • DC HV Cable Precipitator/X-Ray • High Frequency Cables Audio/Video/RF/Cable TV, Microwave • Multi Pair Screened Instrumentation/Data Cable.

UNISTAR® CABLES AND CAPACITORS

The all pervading element in industries.

UNIVERSAL CABLES LIMITED P.O. Birla Vikas, Satna-485 005 (M.P.) Tel. 2762, 2763 & 2708 Telex No.: 0766-202 UCL IN.

BOMBAY Industry House, 159, Churchgate Reclamation, Bombay 400 020 Tel 202 6340, 202 3170 Telex: 011-3652 BRLA IN Telefax: (022) 202 7854

CALCUTTA 27-B Camac Street, Calcutta 700 016 Tel 444351, 446198 Telex 021-7653 RMCO IN

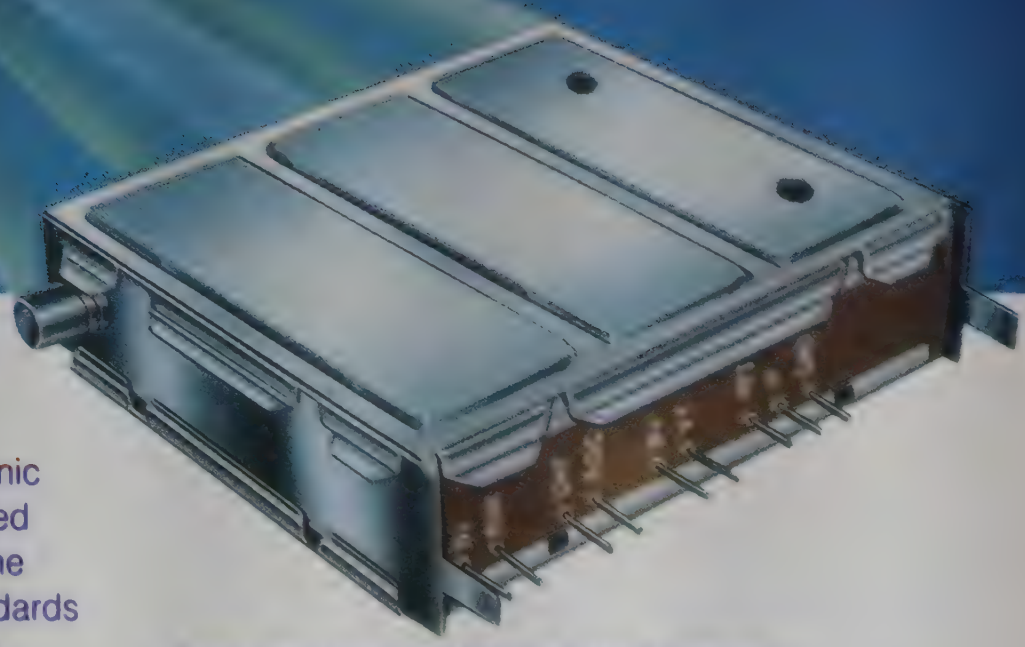
NEW DELHI UCO Bank Bldg Parliament Street, New Delhi 110 001 Tel 384851, 382750 Telex 031 62646, 031-62598

BANGALORE: 5, Palace Cross Road, Bangalore-560 020. Tel 362674, 368179. Telex 0845-2653

MADRAS 20 Greams Road, 1st floor, P.B. No.737, Madras 600 006 Tel 472427, 47755 Telex: 041-428.

AMA-UC-353 X

If you are still importing VHF/UHF tuners for your colour television sets ...



... put your foreign exchange to better use.

Pricol introduces a world-class colour TV Electronic tuner. Designed by Siemens – West Germany. Tested and certified by Regional Test Laboratories under the STQC programme. With certified performance standards on par, and even exceeding international standards.

The Pricol tuner is your opportunity to save substantially on the landed cost of an imported tuner.

The tuner is adaptable across a wide range of kits. And output response can be tailored to suit any TV.

Features:

- Reception channels in both VHF and UHF.
- Minimum gain of 30dB, for excellent fidelity even in fringe areas.
- IF and Image Rejection better than 60 dB.
- CMOS circuitry for noise suppression.
- Fully tropicalised.
- Pins compatible with most European tuners.
- Custom designed PCB's available on request.
- Cost-effective package – quality on par with international standards.

Cash in on the opportunity to cut down on manufacturing costs, without the slightest compromise on quality..

Manufacturers all over the country are discovering the magic of Pricol, today.

For more details write to

pricol

Premier Instruments & Controls Ltd.

Post Box No. 6331, 1087B, Avanashi Road
Coimbatore-641 037 India
Phone: 0422 31521, 22, 23, 24
Grams: PRICOL Telex: 0855 376 PIL IN

Pricol puts the world at your finger tips

Introducing

the only low-cal sugar substitute that's taken the world by storm... and appeal.

More people in more places prefer Sweet 'n Low to sugar or any other substitute. It's the chosen one in 29 countries.

Presenting

the only substitute that gives you the sweet taste of sugar without the bitter aftertaste.

One sachet of Sweet 'n Low sweetens just as well as two teaspoons of sugar–and it doesn't leave behind a bitter aftertaste. What's more you get less–just 4 calories versus the 32 you get from sugar.

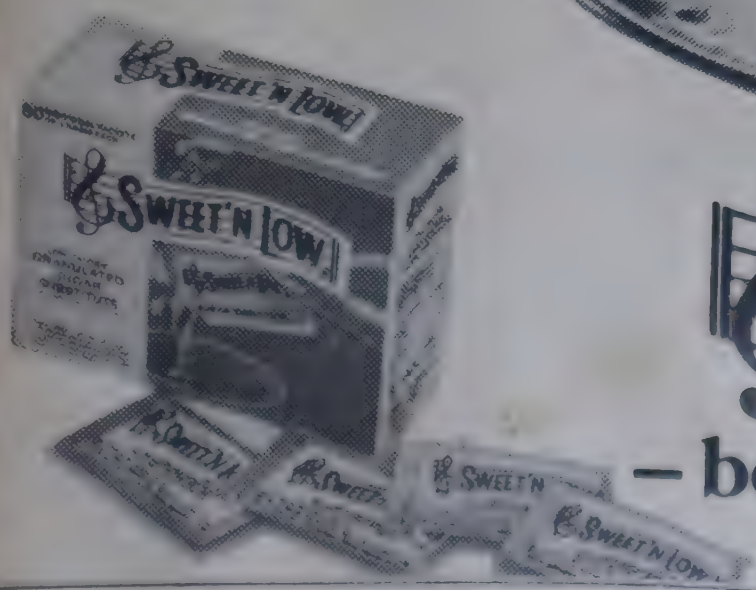
Announcing

the go-ahead for beverage guzzlers, sweet lovers, weight watchers, desk-bound exercisers and diabetics.

Sweet 'n Low spells good news for everyone. Because it doesn't have the extra calories that cause the excess weight that causes the complications that may cause fatal problems.

SWEET 'N LOW

America's largest selling sweetener.



SWEET 'N LOW®

– because life's a lot sweeter without sugar.

Mudra:A EAM 4496

Singapore in 1976, said, however, that "some people and some states in the Asian region still suspect the role of computers. Yet, on the whole, governments are encouraging computerisation as a means to solve developmental, social and economic problems."

Other questions remained unanswered, the prime being whether developing economies in the Asian region are ready to co-operate among themselves. Hemant Sonawala, chairman of the CSI, queried, "Are we in the region prepared to work in a host of co-operative ventures, in sharing our resources, expertise, knowledge and experience? Do we have the courage? Are we prepared to sacrifice today for a better future?"

One answer came from Boonrod Binson, president of the SEARCC Confederation, who said, "In the area of computer technology, it is clear that SEARCC has confronted and accepted the challenge to become a vehicle of growth for all its members and for others not its members yet." Binson also warned about how "difficult and costly it is for countries to recover the technology initiatives once the opportunity to capitalise on technology is not responded to." He added, "Unless countries, particularly developing countries in Asia, take serious steps to become a part of this vital technology for the future, they will forever forsake their rightful places in world progress and enter into a new dark age of unending dependence upon others."

That some companies could stand up to the world computer forces was evident. The top one being Hindustan Computers Ltd (HCL), which this year emerged as India's largest computer company, topping Rs.100 crores in gross sales. HCL had the Magnum on display, perhaps the latest hardware of its kind in the world. Beamed HCL chairman Shiv Nadar, "Magnum has bagged $ 16 million in American orders and about 30 more orders from Indian companies."

Ready solutions

The other high-profile exhibitor was the new Digital Equipment India Ltd (DEIL). The company simulated a networked CAM (Computer Aided Manufacturing) environment, using DECNet and state-of-the-art software. It also had on display its range of MicroVAX and CAD-station systems, all interconnected. "Every aspect of a typical manufacturing and office environment can be seen in this network," says Pravin Gandhi, a DEIL director. Added Arvind Shah, another director, "We offer ready and tested solutions."

Wipro Information Technology Ltd (WITL) staged a coup of sorts by announcing legal availability of the just-released dBASE IV and Framework III. James Lewis, managing director of the Asia Division, of Ashton-Tate Inc, developers of the two packages was present during the conference.

Azim Premji, chairman of WITL, told the press that an official copy of dBASE IV would cost Rs.15,950 and Framework III, Rs.11,950 for the Indian user. Added Lewis, "Ashton-Tate and Wipro will provide training, support, application assistance and product consultancy. As for the pricing of these products, for the technology that (one is) getting, it is dirt cheap."

Other significant surprises in training technology came from two companies: the Secunderabad-based Indotronix Computers Pvt Ltd and the Delhi-based National Institute of Information Technology. Indotronix put up an impressive laser-disc based computer-aided training station, called ICAT. Said Chandra S. Turaga, an NRI who set up shop in India with other NRIs a year or so ago, "Each laser disk can give 54,000 still pictures or a half-hour long movie picture with sound. A 12-inch laser disk with pre-programmed recorded matter and the hardware would cost around Rs.1.20 lakhs." NIIT, on the other hand, offered a similar sort of laser-based training tool with a touch-screen facility. However, in both cases, visitors balked at the prices.

Enough queries

In software, OMC Computers Ltd showed off high-resolution graphics from its Iris CAD (Computer Aided Design) workstation. The Bangalore-based SRG (Software Research Group) unveiled the WorldLord Super. Said SRG chief T.S. Muthu Krishnan, "We are now looking at the US markets, after some successes in West Germany, Holland, Belgium, Switzerland, Singapore and Malaysia."

Overall, what did SEARCC '88 achieve? According to a *Dataquest* survey, 91 per cent of the exhibitors reported that they had been able to generate adequate business enquiries and 87 per cent of the visitors said that they were satisfied with the event. That, if not anything else, ought to be some comforting news to the organisers.

■ VIJAY MUKHI & RAJU CHELLAM

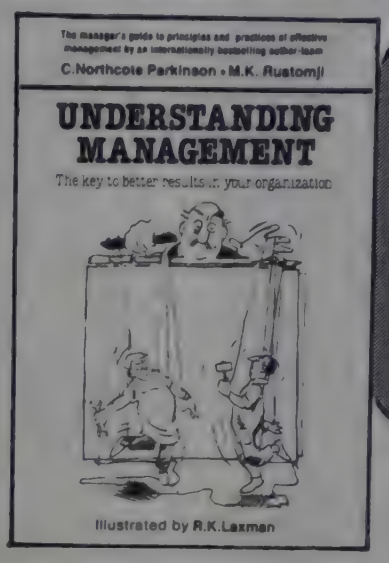
Your key to better business results

UNDERSTANDING MANAGEMENT

by

C. Northcote Parkinson

M.K. Rustomji


The manager's guide to principles and practices of effective management by an internationally bestselling author-team
C.Northcote Parkinson • M.K. Rustomji
UNDERSTANDING MANAGEMENT
The key to better results in your organization
Illustrated by R.K.Laxman

"Direct as a kick in the pants."
Sir Peter Parker, Chairman, British Railways

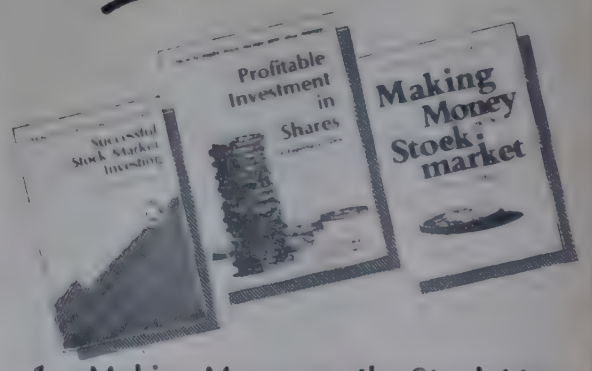
Rs. 45/-

Open it at any page and you will be rewarded with an insight, an idea, a practical tip which you can implement immediately. Covers all areas of management through 172 crisp, action-oriented points.

" ... of immense value to the executive" Business India.

- Illustrated by R.K. Laxman.

And 3 stock market best sellers!



1. **Making Money on the Stock Market** A Practical Handbook (6th Printing) Rs. 50/-
2. **Successful Stock Market Investing** Rs. 50/-
3. **Profitable Investment in Shares** A Beginner's Guide (4th Printing) Rs. 35/-

Available at bookshops or by VPP from the publishers (Handling charges Rs. 5 per book)

Vision Books

36C Connaught Place, New Delhi 110 001

An International Hotel that values guests as individuals.

Ramada Inn Palm Grove, Bombay

Is that London?
Hello Steve. It's me, Sanjay ... calling from the Ramada Inn Palm Grove. I've just seen the technical team off. They spent the day at the plant and were very impressed.

Only problem ... they didn't want to leave the hotel. Wanted one more swim in the pool ... one more walk on the beach. Spencer wanted to go windsurfing again!

Oh yes! They made it in time for their flight. The airport's just 8 kilometres away!

They really loved it here. The rooms, the service, the food in the restaurant ... praised it no end. A really good 5-star hotel at most affordable tariffs, they said.

When are you coming to India?
Of course ... next time I'll put you up at the Ramada Inn Palm Grove.

Ramada Inn Palm Grove
Juhu Beach, Bombay 400 049
Phone: 6149361
Telex: 011-71419 PALM IN
Cable: PALMFRONDS

RAMADA®
INTERNATIONAL HOTELS

—NEXT TIME, RAMADA®—

RATAN BATRA/RIPG/87C

MOTOR RALLYING

Mileage from sport

In less than a decade, motor rallying in India has shifted gears. From being amateur events dominated by the rich and the idle, they now attract professional and international participation. Take the Himalayan Rally for instance. Starting in 1980, it is now considered a major motor sport event not only on the national circuit but is also a part of the Asia-Pacific Championship of the Federation Internationale du Sport Automobile (FISA).

Corresponding to the increasing number of participants is a growing community of sponsors. Indian manufacturers of cars, tyres and auto ancillaries seem to have woken up to the fact that a motor rally can get them maximum mileage for their product.

Going for broke

Opening up

The evolution of motor sports has to a great extent been fuelled by the general "opening up" of the Indian automobile industry after 1985. In the late 1960s when the first all-India rallies — or "tulip" rallies as they came to be called from the nature of the routes — were organised, the sport did attract sponsorship, but to a limited extent. Multinationals like Castrol or Exxon, because of their association with rallies abroad, would donate trophies or, at most, sponsor a particular event. In 1980, when the first Himalayan Rally was organised, some tyre companies were venturesome enough to provide tyres to participants at discounts of 20-25 per cent. But no one would go so far as to provide tyres free of cost. For most part, the rallyists had to spend from their own pockets. The amounts ranged from half to three quarters of a lakh of rupees for a typically trying rally such as the Himalayan, with very little in return except perhaps a glittering trophy, if they won.

The situation has altered dramatically since. Consider, for example, what MRF tyres — one of the chief patrons of motor rallying — does for the sport today. The company maintains a permanent five-member rally team, spending Rs.4 to 5 lakhs on each member for facilities ranging from preparation of the cars for rallying, maintenance between events, free tyres and parts to even, out-of-pocket expenses and a participation fee of Rs.40,000. Winning an event would entitle the participant to an additional cash prize of an equivalent amount. During 1986-87 MRF's motor sport expenses amounted to Rs.38 lakhs, which was 15 per cent of the annual advertising budget.

"It is not really a rich man's sport any more," affirms Ravi Mammen, managing director, MRF, pointing to the fact that his company has sponsored teams in virtually all the major motor sport events in the last two years. (see Table)

MRF is not alone in this. Competitors JK Tyres entered the field cautiously by donating Rs.5,500 for the Coupe des Dames — the women's trophy — in the Himalayan Rally. In 1986, JK ventured forth to sponsor the First Safdarjung Race in New Delhi forking out approximately Rs.5 lakhs. Their first major involvement in motor rallying was the sponsorship of the Great Desert Himalayan this year. In addition to this, JK also raised a team for the Himalayan Rally, providing members with perks like free tyres and cash. The company's commitment to motor rallying in terms of outlay has by virtue of this sponsorship, increased threefold since their 1986 experience at New Delhi.

Perceptible change

"We feel that there has been a perceptible change in the situation and we have been giving a greater thrust since this year to

Major rally events in India

Name of rally	When held	Where held	Distance (km)	No of participants	Major sponsors
HIMALAYAN RALLY	October	Delhi/UP/HP	3,000	100 (1988)	Air India MRF Ceat
GREAT DESERT RALLY	October	Rajasthan/HP/J&K	5,000	50	JK Tyres
CHARMINAR CHALLENGE	Dec/Jan	Hyderabad area	approx 1,500	about 35	Vazir Sultan Tobacco
KARNATAKA 1000	June/July	Bangalore area	approx 1,500	do	Different sponsors each year
SOUTH INDIA RALLY	Sept/Oct	Madras	1,500-2,000	do	MRF Tyres
RALLY D'ENDURANCE	November	Belgaum	1,500	do	McDowell group
POPULAR RALLY	Aug/Sept	Trivandrum	approx 1,500	do	Popular Automobiles

NOTICE

It is hereby notified for the information of the public that ASHOKA LIQUORS PVT. LTD., proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant	**ASHOKA LIQUORS PVT LTD** **Gulab Bhavan** **6, Bahadur Shah Zafar Marg** **New Delhi 110 002**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Ordinary Rs. 5,00,000** **Subscribed** **Ordinary Rs. 5,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr Anil Jain** **Mr Ashok Jain** **Mr L M Verghese** **Mr M M Suri** **Mr A Swaroop**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**Establishment of new undertaking**
5.	Location of the new undertaking/unit/division	**District Gurgaon, Haryana**
6.	Capital structure of the proposed undertaking.	**Same as in item 2**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or con of any goods/ articles, indicate: i) Names of goods/articles. ii) Proposed licensed capacity iii) Estimated Annual Turnover	 **Potable Alcohol** **50,00,000 Bulk Litres per annum** **Rs. 7,50,00,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value, income, turnover, etc.	**N.A.**
9.	Cost of the Project	**Rs. 4,00,00,000**
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Will be raised from internal resources of the Company and from borrowings.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

Dated This 2nd November, 1988

L.M. VERGHESE
DIRECTOR

Pressman

HOW TO OWN THE BEST BUSINESS ADDRESS IN U.P.'S FASTEST GROWING TRADE CENTRE.

GET THE EDGE OVER YOUR COMPETITORS. BOOK YOUR OFFICE SPACE NOW.

Lucknow. The business centre for India's single largest market.

Lucknow is today Uttar Pradesh's fastest growing business centre, with improved communication and transport facilities, and an ever widening sphere of commercial possibilities.

Pioneer Plaza—the modern commercial complex in the heart of Lucknow.

The Pioneer Plaza is just the kind of commercial complex Lucknow needs.

Located in the centre of the city, it is just a few minutes' walk from Hazratganj, the major shopping mall.

So every public and business amenity is within your reach. Making it the ideal address for banks, public sector undertakings, government and corporate offices.

Facilities that make business sense.

At the heart of the Pioneer Plaza is the Business Centre which provides every kind of secretarial facility. Everything, from FAX to computers is being installed for the convenience of the occupants of the Plaza.

Other distinctive features of the Plaza include free hold land, a spacious lobby in marble, covered basement parking and open parking, six automatic elevators, fire-fighting facilities with three independent fire escapes, attached toilets for all units and stand-by generators for essential services.

Fidelia Constructions— impeccable credentials.

The Pioneer Plaza project has been undertaken by Fidelia Constructions (P) Ltd., a company promoted by the well known industrialist family—the Jaipurias. Dr. Raja Ram Jaipuria, who has rich and valuable experience in Financial Planning and Management heads the show as Chairman & Managing Director. Until recently, Dr. Jaipuria was also Chairman & Managing Director of Swadeshi Polytex Ltd., proven the most cost-efficient polyester fibre plant in the country. The Board includes Dr. Ramesh C. Vaish, who is a Chartered Accountant & Vice Chairman of Jaiprakash Industries Ltd., one of the largest construction companies in the country, with several prestigious overseas contracts. Shri Shailendra Swaroop, who is a Director in companies like Modi Xerox, Ester India Ltd., Bihar Sponge Iron Ltd., and Samtel Colour Ltd., and Senior Advocate Supreme Court of India, is also on the Board. Assisting the Board is a team of highly qualified Civil Engineers and other professionals—all with impeccable credentials.

Renowned architects.

The Board has also engaged the designing and structural expertise of M/s. Kothari & Associates to benefit its activities. The firm's list of architectural achievements includes the designing of the Bank of Baroda—New Delhi's 14-storeyed office building, Reserve Bank of India Headquarters, Jaipur, office building for Deptt. of Electronics, New Delhi, ONGC Works at Dehra Dun, Hotel Centaur, New Delhi, Shakti Bhawan, Lucknow's 15-storeyed office building, Escorts Heart Institute, New Delhi, Indira Gandhi Institute of Medical Sciences, Patna,and other buildings that have come to be known for their architectural excellence.

Pioneer Plaza. A profitable investment.

Today, real estate is the most profitable investment you can make. Especially when you consider the added benefits of Pioneer Plaza. So it makes sense to invest now and watch your money multiply as the construction progresses.

Space availability and payment modes

You can book office space of a minimum size of 500 sq. ft. At prices that will make you smile. For your convenience, two payment plans have been introduced. An Interest Free Payment Plan and a Cash Down Payment Plan.

For more information, mail the coupon below. And book your space in the best business address in Lucknow.

BOOKING OPEN!

PIONEER Plaza
LUCKNOW

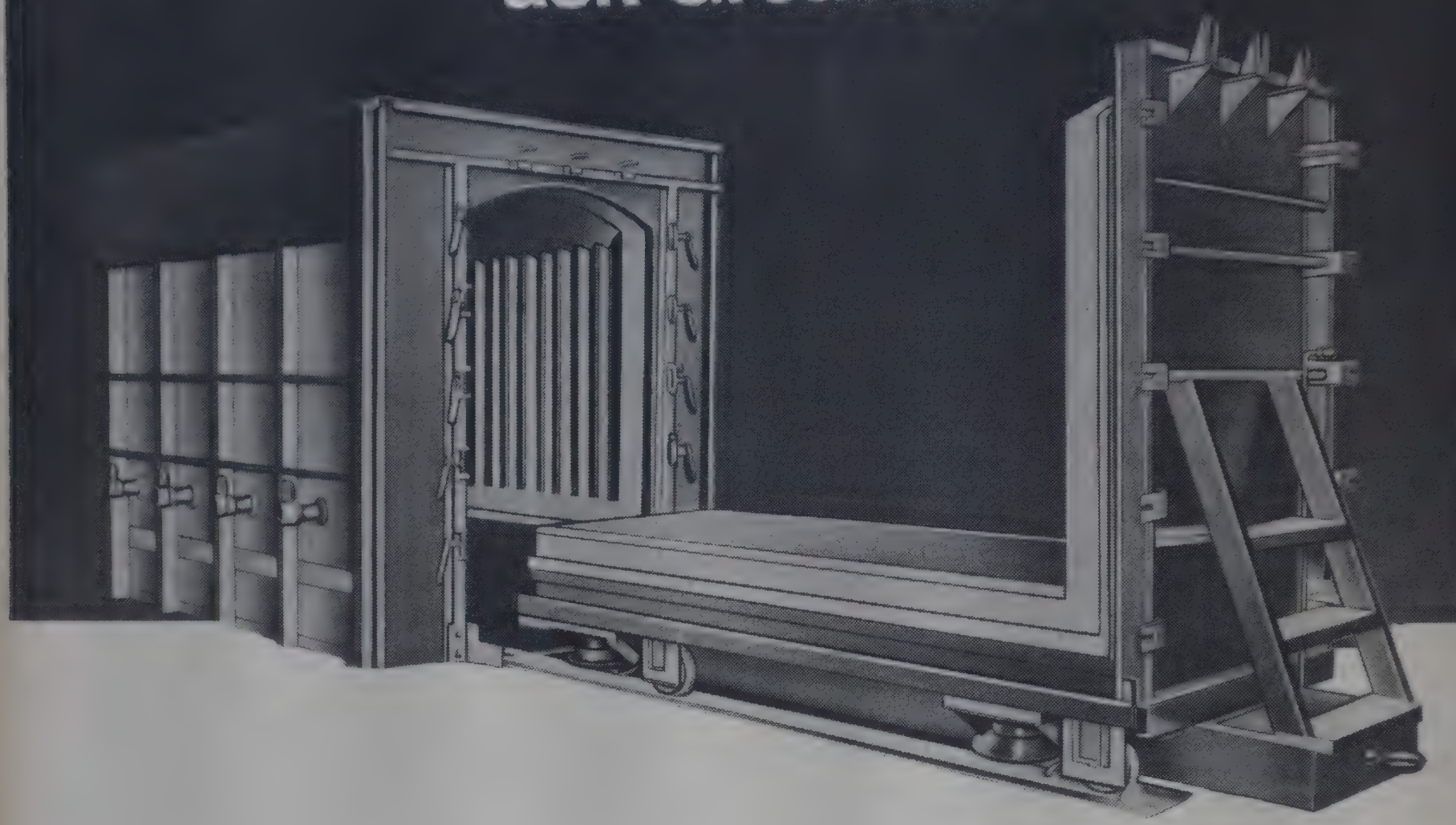
FIDELIA CONSTRUCTIONS PVT. LTD.

Name :
Address :
Tel. No.
I'd like to own the best business address in U.P.'s fastest growing trade centre. Please send me more information

Marketing and Site Office : 20, Vidhan Sabha Marg, Lucknow-226 001. Tel : 36516 19. Telex : 535-436 FAST IN PIONEER
Regd. Office : Jai Market, 55/55, Generalganj, Kanpur.

everest d88 FCPL 366

If you're looking for cost-effective and thermally efficient furnaces... ask Greaves



for Precimax.

Greaves Cotton, in its role as a marketing organisation, has brought to Indian industry, some of the finest equipment and machinery. Both from home and abroad

And now Greaves will market through its nationwide network, the rugged thermally efficient Precimax furnaces

Precimax means high quality furnaces – a result of sound concept and effective engineering, coupled with reliable manufacturing methods and rigid testing procedures

Precimax furnaces from Greaves meet exacting standards, yours and ours. So that you have the twin advantages of Precimax experience and expertise and Greaves sales and service support

Our range:

- Galvanizing Furnaces
- Bell Furnaces
- Pit Furnaces
- Roller Hearth Furnaces
- Bogie Hearth Furnaces
- Car Bottom Kilns
- Car Tunnel Kilns
- Pusher Furnaces
- Continuous Lines
- Rotary Hearth Furnaces
- Chamber Furnaces
- Ovens
- Accessories

  Plus
- Other furnaces for a range of sophisticated applications

GREAVES COTTON & CO. LTD.
Industrial Materials Group
1, Dr. V.B. Gandhi Marg
Bombay 400 023

• Ahmedabad • Bangalore • Bhopal
• Bhubaneswar • Calcutta • Chandigarh
• Cochin • Coimbatore • Delhi
• Dhanbad • Gauhati • Goa • Hyderabad
• Jaipur • Jamshedpur • Lucknow
• Madras • Nagpur • Patna • Ranchi

Manufactured by:

PRECIMAX ENGINEERS PVT. LTD.
6th Floor, 17, Tardeo Aircon Market Building, Bombay 400 034

A tough test of capability

motor sports", admits S.N. Sharma, general manager (publicity) of JK Tyres. According to Sharma, JK is finalising plans for sponsoring important motor sports events in the coming years.

In similar vein, Ceat Tyres Ltd spent Rs.10 lakhs this year on motor sport promotion. Next year the bill is likely to be higher, according to Vincent Vaz, publicity and public relations manager. In fact since 1986, Ceat has been organising its own exclusive rally, the Ceat Car Rally for the Blind. Six such rallies have been held in Bombay and Delhi and the next one is scheduled for January in Calcutta. "For us, encouragement of the sport is our primary objective," says Vaz.

Altrustic motives apart, there is the fact that a rally is an excellent product testing ground. "One can't get a better opportunity to test our tyres and new product innovations," admits Mammen. "Besides, since the cars are driven by professionals, the feedback is sound and reliable. "Instead of having a tyre fail in the marketplace, this gruelling test is worthwhile." He believes that the company's involvement in the sponsorship of motor sports has rubbed off well also in terms of ad mileage.

R.C. Bhargava, managing director, Maruti Udyog Ltd, whose Gypsy is the most favoured vehicle among Indian rallyists, concurs with Mammen that a rally is the toughest test of capability. "For vehicles such as the Gypsy, a rally is a good test for proving the soundness of new engineering developments and is hence taken seriously," he says. According to him, the Gypsy too has gained from the feedback they have received from rallyists, specifically in the improvement of shock absorbers and alternator brackets.

That sponsoring motor sports is an effective promotion and image building exercise, was effectively proved by the Gypsy experience. According to Bhargava, "Earlier the Gypsy was not the most favoured vehicle only because it looked too good. It is meant to be a vehicle to be used in tough, off the road conditions. But it was not perceived as such."

Image improving

"So, we entered the Gypsy in the Himalayan Rally of 1985 to improve its image. Our participation in successive rallies since then has been extremely successful, proving that the Gypsy is the most reliable vehicle for cross country operations." Significantly, of the 55 vehicles which took off at the 9th Himalayan Rally last month 48 were Maruti Gypsies, a fact which Maruti highlighted in their press advertisements on the eve of the rally.

Confirms Rajeev Khanna, a leading rallyist on the Indian circuit, "Car manufacturers do try to develop the image of ruggedness of their vehicle if the vehicle performs well." Khanna was the only Indian driver in the prestigious Mitsubishi team in the Himalayan Rally this year.

Pandurang Chintamani, recently left the employment of JK Tyres to set up his own promotion agency, Sportrak, which has as its objective the concept "marketing through sports". In his view, promotion through motor sports is effective not only for the auto related sector," but can be extended to other products too.

A good many sponsors are drawn to motor rallying because of the exposure of their stickers on rally cars. "Wherever you go, the colourful stickers on your car attract attention. People refer to your car by the most prominent sticker displayed on it. This makes such an advertisement far more cost effective than a 15 second spot on prime time television," says Badri Krishnamurthy. Krishnamurthy, an engineer-MBA and ex ad man, Krishnamurthy is now wholly committed, professionally, to rallying and preparing cars for rallies at his Chanakya Service Station on a prominent thoroughfare in south Delhi. There is naturally a price on such stickers, so much so that a commercial or works sponsored entry would normally have to pay a much higher entry fee for a rally to ensure that other product stickers (except the number stickers) are not pasted on the car.

A lament

Despite the increasing trend, Nazir Hoosein, chairman, Himalayan Rally Association, laments that the average sponsor in India has not yet realised fully the potential of motor rallying as a medium of promotion. "The Indian promoter thinks only in the short term, whereas the Japanese, for instance, think 10 years ahead. Which is why Mitsubishi enters the Himalayan Rally every year as a works entry." Khanna agrees with Hoosein and cites the example of the Great Desert Himalayan Rally where all the major Indo-Japan collaborations — Eicher-Mitsubishi, Swaraj Mazda and Maruti-Suzuki — had put up their teams.

Hoosein feels that apart from the auto industry, the other industry which can cash in on motor rallying is tourism. "The Himalayan Rally goes through some very picturesque terrain and is being filmed by French and Belgian TV crews.

Even if the Indian promoter is way behind his western counterpart in realising the benefits thataccrue from motor rallying, it cannot be denied that he is quickly catching on. The Himalayan Rally, which started in 1980, was financially in the red till 1985. But from 1986, the sponsors started coming in with firm commitments and the Rally organisation began recovering costs. Today the cost of organising the Himalayan Rally, which is between Rs.40-50 lakhs, is fully recovered from promoters and advertisers. Which proves the unalterable fact that motor rallying in India is not merely an expensive, thrilling and pleasurable sport, but is becoming a sound business proposition.

■ SUMIT GUHA

ICFAI ANNOUNCES

A Unique Correspondence Course

DIPLOMA IN BASIC FINANCE

(The DBF Programme)

ADMISSION NOTICE

Encouraged by the phenomenal success of the CFA Programme (Chartered Financial Analyst) meant for Financial Executives, The Institute of Chartered Financial Analysts of India (ICFAI) now launches a new and unique programme in Basic Finance, entitled the DBF Programme (Diploma in Basic Finance) through correspondence.

DBF Programme Design & Structure

The DBF Programme is designed to help the candidates get a good insight into Finance through structured self-study at home. The Programme covers the essentials of finance through a mix of four compulsory and two elective modules. Two-day Weekend Workshop Sessions will be conducted at major cities periodically to facilitate direct interaction between faculty and the participants.

Eligibility

Corporate executives, self-employed persons, entrepreneurs, bank and insurance executives, Government officers, defence personnel, teachers and others without a formal professional/academic qualification in finance. The Institute welcomes sponsorship of candidates from employers.

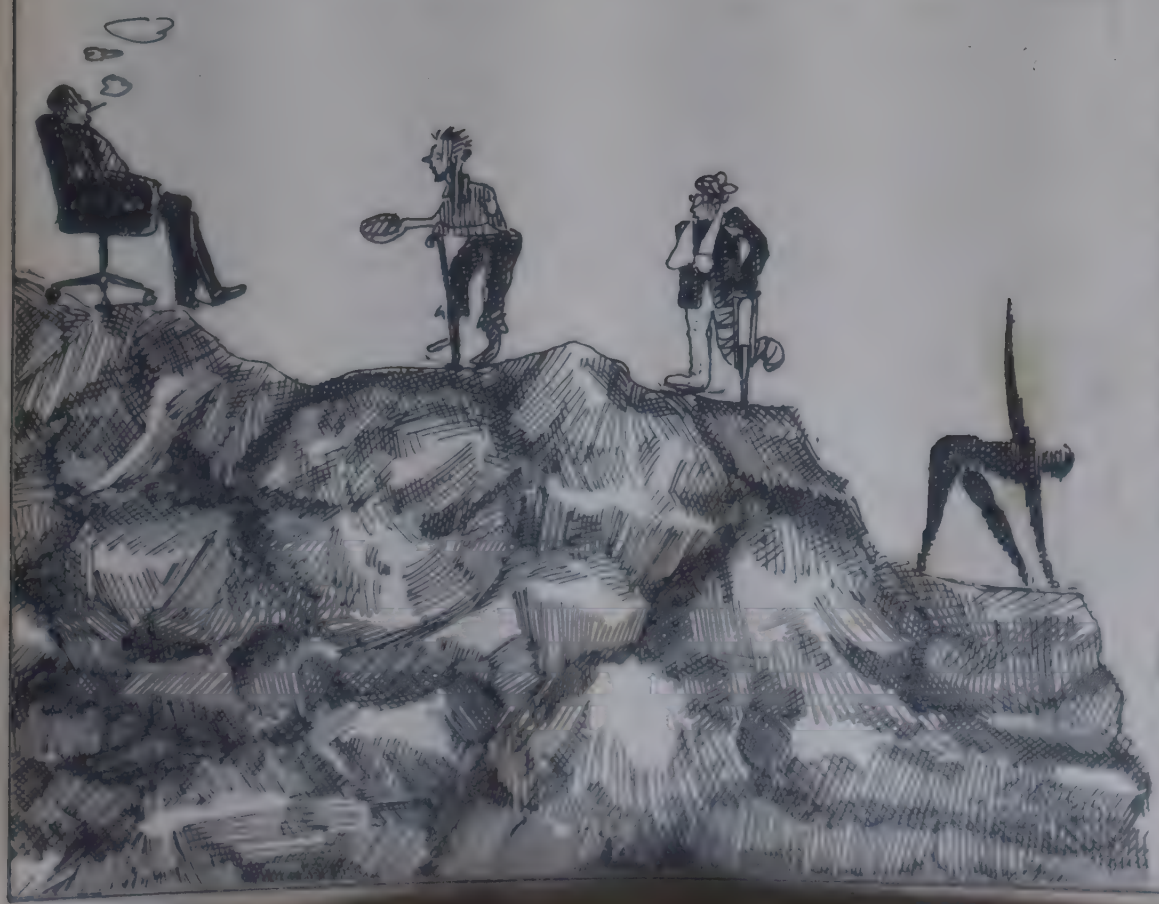
Prospectus

For Prospectus and Application Form, please write to the Administrative Officer (DBF) giving your address and enclosing a demand draft for Rs. 40 drawn in favour of 'The DBF Programme A/c ICFAI' payable at Hyderabad.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

Road No. 3, Banjara Hills Hyderabad-500 034.

Can you spot Littlemore's Client?



The gentleman, sitting comfortably on the chair, is one of Littlemore's client. Today, he has very few worries and has all the reasons to smile.

For, Littlemore, Detectives and Investigators, has made his business secure. Thanks to Littlemore's team of exceptionally talented investigators, advanced diffusion techniques and over 28 years of experience.

So, whatever be your problem - **strike settlement, violence, wage negotiation, industrial investigation, leakage of technical information etc.**—pay Littlemore a visit today, to discuss the same in a confidential atmosphere.

You can also appoint Littlemore on retainership basis, for just Rs. 2 per employee, per day.

LITTLEMORE
SERVICES PVT. LTD.
Detectives & Investigators

A-15 Sea Lord, Cuffe Parade, Bombay 400 005.
Gram: LITSERDET. Telex: 011 4407.
Phone: (022) 214047/216176/8221936.

Sai—L-536

How the Empress was sold

Whether it's Bulgari in New York or the Empress at Zaveri Bazaar, Bombay, a visit to either of these exclusive designer jewellery showrooms is by appointment only. A certain number is dialled, a particular person is spoken to, after which at the appointed time, a chauffer-driven car and valet land up at the prospective buyer's doorstep. Naturally, complete privacy at the point of purchase is guaranteed.

The carefully executed, glitzy launch of Tribhovandas Bhimji Zaveri's (TBZ) new line of branded jewellery had two main ingredients: dollops of snob appeal and a dash of secrecy. For people who mattered, the invitation took dramatic shape — a silver salver in a silken pouch, each screen-printed with the invitee's name. Lesser mortals were sent an eight-page booklet announcing the birth of TBZ's Empress.

The idea was born, according to Nirmal Zaveri, partner at TBZ, a year and a half ago. Perceiving that there was a good overseas market for Indian hand-made jewellery, Zaveri decided to collaborate with Japanese designer Kazuo Ogawa and thereby "open our window to Japan". Care was nontheless taken to base each design on an Indian theme to cater to ethnic tastes. And the Empress collection was so named with a specific purpose: "to create a top of the line image for our product".

The fashion pageant displayed two nights in succession before an audibly gasping 300-odd audience was slickly executed and universely acknowledged as top notch. Four Japanese models, especially flown in for the jewel spectacle, and select Indian models showed off upto 40 exclusive designs in gold, diamond and *kundan* jewellery. Designer Ogawa orchestrated the show's choreography and production. Obviously there is no catalogue or even price tag for this kind of range since then "people would copy our designs", points out Zaveri.

Undisclosed cost

The collection is now on view at it's specially created setting. Based on the concept of a palace garden, the showroom has a stark, uncluttered interior dominated by polished marble and ordinary glass; the usual velvet trappings are conspicuous by their absence. "We wanted something totally different in which our jewellery would get highlighted," explains Zaveri. This brief took interior decorator Parmeshwar Godrej approximately four months to execute at an undisclosed cost.

Contrary to the general perception, most of the Empress collection is meant for overseas buyers and only a small percentage is for domestic retail. It represents, according to Zaveri, TBZ's export thrust. The biggest markets today, are the UK and the Middle East. In the last three months, the export effort has yielded a turnover of Rs.3 crores besides which there is a confirmed order from Taj Enterprises, Tokyo. In addition, with the 18,000 sq ft export oriented unit coming up in SEEPZ, the figure should increase.

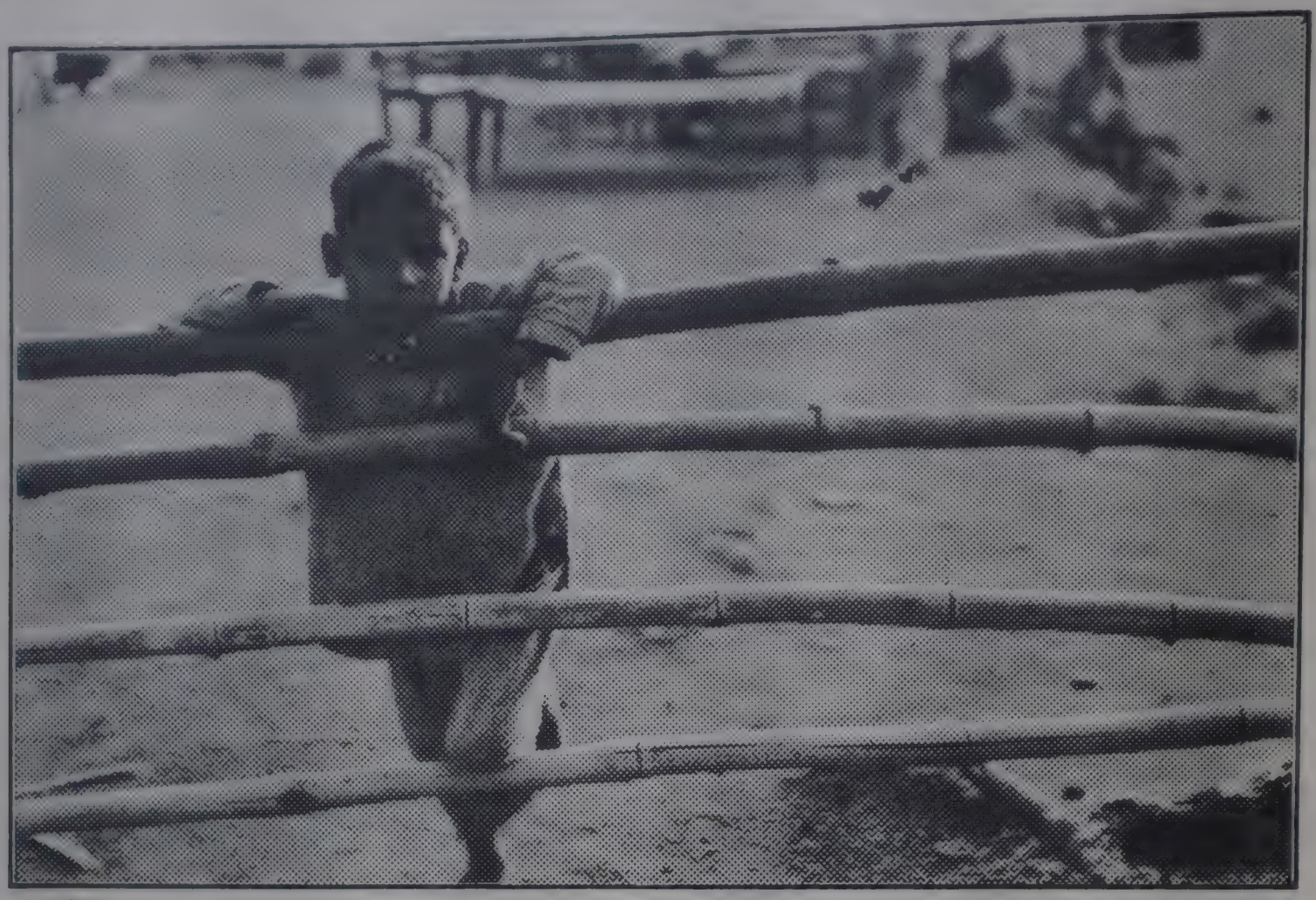
Glitzy launch

A leading Bombay-based jeweller discounts the export orientation claim. At the same time he concedes that with each piece reportedly priced at Rs.5 lakhs and upwards, there will be few, if any domestic buyers at official prices. Significantly *kundan* jewellery with its wax content cannot be exported. Therefore, according to him, TBZ will necessarily have to find customers here.

Behind the sales spiel and media hype are a couple of unalterable facts. The road that leads to the Empress treasures is deeply congested and one that would be a tight squeeze finding parking space for even a Maruti. Located, as the showroom is, in the heart of Bombay's gold district, the bustle of business and traffic hardly make for exclusive surroundings. But such is the magic of marketing. And 125 year old TBZ, with an estimated annual turnover of "over Rs.50 crores" has spared no expense, nor left any selling trick unturned to prove quite conclusively that it is still the first emperor in the Indian jewellery business.

■ NAK

Uncluttered and stark: the showroom



By the time he's six years old a child has to fend for himself. All because we squander money–enough to provide a decent education to 100 million children like him.

Ironically, the magnitude of the fact doesn't affect you. You've got better things to worry about. There's another word for this attitude. Apathy.

Yes, everyone of us has contributed to the loss of Rs. 2000 crores — every year!

By wasting petroleum. On the road. In the kitchen. In the factory.On the farm. Through the use of obsolete fuel-guzzling equipment. Poor maintenance practices. Inefficient methods of operation.

A conscious effort from you can stop this waste. Effort that not only conserves petroleum but also bands together solitary voices. We want you to write to your newspapers. Form action groups. In clubs and colonies, offices and organisations.

We need your help to spread the message of petroleum conservation.

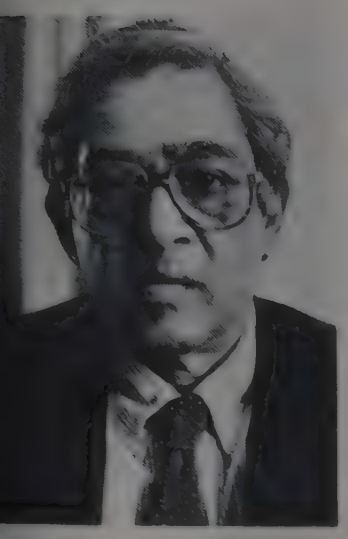
And we hope, you're not going to be a part of the silent majority. Who'll turn this page and say, **"Who Cares!"**

Write to us. Talk to us. Come and meet us

PETROLEUM CONSERVATION RESEARCH ASSOCIATION

1008, New Delhi House Barakhamba Road, New Delhi-110 001 Ph 3310006, 3319066

HTA 5371



YLVESTER DA CUNHA

ADVERTISING

Ad agencies in a squeeze

Shilpi Advertising went out of business a few days ago. Though unfortunate, the demise of this Sarabhai-backed agency with billings of Rs.6 crores, has not exactly startled observers. Its financial woes had been following a pattern that has become increasingly familiar. Earlier this year another well-known agency — Advertising Consultants (India) Ltd with annual billings of Rs.2.5 crores — sank without a trace.

The predicament of these two companies dramatises the problems bedevilling ad land. Every agency in the country is complaining that it is becoming increasingly difficult to meet the demands of media creditors hammering at their door. Most agencies are facing a liquidity crisis.

The current crisis has its roots in the very nature of the ad man's role. An advertising agency is a sort of middle man. On one side stands the manufacturer or "client" who appoints the agency to advertise his goods or services. On the other are the media (Doordarshan, the newspapers, magazines, etc) which carry the advertisements created and released by the agency. The client pays the agency for the cost of the advertisements. The agency then pays off the media after retaining 15 per cent to cover its costs.

The crunch lies in the credit period allowed to the agency. The media stipulate that payments must be made within a given period — usually a few weeks. But many clients take months to settle with the agency. This puts a squeeze on the unfortunate go-between. If it fails to meet its credit deadline, the media can impose penalties; in extreme cases they withdraw the credit facility altogether and demand advance payment. To prevent such an eventuality, agencies are anxious to settle a defaulting client's dues even by advancing monies from their own coffers.

Why this alarming trend among clients to delay payments to agencies? It may be said in their defense that clients themselves are often stretched for cash. They are therefore prone to first set aside funds to meet those costs which they regard as most pressing: raw materials, packaging, labour, factory, administration, distribution and selling expenditure. Advertising dues are at the bottom of the priority ladder and clients feel that they can postpone their payment without risking an immediate breakdown in operations. As a leading ad man puts it, "Many clients see us as an interest-free source of advertising funds on extended credit."

Some agencies have begun to take a firm line with clients. For instance, Sistas, Enterprise and Frank Simoes have filed summary suits in a bid to recover their money. But that does not prevent some clients from shifting business to another agency which may innocently extend credit without knowing of the previous agency's predicament.

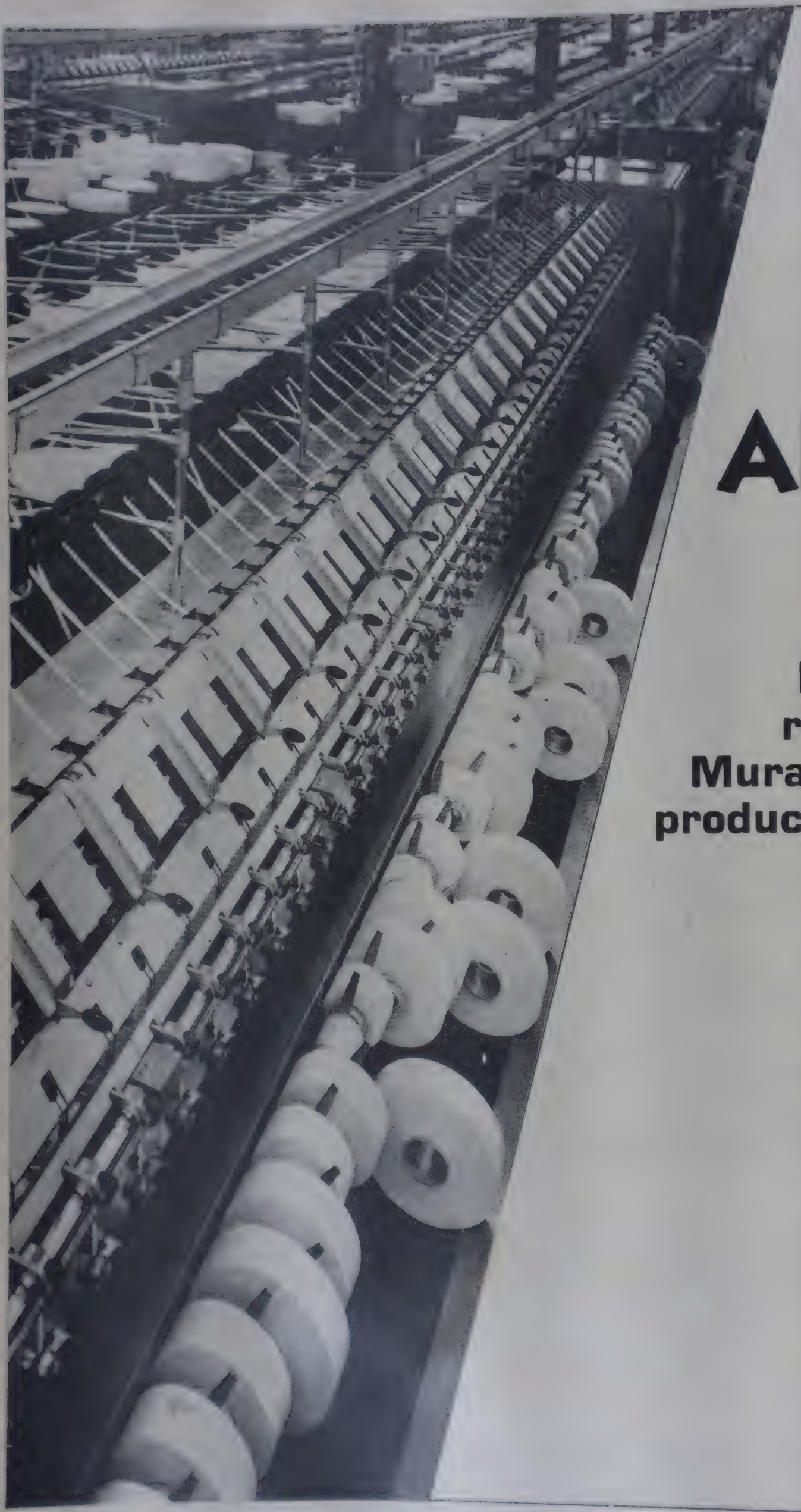
The growing tendency of some clients to play musical chairs has finally persuaded agencies to get together. The Advertising Agencies Association of India has taken on the task of acting as a clearing house of information on delinquent clients. Its members are now being warned about accepting a client which has failed to settle dues with its ex-agency. This move is expected to reduce the number of hit-and-runs.

The Indian Newspaper Society has also thrown its weight against erring clients. It has begun advising its publisher members to refuse carrying advertisements from clients who have built up a backlog of non-payments. For example, an INS circular dated 4 October 1988 addressed to over 150 publications advises that eight companies in the Modi group of industries have outstandings of over Rs.45 lakhs with Interads Advertising, New Delhi. In view of this, "it has been decided to place an embargo on the advertisements of the client with immediate effect". In another instance, the INS has come to the rescue of the relatively small Edge Advertising, struggling with Rs.50 lakhs of arrears from the Double Cola company. An embargo has also been placed on future press ads of Ski Lemone and Orenjoy.

None of this, however, solves the all-pervasive problem of clients, like the Sarabhais, for one, who though willing to pay are often compelled by cash constraints to delay settlement beyond the deadline. Many advertising agencies may persist in seeking a way out of this predicament (the Shilpi-Sarabhai experience notwithstanding) by merging with large business houses who are better able to withstand mounting financial liabilities. For instance, Trikaya recently agreed to a takeover by the Lalbhai group. Two other large agencies were also reported to have been negotiating buyouts with Manu Chabbria and Srikant Ruparel. Mudra already operates under the protective wing of Reliance Industries. Lintas enjoys a special relationship with Hindustan Lever. ASP is chaperoned by Birlas. Seasons Advertising is believed to have the patronage of Bombay Dyeing.

The list goes on. The era of the independent ad agency may be ending. It will be a sad day if the advertising specialist is forced for reasons beyond his control to lose his professional independence.

The author is chairman, daCunha Associates Pvt Ltd



Powered b
contin
the p

ARIHAN
I
la
ARIHAN
L

(An Arihant-F

India's first spi
revolutionary ai
Murata, Japan — a t
productive than conve
sy

ARIHANT's latest vent
first company in Ind
SPINNING machinery. S
of Japan, this plant is no
than conventional machi
exceptionally high quality

This Rs. 18 crore proje
kgs. p.a. of synthetic yar
Rs. 20 crores in th
doubled in the second ph
enjoy ready demand
markets, besides a ca
major

ARIHANT COTSYN is a
time-tested ARIHANT s
expansion, modernisatio
strategy that augur
cons

record of
wth,
s of

ABRICS

h

COTSYN

.

Sector Project)

**plant with the
echnology from
logy 10 times more
al ringframe spinning
s.**

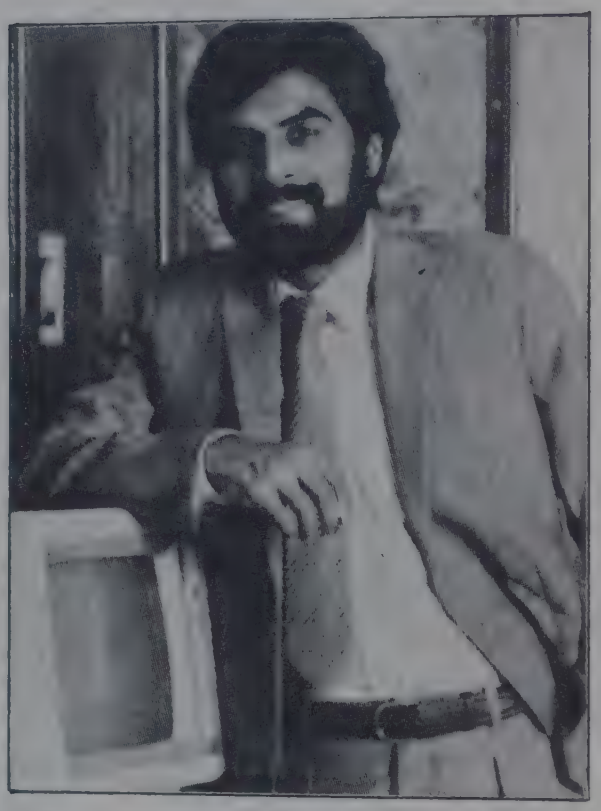
NT COTSYN LTD., is the
te-of-the-art AIR JET
the world leader, Murata
stantially more productive
also capable of producing
blended cotton/synthetic

manufacture of 2 million
rate an annual turnover of
se. Capacity will be
ew venture's products will
domestic and export
et in Arihant Fabrics - a
of yarn.

standing example of the
nceasing growth through
ration. A highly successful
the new company, its
d you.

YOUR SEARCH FOR HIGHLY TRAINED COMPUTER PROFESSIONALS ENDS HERE.

The NIIT National Placement Network



Do you need professionals in your EDP department in a hurry? Or a person to develop Systems and manage your PC operations from tomorrow? Have you had to spend time & money and still not been able to get the right kind of trained computer professionals?

NIIT National Placement Network has a bank of trained computer professionals available at each of its centres in Bombay, Delhi, Calcutta, Madras, Bangalore, Hyderabad, Pune and 14 other major cities.

You can now select for your requirement from this bank by just calling up NIIT.

NIIT-ians — carefully selected & expertly trained. NIIT does your job for you. Having screened students before entry, NIIT puts them through a scientifically designed course using its special training cycle methodology. Courseware is developed using inputs from world leaders like Yourdon Inc.and ALI, USA.

This methodology & courseware ensure a high degree of learning and aim at developing skills that enable NIIT-ians to commence work from day one.

NIIT National Placement Network — quick, easy access to trained computer professionals — Write in today for your requirement. If you have a continuous need for trained computer manpower register at the Network and we will periodically send you a detail of new additions to the bank.

These services are free of charge.

NIIT
PLACEMENT

Bringing you closer to Quality Computer Professionals

Write or call the Placement Executive at Corporate Office :
B4/144 Safdarjung Enclave,
New Delhi 110 029.
Tel: 600177, 6872347

Delhi: M-5 South Extension Part-II Ring Road. Ph. 6438215. **Bombay:** B 61 Mittal Court Nariman Point. Ph. 241919. **Madras:** 41 College Road. Ph. 477317. **Calcutta:** Azimganj House, 7 Camac Street. Ph. 442636. **Bangalore:** 3 Richmond Road. Ph. 565124. **Hyderabad:** Prashanthi Complex Bashirbagh. Ph. 230659. **Pune:** 412 Aurora Towers M.G. Road. 660074.

Education Centres : Delhi • Bombay • Madras • Bangalore • Hyderabad • Calcutta • Pune • Nagpur • Patna • Lucknow • Coimbatore • Indore • Vizag • Trichy • Cochin • Mangalore • Vijayawada • Madurai • Jabalpur • Bhubaneshwar • Chandigarh.

NIIT 20269/98

BINNY

Labouring towards profits

When N.P.V. Ramaswamy Udayar and his group acquired 15 per cent of the equity of Binny Ltd from S.N. Hada, the former chairman, in July 1987, industry sources predicted a change in approach, especially in relation to labour. By February 1988, the group had succeeded in reopening the engineering unit, which had been under lockout for 21 months; agreements were signed with individual workers, reducing the role of the duly elected CITU union to that of a spectator. Labour problems, which had been cropping up at sporadic intervals at the group's B&C mills at Madras, have been non-existent since the takeover.

However, the company's Bangalore mill has been under a lockout since 28 October. Later the management put up a notice, in late November, informing the workers that the mills would remain closed from 26 December this year. The state government has passed orders prohibiting the continuation of the lockout. The management, on its part, has filed a writ in the High Court against this order.

The management justifies its stand at Bangalore on the grounds that "the financial institutions want Binny to display signs of an improvement in performance and display some possibility of a return of their investment, before parting with the necessary funds. Therefore the need to tone up the operations at Bangalore."

Increasing losses

One of the reasons forwarded by the management for the present lockout is that losses in the mills have increased from Rs.25 to 30 lakhs per month around March this year to Rs.70 lakhs in September. Productivity norms are also low; in spinning, efficiency stands at just 58 to 59 per cent while that of weaving is 62 to 67 per cent. The management claims that absenteeism is as high as 30 per cent.

The Binny Karmikara Sangha (BKS), which is affiliated to the CITU and is spearheading the movement against the closure, refuses to accept the contention that the mills are in the red. The management, on the other hand, maintains that the Bangalore mills need a turnover of Rs.4.25 crores a month to break even, while it was reporting a turnover of Rs.3.5 crores by September 1988.

The BKS also alleges that salaries for the month of September were not paid in time, and then only half was paid in mid-October. Almost simultaneously the canteen was closed down; in late October credit facilities for rationed items from fair price shops were withdrawn, and in late November came the notice of closure.

"While they have funds to pay bonus to workers at the rate of 8.33 per cent in Madras, they plead lack of funds to pay salary to workers in Bangalore and run the canteen," complains a BKS press release. However, both the union as well as sources in Binny recognise this move for what it is — a ploy to bring the union to the negotiating table.

Main conflict

The main conflict is likely to centre around the pruning of the work force. "Binny's wage bill is 21.5 per cent against an ideal component of 12 per cent," says M.E. Ethurajan, chairman of Binny Ltd. The management assesses that 1,200 workers are surplus at Bangalore. It is confident of cutting this down by at least 500 in the course of the current negotiations. The management also maintains that it will need Rs.10 crores as working capital, either from the financial institutions or the state government or a combination of both, in order to reopen the mills. "Suppliers alone have to be paid Rs.3.5 crores in order to get the necessary raw material to reopen the mills," says Ethurajan. He also expects concessions in water and electricity charges from the Karnataka government, similar to those granted by the Tamil Nadu government. For instance, the latter bears 50 per cent of the interest waiver on a Rs.7-crore term loan; the management expects similar interest waivers from the Karnataka government.

It is obvious that the management is going to take a tough stand, and is unlikely to budge until it gets most of its demands. The Karnataka government, on its part, has refused to discuss these concessions and proposals until the lockout is lifted.

Labour rationalisation has been identified as a necessity by the present management in Madras as well. At the B&C mills there, 500 workmen have been identified as surplus. This issue is likely to be thrashed out in January 1989, when a new agreement has to be signed with the labour union.

Thus trouble is not likely to spread to the Madras units and though the BKS has been trying to enlist Kuchelar's support, the response from his side has been lukewarm. Kuchelar has also been chosen to lead the union at Binny Engineering. The erstwhile union office bearers at Binny Engineering (belonging to the CITU) have moved the courts regarding the leadership issue.

Binny's attempts at rationalising labour are only the beginning; further exercises in this direction will be carried out with the implementation of the Rs.70-crore modernisation package. "A sum of Rs.8 crores out of the total has been set apart for compensations and payments to workers," says K.V.R. Balakrishnan, general manager, finance.

Fire fighting

As per the current thinking, processing will be shifted to Bhuvanagiri, where natural gas and water are available in plenty. The bulk of the company's spinning operations will be located at Bangalore, while most of the weaving operations will be located in Madras. It will take a period of two years to implement this programme. The Udayar group, unlike earlier takers, is willing to contribute 10 per cent of the modernisation cost as margin money. This will be in addition to the Rs.2.5 crores it has brought between July to June 1988. It has also guaranteed Rs.9.5 crores of additional facilities from the SBI. The intention is to reach a turnover of Rs.400 crores by 1991 and to generate profits.

As things stand, Binny is still a long way from such a position. The company has reported a loss of Rs.6.78 crores, against a profit of Rs.6.68 crores during 1986-87. The accumulated losses now amount to Rs.44.27 crores. "The increase in raw material costs is largely responsible for the losses. Cotton prices have been 60 per cent higher than in the previous year," explains Balakrishnan.

Once the Bangalore problem is sorted out, the management hopes to increase productivity further at the B&C mills. It also claims that Binny Engineering will begin to generate profits from January 1989. It seems that the fire fighting will continue for some more time at Binny.

■ DHARANI K. PANI

All Digital EPABX Systems Are Created Equal. Only This One Is More Equal Than The Others.

At first notice you will find that all EPABXs are similar. But when you look deeper, you will discover differences.

Differences that don't seem apparent in the hardware but are evident in the back-up services offered.

To make these differences, the House of Tatas created a totally new company.

A company that offers EPABX Systems, manufactured on the finest available machines. A company that provides the best in service.

A company called Tata Telecom.

Technology From Oki of Japan.

Tata Telecom is working with technical assistance from Oki Electric of Japan.

Oki is a world leader in the field of telecommunication.

Oki's technology is state-of-the-art, which makes it relevant to today's needs — and to those of the future.

Rs. 12 Crore Worth Of Back-Up For Quality And Service.

Besides the hardware, Tata Telecom has built a comprehensive infrastructure for quality service to customers.

The company has invested Rs.12 crore in this project, in sophisticated computerised test equipment — so that every component can be checked for 100% performance. And that diagnosis is immediate and rectification rapid.

The Tata Commitment.

Tata Telecom is here to stay — with an automated assembly and testing facility at Gandhinagar, Gujarat.

Key personnel have been intensively trained in Japan.

Tata Telecom has done all this to meet the challenge of the future. To bring you EPABX Systems that will change your life. For the better.

For further information on
TATA TELECOM
DIGITAL EPABX SYSTEMS
Contact

SALES OFFICES:

1209, Raheja Centre, Nariman Point,
Bombay 400 021.
Tel: 2873128, 2873129. Tlx: 011-5329.

Devika Tower, 2nd Floor, 6, Nehru Place,
New Delhi 110 019.
Tel: 6434067. Tlx: 031-71407.

5E Park Plaza, 71, Park Street,
Calcutta 700 016.
Tel: 294978, 292055. Tlx: 021-7733.

1D-Apex Plaza,
No. 3, Nungambakkam High Road,
Madras 600 034.
Tel: 476266. Tlx: 041-8171.

TATA
TELECOM

TECHNOLOGY FOR THE FUTURE WORLD

The mainframe muddle

In India, the process of computersiation has been the most painful in the banking industry. Almost all agree that despite the big money spent, automation has not been a resounding success.

Even so, Indian public sector banks, yet to justify their investments on micro and mini computers, might now lock up some more funds to buy powerful mainframe computers. An RBI committee has recently opined that as per the existing action plan, banks should get ready to order mainframes for their head offices. Banks, or rather the top management in banks, have not been known to go against the RBI in the past and are thus likely to comply this time too.

In fact, on this count, the fate of the banks was sealed long ago. In its report submitted in 1984, the committee on mechanisation in the banking industry, headed by C. Rangarajan, deputy governor of the RBI, had recommended computerisation at three levels in commercial banks: advanced ledger posting machines (ALPMs) or micro computers for branches, minis for zonal and regional offices, and finally, mainframes for head offices.

Thus, as in the case of smaller computers, the RBI swung into action at the instance of the government and set up a mainframe committee; the latter submitted its report in 1985. The recommendations of the committee were then circulated among the 28 public sector banks. Based on their feedback, a second RBI committee submitted its report in May 1987, laying down the required configuration of the mainframes for bank head offices.

Benchmark report

Subsequently a panel comprising a member each from the RBI, Department of Electronics (DoE), the State Bank of India and CMC were asked to benchmark available machines for suitability for Indian banks. The benchmark report has been since circulated.

Somewhere betweeen 1985 (when the first mainframe committee had recommended that the banks buy imported IBM, Cyber or Honeywell macnines) anc this year, when the benchmark panel was set up, two companies in the country got the government go-ahead for mainframe manufacture. The public sector Electronics Corporation of India Ltd (ECIL) tied up with Control Data Corporation (CDC) of the US to initially assemble and then manufacture the Cyber 830 and 930 models. And in January this year, International Computers Indian Manufacture (ICIM), an affiliate of the ICL group of UK, put out its first mainframe in the Indian market.

In the light of the above, the DoE instructed the RBI benchmarking committee to restrict its options only to Indian-made (or assembled) machines. However, in the words of the benchmarking report, "as neither of the two manufacturers had the requisite configuration available in India for testing purposes, benchmarks were arranged at the manufacturing locations of the collaborators, viz, ICL at Ashton in UK and CDC at Minneapolis in USA. Couple of visits each were also organised by ICL and CDC at some of their installations in Europe and States."

Several foreign trips later the benchmark panel ended up with what they started with — buy Indian. The panel told the banks in Category I (ie, those banks with more than 1,000 branches) to buy the Cyber 930 machine from ECIL and those in Category II (ie, banks with less than 1,000 branches) to buy Series 39 from ICIM.

Mandhyan: personally responsible

Another jaunt

Since the panel submitted its report, Bangalore-based PSI Data Systems, has announced that it has signed a collaboration with Honeywell-Bull of France to set up a new unit for mainframe manufacture. The panel promptly set off on another jaunt abroad to assess the Honeywell machine; from all indications PSI is also likely to be allowed to sell to Indian banks.

At the end of this exercise, however, a lot of questions are being asked by bankers for whom the machines are actually meant. Says the EDP head of a large nationalised bank, which is supposed to buy an ECIL machine, "The Cyber 930 machines have yet to arrive in the country. We are supposed to look at the Cyber 830 machines in ECIL's factory in Hyderabad and place our orders for the 930." ECIL has reportedly written to banks saying that the 930 machines can only be delivered within 16 to 20 weeks. When it was pointed out to B.J. Mandhyan, adviser to the RBI and member of the benchmarking panel, that the banks were being asked to place orders for machines worth over Rs.3 crores without even looking at them he said, "RBI has done the benchmarking; there is no need for individual banks to do seperate evaluations."

However, as bankers and EDP officials point out, the "benchmark observations' which the report lists are more or less bits of information lifted from product literature and not really conclusions of an evaluation. Mandhyan is surprisingly defensive when faced with this criticism, "I am not aware of any product literature. You are talking as if I am in the dock and I have to prove myself." The question raised about evaluation observations remained unanswered..

Besides a few of the larger banks, most nationalised banks, however, would be quite willing to be advised by the RBI on what machine to buy primarily because they themselves have little or no opinion on the matter. But the moot point is, do they feel the need for the mainframes in the first place, ie, are the micros and minis they already possess inadequate for their data processing needs?

Says G.S. Dahotre, chairman of Dena Bank (1,003 branches as at the end of December 1986), "We are a small bank and we do not feel the need for a mainframe. Maybe we can share one." His sentiments were echoed by EDP personnel of even the large banks like Bank of Baroda and Central Bank. However, Mandhyan points out that the agreement that the Indian Banks Association signed with the clerical or 'award staff' union lays down that banks cannot commission large data crunching work to software houses (as banks currently do) after September 1989; and thus there is an urgent need for all banks to have their own mainframes.

Based on this consideration and the progress achieved till 1987, banks were asked to prepare their mainframe sites and EDP personnel. Thus, according to a master action plan prepared by the RBI, based on computerisation progress in individual banks, each bank has been assigned a quarter of this year or next by which time their mainframe must be installed. By this year end, reportedly, Indian Bank, Allahabad Bank, Union Bank, Bank of India and Indian Overseas Bank are supposed to be "ready" for mainframe installation. Some of these banks have indeed placed their orders but others have not. They are understandbly being "urged" by the RBI to comply with the action plan.

Bankers allege that timely implementation of the action plan is crucial for the promotions of RBI personnel associated with it. Mandhyan, on the other hand, points out that if banks fail to show progress in their head office computerisation, which is not as hamstrung by union conditions as branch office computerisation, the bank management might well have difficulty in the next round of computerisation talks. Hence the need to push the action plan.

Software adrift

If the RBI feels that the banks need handholding as far as buying hardware goes, the same doesn't seem to hold true for software. Many EDP officials point out that CDC and ICL are not exactly known for bank installations worldwide (as are IBM, Unisys or DEC) and can therefore provide little software support. C.K. Bapiraju, general manager at SBI and a member of the benchmark panel agrees. But, he points out that with the Indian banking situation being what it is, the software has to be highly customised. But how long does he think it will take? "I think six months at the minimum but probably much more," he says. Since SBI's turn to buy a ECIL comes only in the third quarter of 1989, Bapiraju is probably safe.

But what about the banks which are buying the machines now? Do they invest Rs.3 crores for the hardware and more on the installation and then wait for software to be developed? And that when the banks are already low on profitability?

"Good question," says Mandhyan. "But our experience in the past shows that unless the hardware is installed, the banks never take software development seriously." This gives rise to another question: are the banks which couldn't choose their own machines capable of developing mainframe software? Yes, with a little help from ECIL. According to Mandhyan, the latter, which is reported to have about 15 mainframe support personnel, is rapidly expanding the department. In the meanwhile, however, ECIL has sent feelers to CMC to "co-operate" on software development. So, as always in the past in the banking sector, CMC becomes both a consultant on the benchmark panel and a software vendor. (Probably even a hardware vendor, because CMC is supposed to have indicated to banks that they can import the Cyber machines through the company too).

Mandhyan agrees that "not all is right" with a consultant simultaneously being a vendor, but then he points out, there is little choice. He says, "CMC is a public sector organisation. There could be other implications if a private sector company is involved." Thus, there is little choice but to let the incestuous relationship between the DoE, RBI, ECIL and CMC continue!

Before long, the 28 public sector banks would have spent close to Rs.90 crores on adding more pieces to their expanding hardware museums. The greatest pity is that there is no commercial motivation towards computerisation, thanks to the total lack of accountability in the nationalised banking sector. Machines are being bought, not because business dictates it, or because systems solutions are imperative, but because the RBI dictates it, the government dictates it. That there is therefore a total lack of purpose in the whole exercise is hardly surprising. But the RBI has little choice -- if it had to wait for the initiative to come from banks, it would probably have to wait for years.

■

KEYA SARKAR

A question of "moral suasion"

B.J. Mandhyan, *adviser to the RBI, personally responsible for the implementation of the mainframe action plan, and a member of the mainframe benchmark panel, had interesting comments on the whole mainframe issue.*

On why the RBI sees the need to do the benchmarking for banks.
Mainframe benchmarking is not simple — it calls for incisive resources which the individual banks do not have. We could pool together resources from banks and the computer profession.

On whether banks, who are supposed to install their mainframes, are ready with their sites and personnel.
I wouldn't like to comment.

On where ECIL machines are currently being used in the country.
In defence accounts or somewhere else in Delhi.

On whether newer mainframe manufacturers in the country would also be benchmarked as they get into production.
That is a hypothetial question so it cannot be answered.

On ECIL's current strength in software support.
ECIL doesn't have a marked presence in the banking sector. But they have created a seperate division now and since DoE is interested in ECIL's project, CMC might be involved in installing the machines and helping with software.

On whether banks have to buy the machines recommended by the RBI even if they have their own ideas, especially since Canara Bank and SBI have got permission to choose their own mainframes.
Canara Bank had applied to the DoE much before the benchmark panel was set up and therefore was given the permission. SBI's mainframe is not for head office computerisation. For head office purposes it would be better if banks comply with the RBI's recommendations. However, the benchmark report is one of moral suasion; the RBI cannot make it mandatory for banks to buy the recommended machines.

Cathay Pacific gratefully acknowledges the participation of all the executives involved in testing the New Marco Polo Business Class.

THE NEW MARCO POLO BUSINESS CLASS

BUILT TO HELP THE CORPORATE BODY ARRIVE IN BETTER SHAPE

This November Cathay Pacific introduces the finest business class in the skies.

The New Marco Polo Business Class.

It's a completely new environment, tested before launch by a group of leading business executives.

The seats are wider. One seat has been removed from each row. On long-haul flights, there's the additional comfort of foot and leg-rests. And a new, business-like atmosphere where executives can work. Or rest. Or dine. In absolute comfort.

But there's one thing we haven't changed.

Our gracious, attentive and charmingly Oriental service.

Arrive in better shape

CATHAY PACIFIC

When a company grows from high tech into supertech, human values become more important than sales targets. Don't be surprised if we advise you to spend less. Or if we tell you we aren't the best people for a particular job. If we cannot offer comprehensive solutions to meet every need, we do recommend alternatives. Because we are aware of our responsibi

Ring Chambers Bldg., 42, Maharshi Karve Road, Bombay 400 020. Tel: 229920, 223898 Tlx: 011-4632 HCPL IN Fax: 2871749

ies as a supertech company. We realise that people are often uncertain
out what to buy, and that their efficiency and profits could depend on our
lvice. The more complex the interplay of technologies, the more this is true.
rust us to give you honest solutions to your present problems and antici-
ated needs. Even if, sometimes, it means no monetary gain for us.

Hinditron. Beyond high tech, there's supertech.

HINDITRON

Do future HE [illegible]

Bharat takes on India's Reliance

Shetkari Sanghatana leader Sharad Joshi has given a call to picket plants belonging to Reliance and other synthetic yarn and fabric manufacturers at Patalganga near Bombay starting 12 December 1988. Thousands of farmers and many prominent politicians are expected to join the agitation. It will highlight the conflict between the economic aspirations of millions living in the countryside, Bharat, and the relatively small but powerful elite. In the name of "growth and modernisation" these elite are putting to the sword the largest employer in the country — the cotton textile industry.

The textile mills are the single largest employer in the organised sector, employing 1.2 million or 16.2 per cent of the total workforce. Though both cotton and synthetic textiles are finally woven using similar technologies and quite often in the same factories, the manufacturing processes leading to this final production stage are entirely different. In fact, if the final stage were to be disregarded, no two industries could be more dissimilar.

Synthetics on support

The cotton textile industry, though still the mainstay of the Indian textile industry, has been experiencing a severe crisis for the past decade mainly due to the rapid expansion of the synthetic fibres industry, supported largely by favourable government policies. The cotton textile industry, which includes the handloom, powerloom and mill sectors, is the largest direct employer in India with over 12 million people in it. This does not include the millions of peasant proprietors and workers, the cotton processing industry and the cotton trade. Being almost entirely self-reliant, the cotton textile industry can be termed as truly "swadeshi".

The synthetic fibre textiles industry by contrast is dependent on foreign countries for feedstock and other raw materials, plant and machinery, and technology. If one were to go by the Reliance advertisements, it would seem that the synthetic sector needs foreign fashion models even to sell their goods. Whereas the cotton textile industry earns foreign exchange the synthetic textile industry is a foreign exchange guzzler. In 1984-85 cotton piece goods (mill-made and handloom) and cotton apparel exports together amounted to Rs.1,270.70 crores. The exports of synthetic textiles are so small (Rs.23 crores) that they are not even recorded under a separate head.

The cotton textile factory sector employs over 80 per cent of the workmen in the organised sector of the textile industry. The manufacture of cotton textiles is a high value-added activity; with only 4.5 per cent of the capital it accounts for 8.3 per cent of the value added. By contrast the synthetic textile sector, with 2.2 per cent of the invested capital accounts for only 3.4 per cent of the value added. The turnover to capital investment ratio is also very favourable to the cotton textile industry which accounts for 7.3 per cent of the gross output as opposed to 3.6 per cent for synthetics. This means that for every rupee invested the cotton textile industry employs more people, generates more wealth, and earns money abroad.

Step-brotherly treatment

In 1986-87 the output of the cotton textile sector was 10.9 billion metres, of which 7.6 billion metres was produced by the unorganised sector. The synthetics sector by contrast produced only 2.1 billion metres. The cotton sector thus produces more than five times as much cloth as the synthetics sector. But in value terms the ratio is only 2:1. It might be of interest to state here that in the economically advanced countries cotton textiles are considered superior and being more expensive are considered to be for the affluent classes. But in India because cotton fabrics are still relatively inexpensive it is still the fabric of the common man.

All economic logic suggests that the cotton textile industry must be supported. But the present government with its elitist orientation has been truly inimical to the interests of the cotton grower, weaver, mill worker and even the cotton millowner. It often does seem that the government has decided that the cotton textile industry is a twilight industry and that the sooner it is finished off the better.

On the other hand the synthetic textile industry has been handed out concession after concession. One has just to see the remarkable swiftness with which the government removed the differential excise duty of 15 per cent on pure terepthalic acid (PTA). All that was needed was one year of weak performance by Reliance Textiles. Another gift to the vertically-integrated synthetic fibre and fabric industry is the recent reduction in the import duty on caprolactum and polyester fibres. But the unkindest cut of all is the latest "rationalisation" of the excise duty structure on blended and synthetic fabrics. The result is that the duty on cloth costing Rs.20 per metre has gone up by 387 per cent while the duty on cloth costing Rs.120 and above has come down by 60 per cent. This is rationalisation indeed!

Cotton mills are being forced to shut down for

MOHAN GURUSWAMY

The author was educated at Harvard (John F. Kennedy School of Government, and the Fletcher School of Law and Diplomacy) and taught international business at Boston's Northeastern University

Aramusk

Essence of Musk
Inviting. Exciting. Each drop
costlier than gold.
Discover it in Aramusk Bath Soap.
In a profusion of lather, creamy and rich.
Uniquely contoured to suit a man's grip

Aramusk
An indulgence reserved for
the achieving male.

EXTRAVAGANTLY MALE

Aramusk is brought to you by Shaw Wallace

PARK AVENUE PUTS YOU TOG

HER...PIECE BY STYLISH PIECE

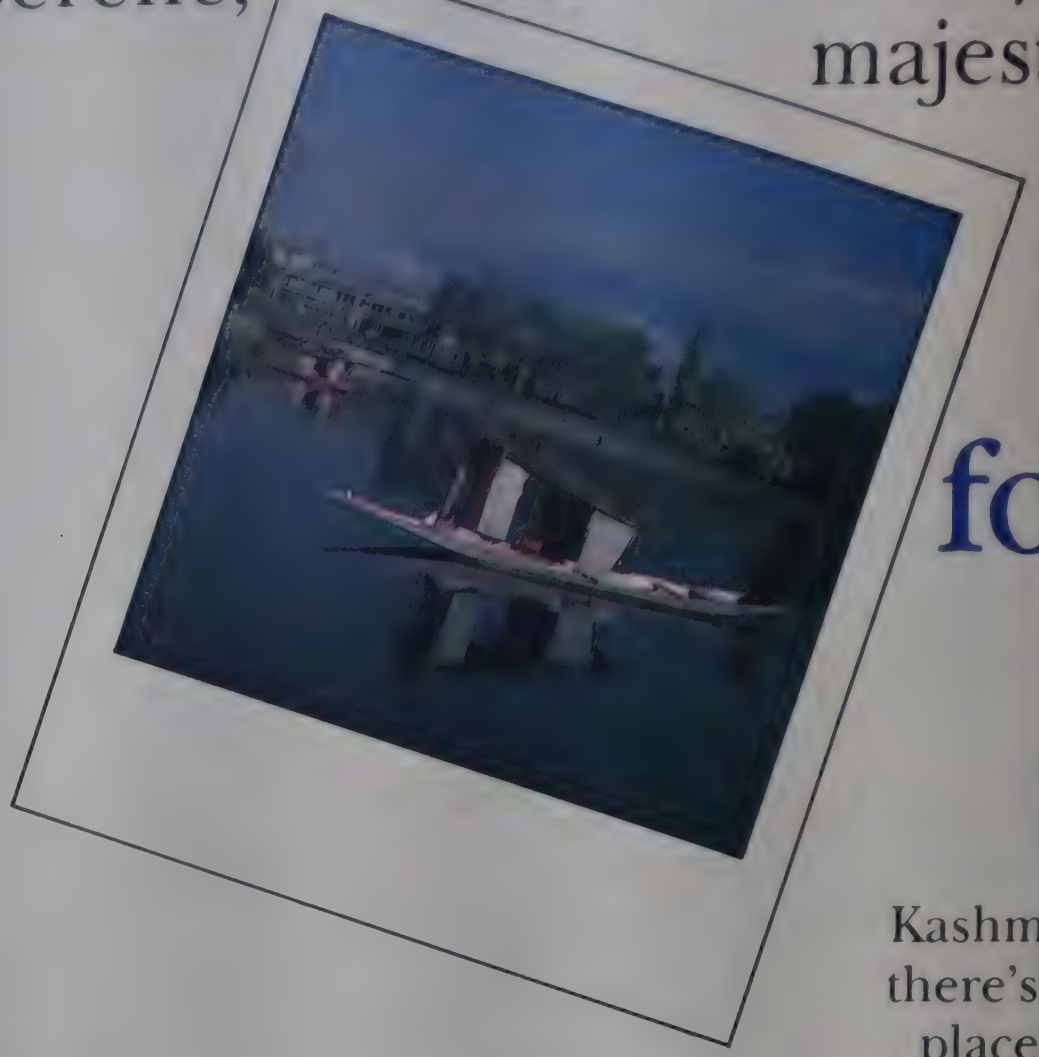
The Park Avenue Collection.
Readymade for you:

Suits. Jackets & Blazers
Safaris
Trousers
Shirts
Kurtas
Jeans
T-shirts
Woollen Knitwear
Ties
Scarves & Cravats
Handkerchieves
Socks
Belts & Leather Articles
Men's Toiletries

Park Avenue
Ready Fashions

Style...
it never goes out of fashion.

Serene, Scenic beauty
majesti



fo

Kashmi
there's
place
earth like it. And there's no place like the Sher-i-Kashm
International Conference Centre to make things happe
businesswise or otherwise. Away from t
din and bustle of cities. The Sher-i-Kashm
International Conference Centre me
every requirement of high-power
conventions — of 10 to 1000 delegat
Plenary Hall with simultaneous tran
lation in 5 languages. 200 to 500 Sea
Conference Rooms. Banquet Hall
seat up to 600 delegates. Receptio
for a 1000. Projection Room for filn
audio visual and video viewi
Business Centre offering Fax, Copi
Computers and Secretarial he
Trained st
to orchestr
compl
busin
me

M

kes, evergreens,
ountain slopes...

Paradise on Earth...
nd the setting
world class
convention
centre.

ith computer
ontrolled
fficiency.
or leisure and
leasure... Golf at
rinagar and Gulmarg,
reaming in a house–
oat on Dal and Nagin
akes, Trout fishing,
rekking, River Rafting,
Iountaineering, Water
kiing, Heli–skiing, Excurs–
ons, Sightseeing, Shopping.
Or just relaxing in a room
vith a view. Yes, make the most
of Kashmir — the playground
of the world... now also a world
lass conference venue.

Sher-i-Kashmir
INTERNATIONAL
CONFERENCE
CENTRE

For assistance and reservations or a free colour brochure
contact:
Sales & Marketing Division
Sher-i-Kashmir International Conference Centre
Chashma Shahi, Srinagar-190 001 Kashmir (India)
Tel : 75631, 79601 Fax : 79720
Telex : 375-318 SKCC IN Grams : KASHCONFER

HEADSTART/SKICC/1140

The spark that forges a future

18 years ago, a company was born. A company that grew with the country to make India's aspirations its own.

Jindal

Setting its sights on self-sufficiency in Steel, Jindal has grown dynamically. Today the Group manufactures Stainless Steel plates, hot rolled coils, cold rolled sheets and Stainless tubes and pipes...ushering in a new world of steel. A pace-setter for the rest of the industry, Jindal today has fully-integrated Stainless Steel manufacturing facilities. From a modern new plant for the manufacture of ferro-chrome to precision Stainless Steel cold rolled sheets, Jindal uses the latest technology to provide Indian industry with almost all principal grades of Stainless Steel for a wide range of applications.

A company of steel..with a heart of gold.

What started as a spark has grown into an organization with a joint family of over 2500. Jindal believes its people are its most valuable assets. The company is known for its 'open door' policy which gives every employee access to top management. Free housing, heavily subsidised meals, generous medical, recreational and a host of other facilities make Jindal a company that cares. And it shows. The extra productivity that has thrust Jindal forward in the forefront of Indian companies.

Today Jindal is breaking national boundaries by exporting ferro-chrome to countries far and wide.

Fiercely proud of being Indian, Jindal is committed to forging an exciting future of Steel for the India of the 21st century.

JINDAL

• STRIPS LIMITED •

25, Najafgarh Road, New Delhi-110 015.
Hissar, Bombay, Madras, Calcutta,
Pune & Visakhapatnam

Pioneering the world of steel

lack of financial support, the handloom weaver is penalised for persisting with his craft, and the cotton grower is squeezed relentlessly.

If the plight of the cotton mills is bad, the condition of the cotton grower is worse. The Shetkari Sanghatana is in agreement with many agricultural experts that agriculture in India has by and large become weather-neutral. Thus even in the worst drought of the century last year, the cotton grower produced another bumper crop — about 9.1 million bales. With an opening stock of 1.9 million and a total domestic requirement of about 9.5 million, the year's requirement could have been easily met. Yet nearly a million bales were imported to beat down the price of cotton. And though the country could have exported lint or yarn equivalent to 600,000 bales, it did not do so, once again due to the pressure of the mill sector. To compound matters, the government further reduced the import duties on synthetic fibres and raw materials. The current year's production is expected to be around 10.8 million bales. With a carryover of 1.8 million bales and with demand not expected to rise beyond that of the previous year, farmers might be in for a financial disaster even though harvests have been plentiful. Unless, that is, large-scale exports are permitted. As it is, international prices have declined by as much as 16 per cent due to the rise in world production this year by 5 million bales. If the new export policy is not announced in days, all opportunity to export in the current year may be lost. The government of India, however, seems preoccupied with other things.

It is not ignorance alone which leads this government to betray millions for the sake of a few. The financial muscle and clout of the new robber barons has much to do with it. There is little doubt that many in the government, and some of these are highly placed individuals, are susceptible to allurements. The recent exposures of the activities of Reliance, Bombay Dyeing and Orkays give a fairly good corroborative picture of this.

Long struggle

The Shetkari Sanghatana has been leading an agitation for equitable cotton prices for the past four years. The agitation began with the announcement of the new textile policy. In the very first year of the new textile policy, cotton prices fell by as much as 23 per cent. The guaranteed price offered to the farmers in Maharashtra was reduced by Rs.50 a quintal.

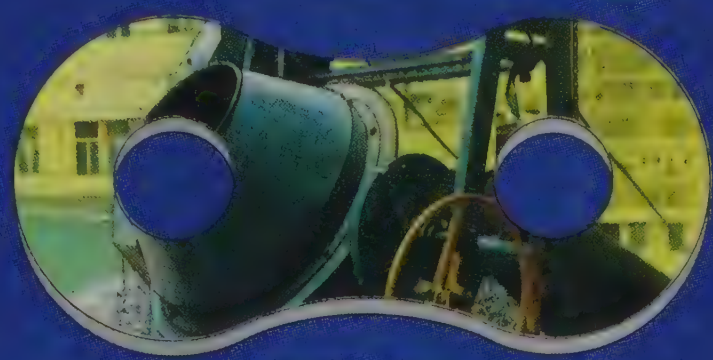
The dispute over the level of guaranteed prices under the Maharashtra Monopoly Scheme remains unresolved. The central government has not budged from its position that the guaranteed price should not exceed the support price, while both the Sanghatana and the Maharashtra government hold that it has to be 25 per cent higher than the support price. That the central government is persisting with its anti-farmer cotton policies at the behest of the millowners is quite obvious. A typical instance of this is the abandonment within a year of the much-touted long-term cotton export policy under which the export of 600,000 bales of cotton was assured for three years. Even the quota for the first year has not been fulfilled.

An examination of the balance sheets of several leading cotton textile mills shows that the generally higher profitability in the last year has been due to higher sales largely because of selling price increases and lower raw material costs because of lower expenditure on cotton purchases. This shows that the demand for cotton fabrics remains good and that the industry with the connivance of the government is merely exploiting the grower.

The cotton millowners have generally not cared about the long-term larger implications of lower cotton prices for the industry because of conflicting interests and the availability of other options. The cotton growers' well-being on the other hand, is inextricably linked to the continued good health of the cotton textile industry. It is this that makes us espouse the cause of the mills even if the millowners almost always act against the interests of farmers.

Last year the Shetkari Sanghatana conducted a three-week programme in rural Maharashtra to highlight these issues. The main part of the programme was a farmers' *prachar yatra* which started on 19 November and wound its way through western Maharashtra, Marathwada and Vidarbha gathering marchers all along the route. It culminated in a rally of thousands of farmers, joined by textile mill workers in Nagpur, at Kasturchand park on 12 December. Those present say that not since Mahatma Gandhi's rally at the same venue over half a century ago was such a large gathering seen at Nagpur. This is a good indication of the support the cause commands among farmers and, therefore, about what is to be expected when the gherao of the plants at Patalganga begins on 12 December. All the top leaders of all the major national parties have been invited to address the rally and lend their powerful voices and authority in support of the cause. The complete spectrum of Indian politics will be there — with the exception of the ruling party. And why should the Rajiv Gandhi regime act any differently? After all, Reliance provides it sustenance. The rally promises to be a historic event for it will be the first time that Bharat will confront the ugly face of Indian capitalism and, possibly, the iron fist of the Indian state that backs it.

The Big.



The Small.

And hundred others in between have a common link.

Diamond Industrial Chains. From 3" to ¼" for hundreds of application areas...

From giant oil rigs to concrete mixers... paper mills, cement plants, textile mills, fertilizer plants and many, many more.

Diamond Industrial Chains is the one name that has chains in pitches varying from 3" to ¼" manufactured to both AS and BS specifications.

Widest range of transmission chains

☐ Single and multi-strand chains ☐ Leaf chains ☐ Carding chains ☐ Extended pin chains ☐ Heavy duty chains ☐ Conveyor chains ☐ Special purpose chains ☐ Standard application chains

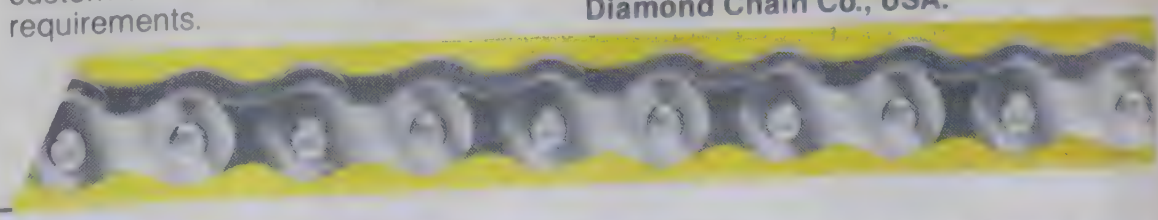
A team of highly trained engineers, 17 warehouses around the country and hundreds of outlets give easy access to Diamond Industrial Chains.

Application Engineering Cell for special needs

Diamond Industrial Chains' Application Engineering Cell will innovate the perfect solution — with a custom-built chain for very specialised requirements.

TI Diamond Chain Ltd.,
Madras 600 053.

Diamond Industrial Chains.
Made in technical collaboration with Diamond Chain Co., USA.



REGIONAL OFFICES:
Bombay: United Bank of India Bldg., Sir P M Road, Fort, Bombay 400 001. Phone: 2670303. Telex: 011-2210. Gram: TUBEIND
New Delhi: Post Box No 7087, 9 & 10/3 Asaf Ali Road, New Delhi 110 002. Phone: 270535. Telex: 031-2318. Gram: TUBEINC
Calcutta: Post Box No 9151, 27-A Camac Street, Calcutta 700 016. Phone: 442595. Telex: 021-7359. Grams: TUBEIND
Madras: Southern Region, Ambattur, Madras 600 053. Phone: 556181. Telex: 041-20063. Gram: TICHAIN.

For more information please write to The Product Manager, HCL Limited (Computer Division), 801, Siddharth Building, 96, Nehru Place, New Delhi 110 019

HCL'S NEWEST COMPUTER IS FULLY EQUIPPED TO MEET FUTURE SHOCK

You don't need an Alvin Toffler to see computer chips becoming obsolete faster than ever today.

Just a few years ago, computers based on the '8086' and '8088' chips ruled the roost. Till users were rudely shocked by the much more powerful '68030' and '80386' based machines.

Today, RISC and SPARC chips wait in the sidelines. And today's superchips will inevitably be replaced by these newer ones.

What does this do to the investment in computers worth lakhs or crores.

HCL's new computer Magnum offers a solution.

Magnum is based on the most powerful chip today. But it's built with an 'open' or 'chip independent' architecture.

Which ensures that Magnum will still be working in your organisation when other computers of today are a mere memory.

Designed for the Unix future, too.

Hardware design alone is not sufficient to see a machine into the future.

The computer should be compatible with the software of the future, too.

Magnum is designed around the world-standard Unix operating system.

So your office will always have access to the largest bank of minicomputer software in the years to come, too.

The elastic computer.

HCL's computer Magnum is the perfect example of an expandable computer.

Today, like any other mini, it will support ten to twelve users.

Tomorrow,when your needs grow, you can simply add on a processor board, and Magnum will almost double its power. Supporting twenty five users.

As your organisation grows, you can keep adding more than a hundred and fifty simultaneous users.

The equivalent of a mini-mainframe computer's capacity.

Five computers for the price of two.

To start off with, Magnum costs just a little more than any other minicomputer in the market.

But the addition of each subsequent processor board adds the power of one more mini to the Magnum — at one-tenth the cost of a new mini.

If you see Magnum through to its full capacity, you'll have a computer with more than the power of five minis.

Which would have cost you less than two minicomputers.

Two heads are better than one. Three heads...

Magnum is a product of multi-processor technology.

More than one 'brain' goes into operation at the same time in this machine, solving problems faster, and creating greater capacity for work than ordinary machines.

Magnum's unique design allows easy expansion from one to six 'brains'.

It's a computer that's designed to grow with you.

Outperforming DEC, Unisys, Hewlett Packard...

Magnum recently came in the top five computers in the world in an internationally established performance test.

Beating some of the most respected names in the business. (And, to rub it in, costing 70% less than any of those machines).

So impressed were an American company that they immediately ordered Magnums worth $ 16 million (Rs. 23 crores).

Magnum is the price-performance solution for an organisation's growth plans.

People across the Atlantic have already realised that.

It shouldn't take you too long to absorb it's impact.

Magnum
THE GROWTH MACHINE

COMPUTER DIVISION
HCL LIMITED

Unix is a registered trademark of AT&T.

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable
* Maintenance - free * 100% Leakproof and Rustproof
* Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes.
* Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

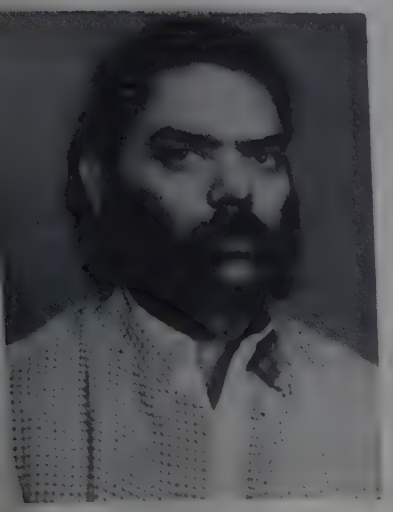
SINTER PLAST CONTAINERS

Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Grams "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Bidhan-SPC-131-A

Sintex - World's No.1 Plastic Water Tanks

Offices At Ahmedabad • Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras



DINESH MOHAN

NARMADA VALLEY PROJECT

Too many unanswered questions

The Narmada Valley Project (NVP), consisting of the Narmada Sagar Project (NSP) and the Sardar Sarovar Project (SSP), is said to be the largest and most complex irrigation and hydel system ever contemplated anywhere in the world. The magnitude and the complexity of the projects gives one the shudders — especially as it involves ecology, geography and human habitats. It is imperative to make sure that there is no possibility of a mistake.

But our planners seem to be undeterred by 'words of wisdom'. One of the Planning Commission members couldn't even bear to hear any criticism because the project involved "state-of-the-art technology not attempted anywhere else in the world".

It has been easy for the government to approve the project on paper with World Bank funding. The World Bank in any case likes to give large loans which of necessity involve multinational corporations. But the going may not be as easy as the contractors and the paper planners thought it would be.

The resistance on the ground is growing. People do not want to move. Nor do they want to see trees, flowers, hills and homes submerged. Some people have an emotional attachment to such things. A few may even give their lives for them. Contrary to what economists like to think, not everyone puts a price on everything.

Opposition from voluntary group

A voluntary action group has come up with a statement on the NVP which has been supported by many renowned academics. In this statement, submitted to Rajiv Gandhi on 12 September, it was contended that one should not get carried away by the enormousness and hi-tech aspects of the project but must give it a second thought because "if such solutions are undertaken without a proper understanding of all the possible consequences, they could leave in their wake a trail of destruction which could aggravate the crisis further".

What the mercenary engineers, economists and administrators involved find difficult to understand is that a very large proportion of the people in this world don't like to move. How else could we explain people living in some of the most "inhospitable" areas of the world? When such people are forced to move, some lose their bearings, their zest for life. This is the human dimension. A humane government and a humane society does not disrupt the lives of so many people who are not willing to "adapt" as the NVP intends to do. The lakhs of people who are displaced may supposedly be "rehabilitated" later. What if these people don't want to be "rehabilitated" because they are certain that the major benefits of the project will not go to them?

The statement even questions the government's claims on the amount of power that will be produced. It quotes a former irrigation secretary of Madhya Pradesh: "This (power generated) in the final phase would actually be only one-tenth of that publicised. Even in the initial phase (ie, just after construction of the two dams) it would be only about one-fifth."

Danger of waterlogging

The more damning criticism of the project hits at its very raison d'etre — irrigation. It appears that a study on the NSP done by the Indian Institute of Science, Bangalore, shows that 40 per cent of its command area faces waterlogging if the original designs are followed. Waterlogging is already causing havoc in many heavily irrigated areas of Haryana and in many of the regions irrigated by large dams all over the world.

Once an area gets waterlogged, salts get deposited on the ground surface and eventually the land becomes unsuitable for cultivation. In addition the soil becomes clayey and therefore impervious to water. So during the monsoons most of the rainwater runs off instead of seeping into the ground resulting in erosion, depletion of subsoil water and floods.

Large dams also cause quite unexpected changes in local ecology. This can affect the lifestyles and health of people living in the region surrounding the reservoir. In addition to increasing the possibility of earthquakes, the stagnant water of the reservoir can cause dreadful diseases like river-blindness as in the Aswan Dam area in Egypt and kala-azaar, a disease that deforms and disables permanently as in dam areas in India.

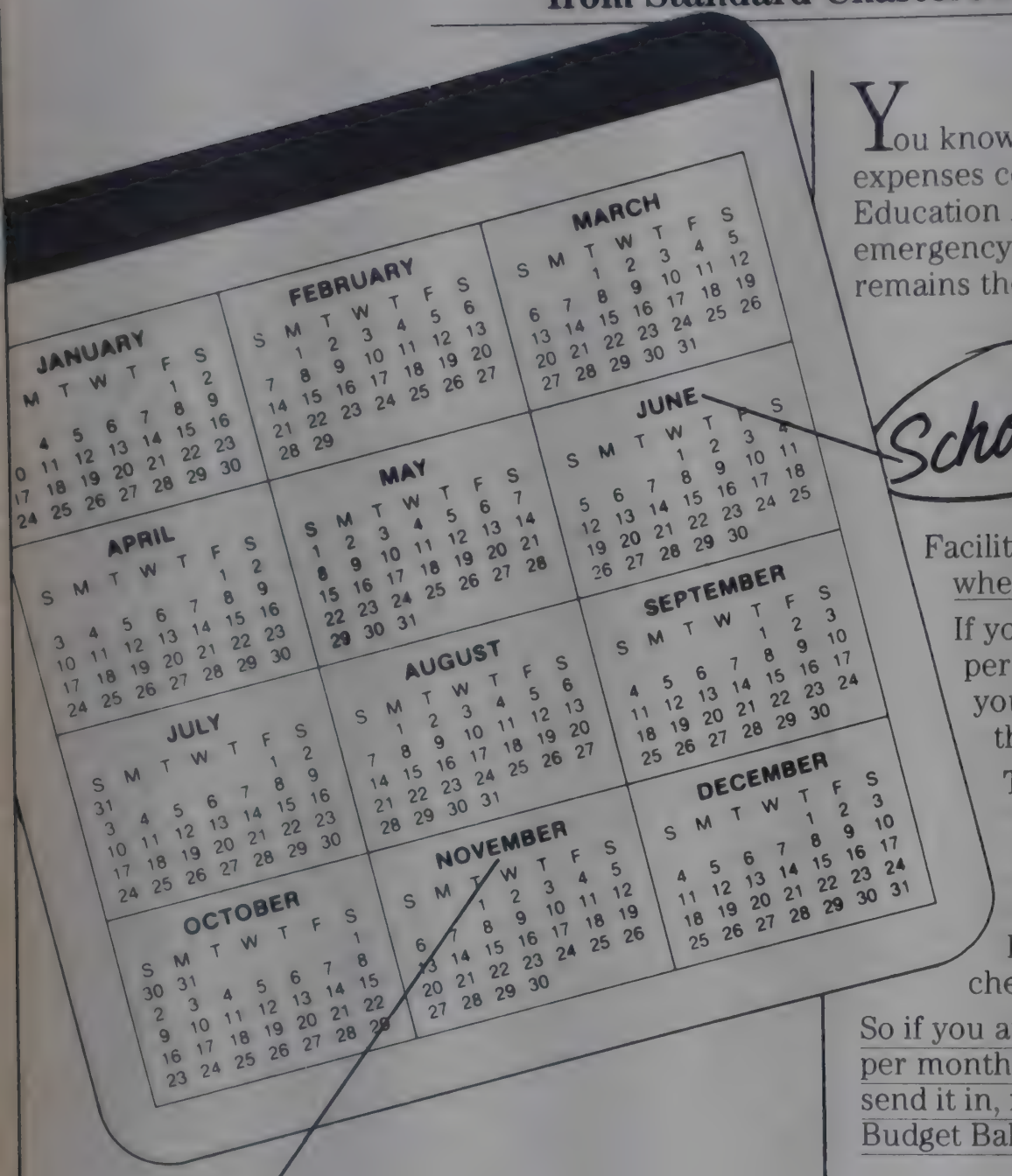
The citizens' report on the NVP is an eye-opener for citizens of India. It is frightening enough to demand a moratorium on the NVP so that more independent groups can examine the merits of the project. It is high time that businessmen and industrialists got together and sponsored another set of experts known for their integrity and independence to study the government's claims on the Narmada Valley Project.

The issue is too important to be left to government-sponsored agencies and "experts" only. It has such wide ranging ramifications that a government of any political persuasion in India would do well to look before it leaps. □

The author is State Bank Professor for Biomedical Engineering at the Indian Institute of Technology, New Delhi

Now you don't have to wait for a windfall to balance your budget.

Introducing the Executive Budget Balancer from Standard Chartered Bank.



You know how it is every month. A number of big expenses coming together. A family ceremony. Education fees. Or (heaven forbid) a medical emergency! While the figure on your salary cheque remains the same. That's when you need money double-quick.

At Standard Chartered Bank, we understand your needs. That's why we have introduced the Executive Budget Balancer Facility. Now you can be assured of money whenever you need it.

If you are earning more than Rs. 5,000/- per month and satisfy a few simple criteria, you will be entitled to an overdraft worth three times your salary.

To avail of this facility all you have to do is fill in a cheque and draw the money.

There will be no red tape and no delays.

Standard Chartered Bank's Executive Budget Balancer Facility is your rain cheque in times of emergency.

So if you are earning more than Rs. 5,000/- gross per month, just cut out the attached coupon and send it in, marking the envelope "Executive Budget Balancer".

Standard Chartered Bank

Dr. D.N. Road, Bombay-400001. Telephone: 2045056/2045058
4, N.S. Road, Calcutta-700001. Telephone: 206902/7
31, Chowringhee Road, Calcutta 700016. Telephone: 299732
58, N.S.C. Bose Road, Madras-600001. Telephone: 581301/4
17, Sansad Marg, New Delhi-110001. Telephone: 310195/344256

EXECUTIVE BUDGET BALANCER

Standard Chartered

Standard Chartered Bank

Yes. I am interested in the Executive Budget Balancer Facility where I'm assured of money whenever I need it Please rush me the details. BI

Name: _____

Designation: _____

Company Address: _____

_____

_____ Telephone _____

OBM/3865 Rev1

VENTURE CAPITAL GUIDELINES

Only a statement of intent

On 25 November the office of the Controller of Capital Issues (CCI) department of economic affairs, union ministry of finance, finalised and circulated guidelines which venture capital companies/funds (VCC/VCFs) would have to comply with in order to be eligible for concessional treatment of capital gains available to non-corporate entities. By remaining silent on the exact quantum and incidence of this concessional treatment, the finance ministry has however only given lip service to this nascent financial activity.

Since the public financial institutions (IDBI and IFCI's Risk Capital Technology and Investment Co, which are engaged in this activity in a small way) are exempt from capital gains, they remain unaffected by the proposed new tax exemption. The ICICI which is not exempt, went ahead and established a venture capital fund (which it subsequently hived off as Technology Development and Information Company of India) for funding high-risk technology extensive ventures.

The guidelines now set the scenario for limited companies under the Indian Companies Act to set up VCC/VCFs. Capital gains, the major stumbling block, is sought to be diluted (or may be removed).

Further, the guidelines lay down that companies that wish to promote VCC/VCFs activities may be established using the term "venture capital" and approval for such establishment must be sought from the CCI.

Financal institutions, banks, both nationalised and foreign will have to seek the permission of the Reserve Bank of India. Joint ventures between the institutions and between institutions and non-institutional promoters will be permitted provided the equity holding of such promoters does not exceed 20 per cent. The management of these VCCs/VCFs should be by professionals with adequate experience of industry, finance, accounts etc.

Interestingly, the guideline lays down that if the VCC/VCF is established by subsidiaries of banks or institutions or started as in-house schemes they should maintain their independence and "an arms length relationship" with their parent institutions. "This indicates the governments' awareness that venture capital financing is an activity which is inherently different from normal credit sanctions," points out R. Kannan, executive vice-president, Canbank Financial Services. "It calls for a different approach and personnel with different orientation."

The guidelines makes it amply clear that venture capital financing in India is to follow the technology route. "New or relatively untried or very closely held (technology), or that being taken from pilot to commercial stage, or which incorporates some significant improvement over the existing ones in India" will be eligible for venture capital finance.

In India the guidelines on capital issue have made the capital market easily accessible to the corporate sector. As a result the role of doling out venture capital falls on the shoulders of the individual investor in India. In the US and the UK, only existing companies with profit and dividend records are allowed to go to the market.

This was roughly the situation till the Bombay boom of 1985-86. Since then largesse from investors has been drying up as they got wiser. The following bear phase and investor savvy put into sharp focus the absence and need for venture capital for setting up untried, high risk ventures. The need for creating vehicles to fund first generation entrepreneurs caught the imagination of the government.

The minimum size of the VCC/VCF has to be Rs.10 crores, according to the circular. ("A minimum of Rs.10 crores is essential to ensure that every other person doesn't start a VCC," says Udayan Bose, promoter of the proposed Creditcapital Venture Fund.) Since it would not be commercially viable for a VCC/VCF to deploy its total funds only in venture finance, the government has allowed 25 per cent of its funds to be invested in new issues of new or existing companies, debentures, bonds and other approved securities. A part may also be employed for leasing equipment, etc. But this cannot at any time exceed 15 per cent of the total fund.

The 75 per cent that the VCC/VCF will have to invest in what are deemed venture capital units may be reached in three stages. In the first year 30 per cent should be deployed for venture capital activity, to be raised to 60 per cent by the end of the third year and 75 per cent at the end of the fifth year of operations.

While in the first year of operations the profits that can be set off against depreciation in leasing is unlikely to be very large in the later years when the VCC/VCF has possibilities of earning profits from selling its equity holdings in the invested companies the 15 per cent allowed for leasing is expected to be useful.

There is also a provision made in the guidelines that "a preferential tax treatment would be available to the approved VCC/VCF only in respect of financing such assisted units as one eligible to be treated as venture capital units. For this purpose the unit seeking equity support from the VCC/VCF should obtain a letter of eligibility from IDBI/ICICI or any such agency that may be nominated by the government." This provision is expected to ensure that any VCC/VCF promoter does not pass off any project as eligible for venture capital in order to avail of the capital gains tax exemption.

There is also a provision for an exit route for the VCC/VCF once the assisted companies are on the road to profits. The guidelines note that in case of disinvestment through a public issue by the VCC/VCF, pricing may be subject to criteria such as book value, profit earning capacity etc which are disclosed to the public.

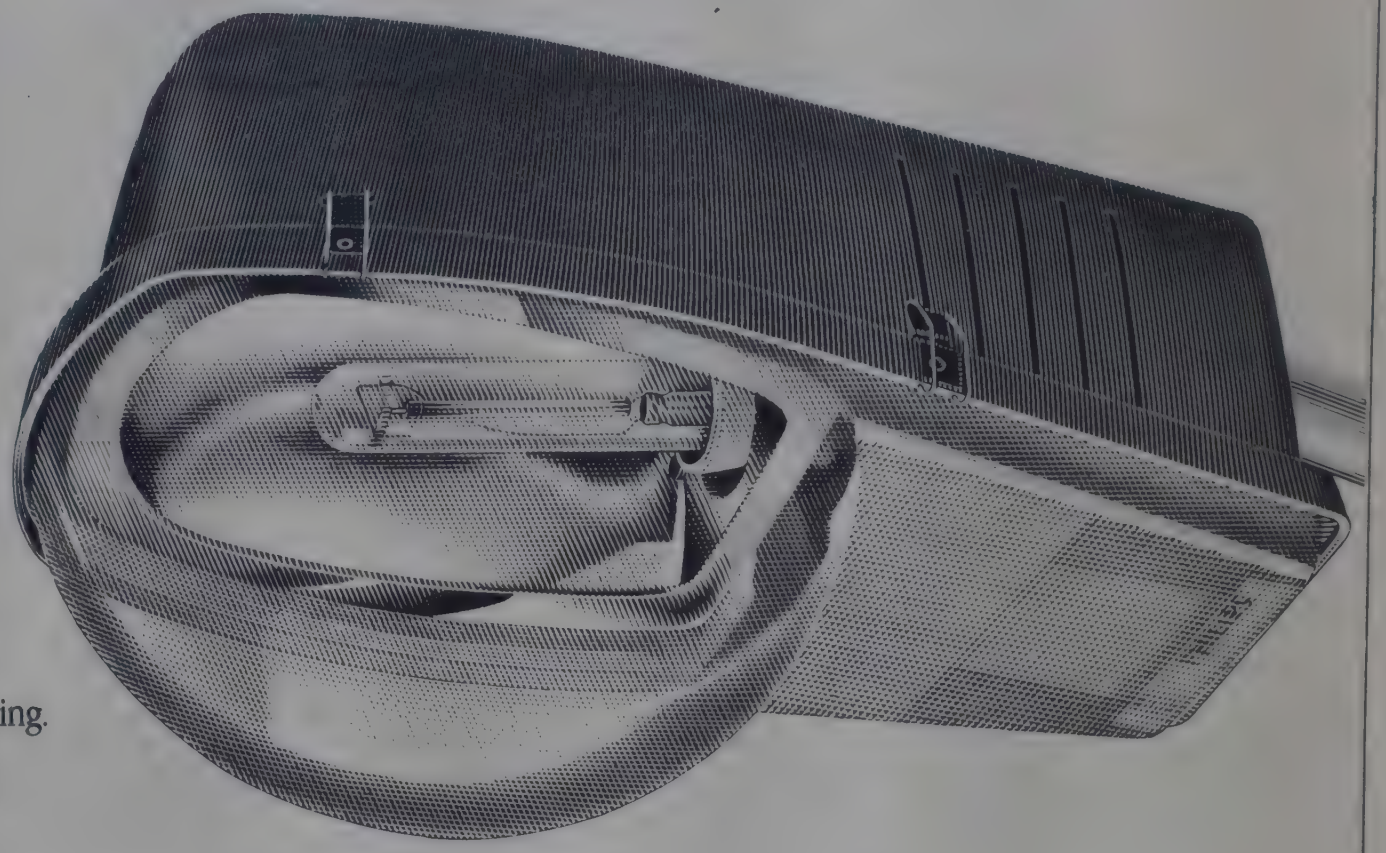
"This is the first hint that pricing, so long in the domain of the Controller of Capital Issues, may not remain so. "The normal CCI formula which takes into account market value and book value of a company's share among other criteria will be replaced by purely market considerations," says a merchant banker. Recognition is expected to be given to the high-risk VCC/VCF, which should be related to high reward if pricing is freed from formulas.

The guidelines are only a broad statement of the government's intent -- till legislation actually lays down the quantum of preferrential treatment to VCC/VCFs in the matter of tax on capital gains, and spells out whether both the corporate entity and the investors in it are eligible for such exemptions. Also, the formulae for calculating will have to be elucidated. Only then will venture capital financing in India gather momentum.

KEYA SARKAR ■

PHILIPS

A Breakthrough In Streetlighting



The Superstar— another first from Philips

1 Sturdy lightweight die cast aluminium housing.

2 Clear weatherproof acrylic cover.

3 An optical system to give more efficient optical control than conventional luminaires. Enabling higher mounting heights and larger spacings between luminaires.

4 A lampholder system allowing a wide choice of positions depending on different road situations.

For the first time in India, a new optical system specially designed for more efficient streetlighting, with tubular sodium vapour lamps. Superstar, the luminaire that brings the benefits of better streetlighting right to your doorstep.

The Superstar is lightweight, weatherproof and easy to install and maintain. In addition, it cuts down on the number of luminaires used and thereby on system cost.

It is innovations like the Superstar that have made Philips the leaders in lighting worldwide.

I would like to know more about the Superstar. Please send me further details.

NAME .....

ADDRESS .....

.....

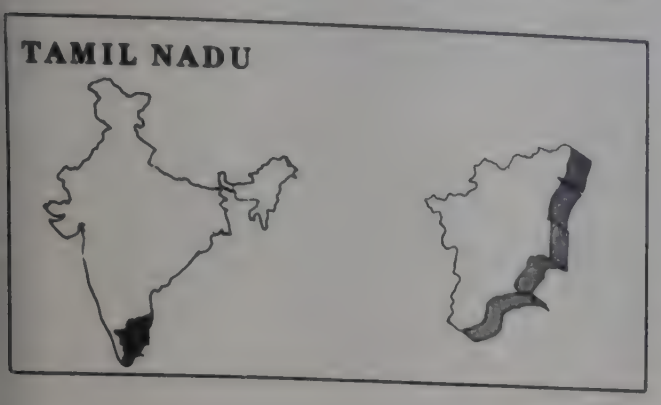
DESIGNATION .....

Philips India
Central Lighting Design and Engineering Centre
P-65 Taratolla Road, Calcutta 700 088

HTA 3470 R

When it's Philips you're sure

MRL's big step with SPIC



The coming elections in Tamil Nadu have helped speed up the decision on a co-promoter for the aromatics complex of Madras Refineries Ltd (MRL). In the last few months, it was quite apparent that the Madras based fertiliser giant SPIC was to be chosen. The government has chosen this opportune moment to make this announcement.

Initially, IPCL was mooted as co-promoter. However, it wanted to split the project into two units — a xylene manufacturing unit to be managed independently by MRL and a PTA unit to be handled by IPCL. However, "MRL was keen on a joint venture because an integrated project with common facilities and utilities should come under a single management. Though IPCL was willing to enter into a permanent agreement to share profits, we felt conflicts could arise in day to day management," explains V.R. Deenadayalu, chairman and managing director of MRL. So, by September 1987, IPCL was firmly edged out of the picture.

MRL thus invited 19 private sector companies to participate. Of the seven who responded, MRL shortlisted three, SPIC, Reliance and J.K. Synthetics. MRL sources feel that SPIC was chosen because it is a "local company with a local organisation". They add that SPIC also has enough experience working with government organisations at the state and central levels and would not have a problem in dealing with a public sector organisation.

MRL's new aromatics project envisages production of 30,000 tpa of orthoxylene, 15,000 tpa of PTA (from 105,000 tpa of paraxylene) and 21,000 tpa of benzene. MRL will provide 2,40,000 tpa of its naphtha.

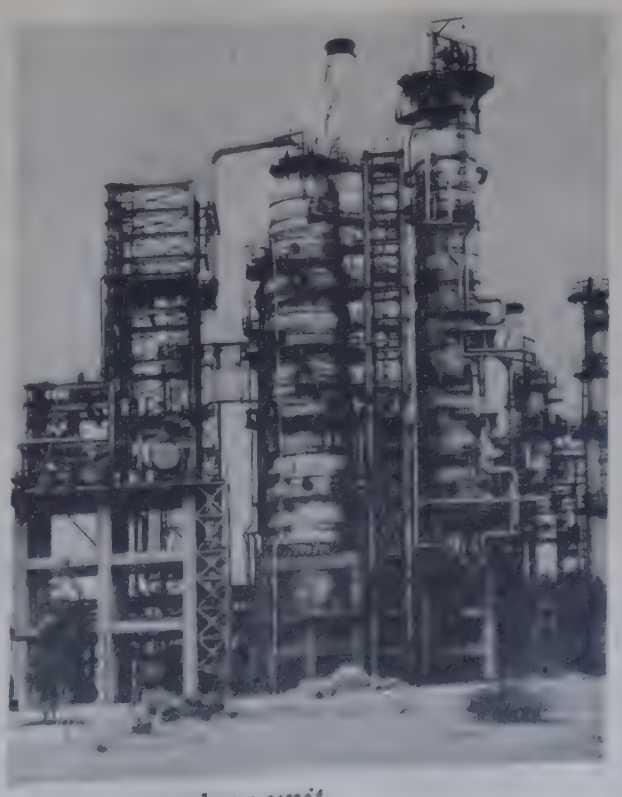
A new company will be formed for the purpose, with MRL holding 26 per cent of the equity and SPIC 25 per cent. The project will cost Rs.836.71 crores and have a debt equity ratio of 3:1. A detailed project report will be completed in six to eight months for the second stage clearance. Once this is received, it will take three years to implement the project.

The project will create direct employment for 600 in the aromatics complex, and indirect employment for an estimated 5,000 in downstream units. "MRL is emerging as a mother industry in the region," says Deenadayalu.

Industrialists in Madras are excited at the possibility of setting up downstream units; MRL estimates that about seven units can be set up to manufacture polyester staple fibre or polyester filament yarn based on the PTA produced. This would involve an investment of Rs.700 crores. It is possible to set up smaller consumer units at an investment of Rs.1 to 2 crores.

The other important product is orthoxylene, mainly used in the manufacture of phthalic anhydride (PAN), an important intermediate both for plasticisers used in flexible PVC processing and dyes. There are three PAN units in the south — Tirumalai Chemicals, Ambuja Petrochemicals and Mysore Petrochemicals with a total capacity of 40,000 tonnes of PAN which could absorb the orthoxylene produced. Besides, orthoxylene also finds use as an industrial solvent for pesticides printing inks and surface coatings.

The benzene produced from the xylenes could be used by TN Petroproducts' LAB plant. Other possibilities are the establishment of plastic terephthalate (PET) and PET film; this could attract an investment of Rs.100 crores.



MRL's propylene unit

Deenadayalu: "only the beginning"

"The intention is to become a regional based growth centre," says Deenadayalu. Eventually MRL hopes to pool its resources with the Cochin Refineries Limited, "to offer our feedstock to industries."

Already several large projects are using MRL's feedstock. Tamil Nadu Petroproducts (a SPIC venture) involving an investment of Rs. 180 crores has already gone into production. Its propylene plant, involving an investment of Rs.14 crores, was inaugurated recently. Kamar Chemicals and Manali Petroproducts Ltd (also a SPIC venture) will receive feedstock from this unit to manufacture propelene glycol and polyols. In addition to this, MRL plans to supply Butene 2 from the FCC (fluidised catalylic cracker gas) to Ceetex — an R.P. Goenka venture which will provide MEK (methyl ethyl ketone). MRL will supply isobutenes to the H.C. Kothari group to manufacture polybutenes. This group may go in for the manufacture of a phthalic anhydride manufacturing unit, as well. "In all these instances, MRL will recover its investment along with the feedstock price," says Deenadayalu.

MRL does not rule out the possibility of a naphtha cracker. While no surplus naphtha is available at present, expansions under the ninth plan, which is dependent on oil finds in the Cauvery and Krishna Godavari Basins, could invest MRL with the necessary surplus. As Deenadayalu says, "Aromatics is only the beginning."

DHARANI K. PANI

What does a Faridabad automobile tycoon have in common with a pharmaceutical stockist in Nellore?

"I want a transport company
– having a national network
– providing timely, reliable service
– with computerised operations
– and having professional manpower"

They both rely on

ECONOMIC TRANSPORT ORGANISATION

Economic House, 1st Flank Road, Chinch Bunder, Bombay 400 009.

Over 350 branches in India

Your reliable business link

"I want a transport company
– giving personalised service
– with good godown facilities
– willing to deliver even my small parcels
– and having a wide network of stations"

ARMS-ETO-10-A

the India magazine

of her people and culture

If you have missed some of the back issues of **the India magazine** and would like to order them to complete your set, fill in the coupon alongside and send it to our editorial office in New Delhi.

You can buy these either as individual copies or sets of copies. In addition complete leather-bound sets, with elegant lettering on the front cover are also available, making attractive additions to any library shelf.

Or better still, GIFT a volume to a friend.

BACK ISSUES

the India magazine
59 Regal Building, Connaught Circus, New Delhi 110001

Please send me the following issues ☐ sets ☐ leather-bound volumes ☐ by V.P.P. (postage charges extra) I have ticked the appropriate box.

Volume IV
Dec 1983 to Nov 1984 at the rate of Rs. 20 per issue ☐ Rs. 200 per set of 10 issues ☐ Rs. 320 per leather bound volume of 10 issues ☐

Dec *	Jan *	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume V
Dec 1984 to Nov 1985 at the rate of Rs 15 per issue ☐ Rs. 180 per set of 12 issues ☐ Rs. 300 per leather-bound volume ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume VI
Dec 1985 to Nov 1986 at the rate of Rs 10 per issue ☐ Rs 120 per set of 12 issues ☐ Rs 240 per leather-bound volume ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

Volume VII
Dec 1986 to Nov 1987 the the rate of Rs 10 per issue ☐

Dec	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sept	Oct	Nov

★ These issues are not available

Volume I, Volume II & Volume III are not available

NAME _____

ADDRESS _____

The leading edge

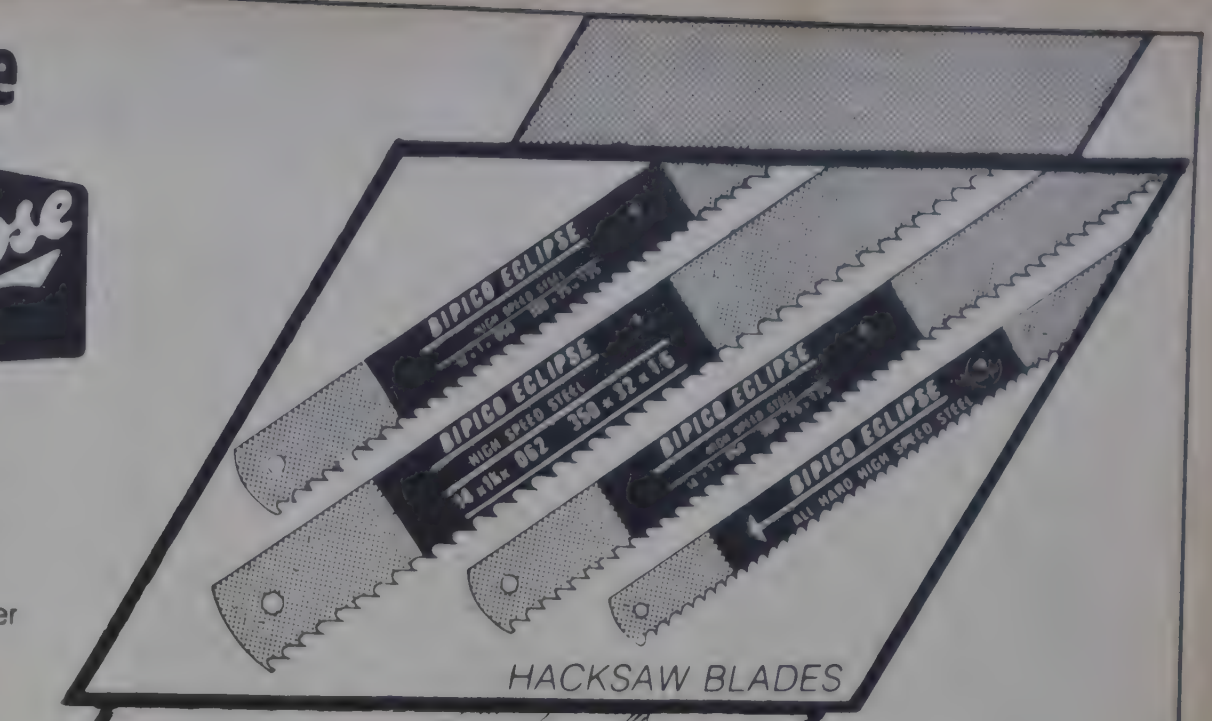
Bipico Eclipse

In collaboration with ECLIPSE TOOLS LTD., U.K.

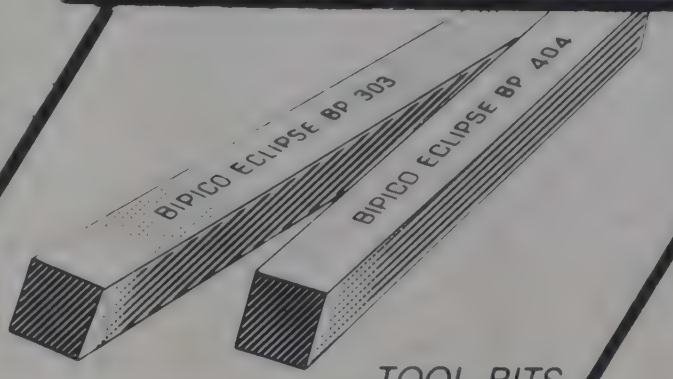
Bipico-Eclipse products undergo stringent quality control which ensures consistently good performance. This has been proved over and over and that is why users always demand Bipico-Eclipse products.

In addition to Hacksaw Blades and Tool Bits which have an established reputation of their own since many years, Bipico - Eclipse have introduced G. P. Saws and Jigsaw Blades in India.

Bipico-Eclipse-A Quality Product everyone admires.



HACKSAW BLADES



TOOL BITS

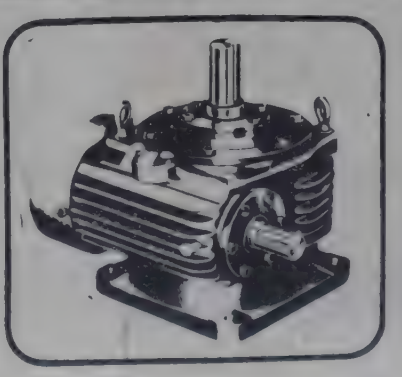
BIPICO INDUSTRIES (TOOLS) PVT. LTD.,

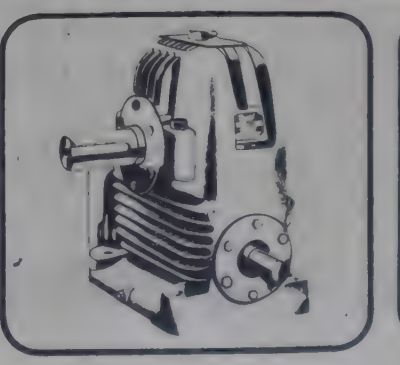
P O Box No 36,
Bilimora - 396 321 (Gujarat)
CABLE : 'BIPICO' BILIMORA
TELEX : 0186 - 203 (BPCO IN)
PHONE : 3693, 3694, 3695

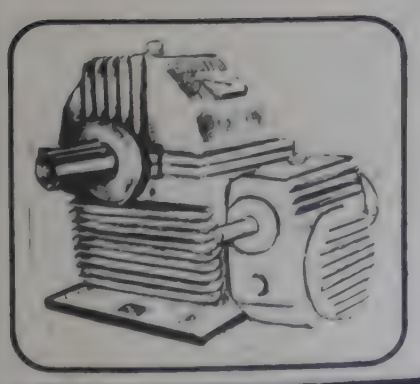
BIPICO - ECLIPSE
Durable - having an edge over age.

TARGET/1072/88

ACCURACY AND RUGGEDNESS ARE BUILT-IN QUALITIES OF







Shanthi

WORM AND HELICAL REDUCTION GEAR BOXES OF WIDE RANGE

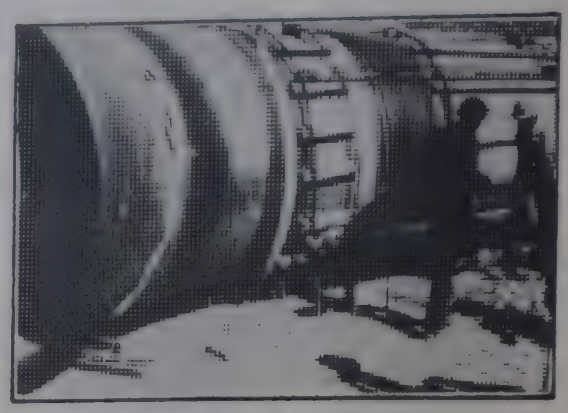
Efficient/S/151/-88

Manufacturers : **Shanthi** GEARS LIMITED, 304-A, TRICHY ROAD, SINGANALLUR, COIMBATORE – 641 005. TAMIL NADU, INDIA.
PHONE: 674241 (5 LINES) TELEX: 0855-375 GEAR IN, 0855-302 SALE IN GRAMS: "SANTHIGEAR"

REGIONAL OFFICES: BOMBAY: 37, "CREATIVE INDUSTRIES BUILDING", SUNDARNAGAR, ROAD No. 2, KALINA, BOMBAY – 400 098. PHONE: 6140188
• BANGALORE: 612, 45th CROSS, 4th BLOCK, JAYANAGAR, BANGALORE – 560 082. PHONE: 645018, 646332. TELEX: 845-2061 SALE IN
• MADRAS: 157, LINGHI CHETTY STREET, 1st FLOOR, MADRAS – 600 001. PHONE: [illegible] • MADURAI: C 257, GANDHI ROAD, TIRUNAGAR, MADURAI – [illegible]

AGENTS/BUSINESS REPRESENTATIVES AT: NEW DELHI, CALCUTTA, AHMEDABAD, PUNE, NAGPUR, VARANASI, HYDERABAD, VELLORE, SALEM, MADURAI, TRICHY, TIRUNELVELI, COCHIN, TRICHUR.

We've always had a good sense of direction.



OWENS – CORNING FIBERGLAS

World's **largest** company in Glass Fibre and GRAPHITE VICARB

bring India's **first** project to manufacture Large Diameter GRP Pipes and Tanks

A Successful Profile

Graphite Vicarb pioneered successfully the manufacture of Impervious Graphite Equipment in the country in technical and financial collaboration with **Vicarb S.A. of France.** The company declared a dividend in its first full year of operation, and rapidly forged ahead to achieve commendable production and financial targets. There has been a quantum growth in Gross Income and Profits in the last year which were up by 50% and 126% respectively, over the previous year. And there are plans to expand the product range further with the addition of Metallic Heat Exchangers.

A Thrust Forward

Yet another pioneering venture is the project to manufacture Large Diameter Glass Fibre Reinforced Plastic Pipes and Tanks in collaboration with **Veroc Technology A/S of Norway.** The World Bank has approved these superior and cost effective products which will replace the traditional asbestos cement, cast iron and mild steel products presently used in sewage and irrigation systems. GRP / FRP Pipes and Tanks will also be used in the carriage of potable water and in the storage of a wide variety of fuels like gasoline, furnace oil, aviation fuel, diesel and also corrosive chemicals and water. These new generation products enjoy substantial economic benefits and superior technological advantages. The company will also manufacture Polyester Resin – a major raw material required for these products

Renowned Foreign Collaboration

India's first project to manufacture Large Diameter GRP/FRP Pipes and Tanks is being set up with technology from the **world's largest company in fibreglass : Owens-Corning Fiberglas, U.S.A. through its subsidiary Veroc. A reflection of Veroc's strong commitment is their participation to the tune of Rs.65 lacs in the Company's capital.** Backed by a foreign currency loan of Rs.4.01 crores from the Royal Norwegian Ministry of Development Co-operation (NORAD), at a concessional rate of interest of 3.75% p.a. – **the first of its kind to a private sector company in India.**

An exciting future

The Rs.14.40 crore project at Gonde, near Nasik in Maharashtra is almost complete and is likely to commence production in the first quarter of 1989. From one success story to another ... Graphite Vicarb is all set for an exciting and growing future.

GRAPHITE VICARB INDIA LIMITED

Regd. Office : 14 Netaji Subhas Road, Calcutta 700 001

VEROC FIBERGLAS

Pioneering ● Diversifying ● Growing

PRESSMAN

Blacking out the White Paper

The Rajiv Gandhi government is in a fix: a consensus on the much-publicised White Paper on the public sector, which was promised to Parliament in the 1988-89 budget session, is proving to be elusive. From all available indications, the White Paper has got caught between the politicians and bureaucrats on the one hand, and chief executives and managers of public enterprises on the other.

The issue has been further confused by the coming election year, when the government will find it extremely difficult, in the interests of political expediency, to take hard decisions, let alone tinker with the basic structure of the economy. No surprise then, that Union industry minister J. Vengala Rao in his latest speech in the winter session of Parliament once again deferred a discussion on the public sector with the bland statement that the government would "come out with a White Paper soon".

Even so, the government's current thinking on the public sector is amply manifested in the intermittent pronouncements of Prime Minister Rajiv Gandhi, who tends to burst out in frustration and put all the blame for all the ills of his regime on the non-performance of public enterprises. Said Gandhi: "We were unable to achieve socialism since we laid emphasis on one aspect. Ignoring the conditions of the poor, we concentrated on the role of the public sector to achieve socialism. Can we afford socialism where the public sector instead of generating wealth is absorbing and sucking the wealth of the people?" He added: "Are we going to carry on subsidising small groups of workers because it is politically inconvenient to shut down a particular factory? I think some very hard decisions will be called for and, if we are not willing to take these decisions it is going to be very difficult for our industry."

Weak ideological base

The foundation of India's industrialisation and the peculiar brand of socialism called the socialistic pattern of society was laid in the Second Five Year Plan by Nehru. It was stated that "essentially... the basic criterion for determining the lines of advance must not be private profit but social gain, and the pattern of development and structure of socio-economic relations should be so planned that they must result not only in appreciable increase in national income and employment but also in greater equality in income and wealth".

In practice, what emerged was a public sector with a very weak ideological base because the motives for setting up some of the critical enterprises turned out to be widely divergent.

As such, the public sector cannot be regarded as a homogenous entity and treated accordingly by a single policy proclamation. What has however happened recently is that though the objective mix of the public sector has remained as varied as ever, the government has suddenly changed its stance from "no profit no loss" to profit.

Freedom of operation

The Industrial Policy Resolution of 1956 clearly laid down that the management of public enterprises should be run on commercial lines, earning profits and contributing revenues to the state. But it also stipulated that the public sector units should be judged for their total results, and subject to performance criteria they should have full freedom of operation. For this, wherever possible, there should be decentralisation of authority and their management should be along business lines. It is to be expected that public enterprises will augment the revenues of the state and provide resources for further development in fresh fields. But such enterprises may sometimes incur losses. Public enterprises have to be judged by their total results and in their working they should have the largest possible measure of freedom.

The growth of public enterprises has been phenomenal in terms of investment, production, and range of activities. From only five enterprises in April 1951 with a total investment of Rs.29 crores, the number rose to about 220 with an investment of Rs.61,430 crores at the end of 1986-87. The 220 enterprises are made up of 154 manufacturing/producing units and 60 service rendering enterprises; six enterprises were still under construction at the end of 1986-87.

(Rs crores)

Plan	Public sector	Private sector	Total	% of public sector to the total
I	1,960	1,800	3,760	52
II	4,672	3,100	7,772	60
III	8,577	4,190	12,767	67
IV	13,655	8,980	22,635	60
V	31,400	16,161	47,561	66
VI	69,380	46,860	116,240	60
VII	180,000	168,148	348,148	52

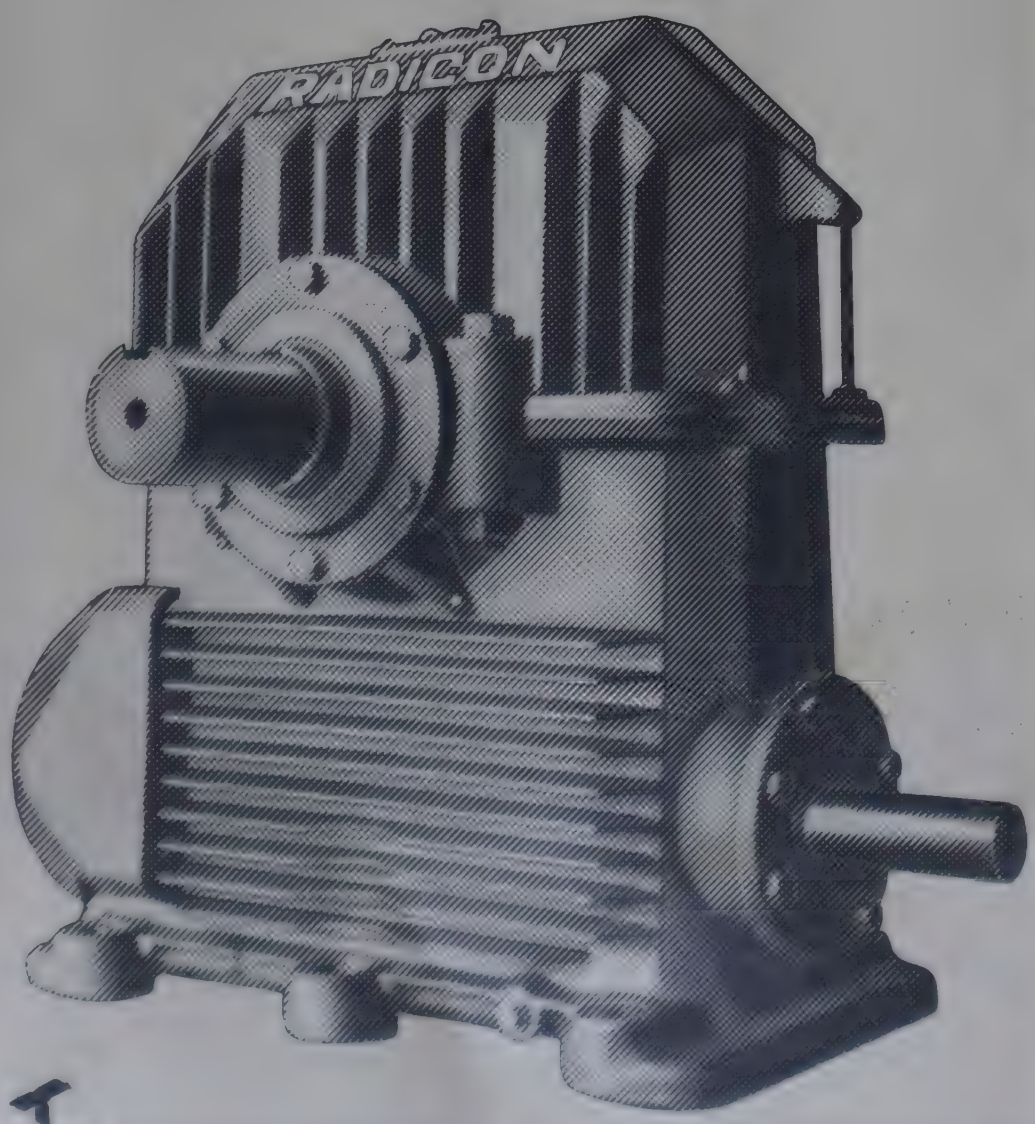
The decline in the share of public sector investment from 60 per cent in the Sixth Plan to 52 per cent in the Seventh Plan (see table one) has been construed by its proponents as a conscious attempt by the government to dilute the role of the public sector from the "commanding heights of the economy" and thereby give a bigger slice of the cake to private enterprise. The general tenor of government policies of liberalisation and opening up of the economy have led to the speculation that it is seriously contemplating gradual privatisation in tune with trends the world over.

Apparently, Gandhi's thinking about the public sector has been influenced by a simple arithmetical calculation which shows that the public sector has the capacity of turning the entire budget deficit into a surplus. A 12 per cent return on assets is quite usual in the commercial world. With Rs.61,430 crores of capital employed, (1986-87 data) in about 220 enterprises, a 12 per cent return would work out to Rs.7,371.60 crores. Obviously, confronted with such statistics, Gandhi has seen red all over and launched a tirade against a "non-performing" public sector.

The onerous task of actually preparing it was handed over to a panel of chief executives of public enterprises headed by V. Krishnamurthy, chairman of the Steel Authority of India Ltd. That the job was assigned to a reputed public sector manager and not a bureaucrat or a politician shows the initial sincerity of the government. But, once Krishnamurthy had done his job, the conflict of interest between the bureaucrats and politicians and the public sector managers came up with all its intensity. Krishnamurthy's original draft was vetted by a secretaries' committee which is believed to have whittled some of the unpalatable portions. After the bureaucrats had had their say, the document fell into the hands of the politicians -- a ministers' committee is reported to have made "significant" contributions.

So the original draft is believed to have

HOW YOU CAN BENEFIT FROM DAVID BROWN GREAVES' 26-YEAR EXPERTISE IN RADICON WORM REDUCTION GEARBOXES



The Thapar Group

Every David Brown Radicon worm reduction gearbox has been engineered to offer you lasting efficiency and reliability... with minimum maintenance.

In fact, Radicon gearboxes installed more than 25 years ago are still performing as satisfactorily as ever.

This high quality is a result of David Brown Greaves' experience and expertise. In the design and manufacture of an ever-increasing range of gearboxes.

Widest range for greatest choice

- 15 sizes.
- Three types – horizontal, vertical and double-reduction.
- Speed ratios from 5:1 to 4900:1.
- Maximum versatility and convenience – due to high interchangeability of gearboxes.

Custom-made gearboxes, too!

Apart from its standard units, David Brown Greaves also offers you custom-built gearboxes. To suit your specific needs.

This is possible because of its access to the latest international manufacturing technology and equipment. Through its world-famous collaborator, David Brown Gear Industries Ltd. (U.K.).

Quick delivery, prompt service

Today, you can get prompt deliveries of Radicon gearboxes. Through any of Greaves Cotton's 21 Sales and Service Centres spread across the country.

While Greaves' qualified and experienced personnel give you speedy and efficient after-sales service.

The next time you buy a gearbox, ensure high quality and good service. Insist on a Radicon.

Contact:

SOLD & SERVICED BY GREAVES

GREAVES COTTON & CO. LTD.
David Brown Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023.
- Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, NEW DELHI 110 002.
- Thapar House, 25, Brabourne Road, CALCUTTA 700 001.
- 13, Second Line Beach, MADRAS 600 001.

DB GREAVES

Manufactured by:

DAVID BROWN GREAVES LTD.
Chinchwad, Pune 411 019.
Under Technical and Financial Collaboration with:

DAVID BROWN GEAR INDUSTRIES LTD.
Huddersfield, England.

David Brown – mastery in gears

R K SWAMY/CC 1834

been revised four times already. And Krishnamurthy is reported to have washed his hands of the entire affair. And, reportedly, the Prime Minister has been advised by his coterie of advisors to shelve the White Paper in the election year. Some of the policy proposals put forth in the third draft (September) and the changes made in the fourth (November) draft clearly call for hard decisions on the part of the government.

Will the government have the courage to present the November draft to Parliament? Or will it tone it down further, and thereby dilute the very exercise of producing a White Paper.

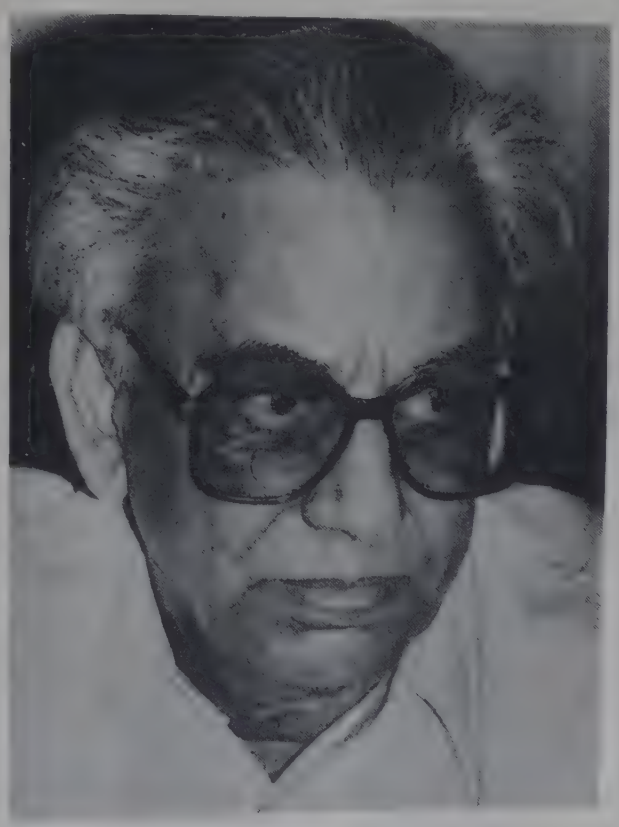
When he began, Krishnamurthy had sufficient references to begin work on. There were the recommendations of the Economic Adminsitration Reforms Commission (EARC), the Arjun Sengupta Committee on Public Enterprises and the Economic Advisory Council to the Prime Minister. Besides, there was the thinking of the ruling party embodied in the document of the All India Congress Committee (I) titled "Public sector, an overview". This document incorporates the thoughts of the late Indira Gandhi, who had categorically stated that "the test of political management lies in achieving higher productivity". All the administrative monitoring will not help unless we provide the critically needed political push and guidance for management to show results". Political management and political push were defined as:

- Desisting from soft options in order to gain popularity or as a measure of expediency;
- Encouraging innovative efforts and technologies available from within the country and within the public sector rather than buying from outside;
- Defending the public sector and public sector managers in all forums when they are subjected to slander or unjustified attack by irresponsible elements in the country;
- Insisting, at the same time, on their performance as per targets and expectations as also as per standards of integrity beyond doubt and removing those who fail;
- Interacting with workers and trade unions in particular, making them appreciative of the role and benefits of the public sector, requesting and ensuring that they do not indulge in acts or practices which would damage the enterprise and, on the other hand, setting up systems which will ensure speedy disposal of grievances by the individual and the trade unions and ensuring that the legitimate trade union rights are not trampled upon by management.

Indeterminate amber

Despite such clear cut guidelines, what has actually emerged in the third and fourth drafts are glaring inconsistencies which fall far short of what could justifiably be called the constituents of any White Paper which is supposed to blaze the trail for years to come. In fact, the signal given by the November draft is neither green nor red but an indeterminate amber which will permit traffic to pass either way.

The November draft has toned down and even eliminated some of the key elements of the September version which could prove to be embarrassing to the government. For example, para six,



Krishnamurthy: fed up now

which underlines the need for a public sector which should be flexible and responsive to the changing compulsions of time has been altogether removed.

Another critical section left out refers to the action related to the restructuring of the Public Enterprises Selection Board (PESB), delegation of powers, tenure of chief executives, memorandum of understanding, revision of Bureau of Public Enterprises guidelines, placing of goods and services, streamlining of investment approvals system and holding companies.

All these are sensitive issues on which public sector managers have been for long clamouring for a policy statement. Though some of the points have been tackled, it has not been done comprehensively enough.

Unlike the September draft, the November version reasserts that "the public sector will continue to occupy the commanding heights of the economy and will, therefore, continue to remain a major plank of government's policy."

The fourth draft reaffirms the Industrial Policy Resolution of 1956 and lists out the priority areas for the growth of public enterprises in the future:

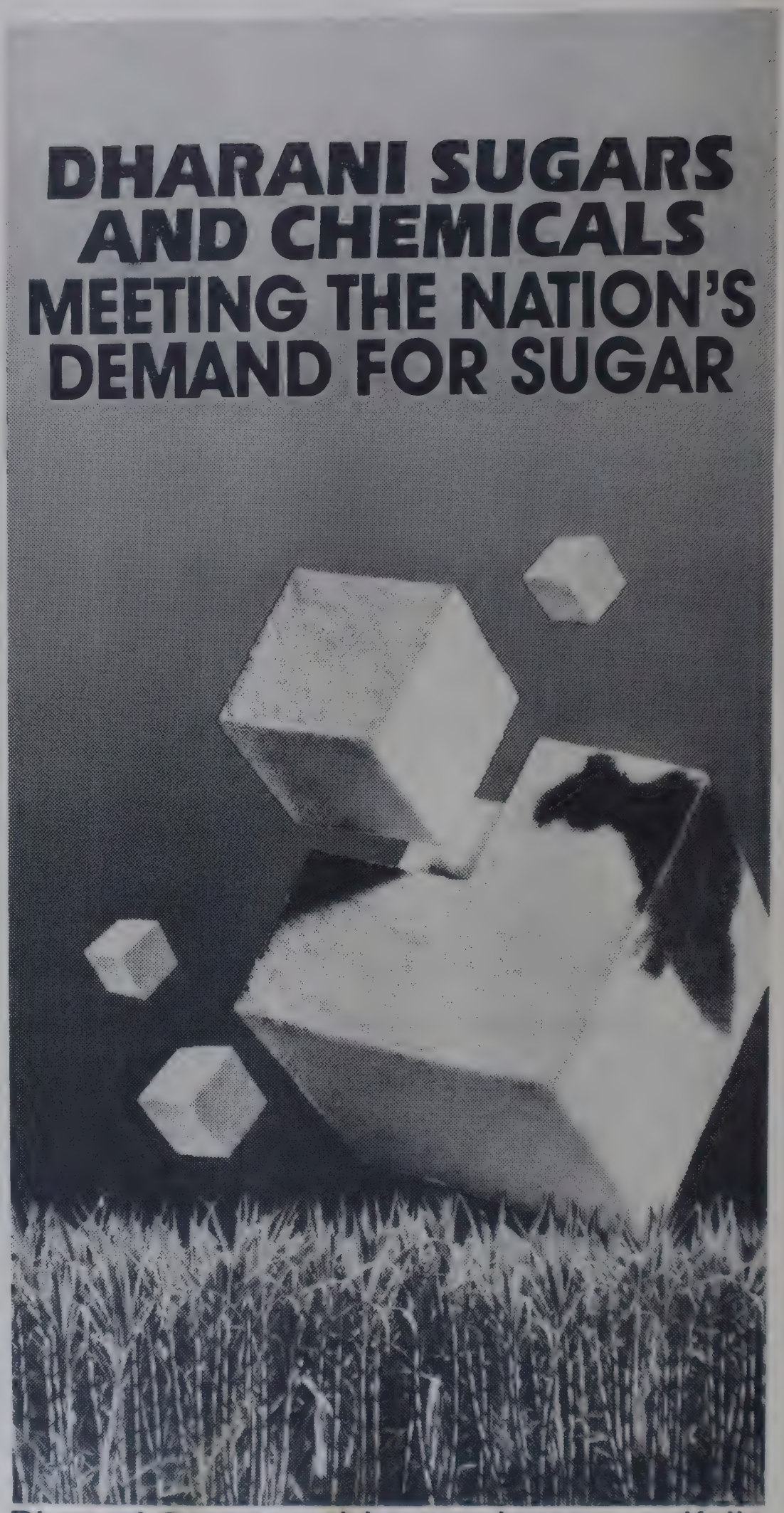
- Investments in infrastructural services, particularly when they are a part of a integrated network.
- Investments in megaprojects involving the discovery and exploitation of mineral resources, particularly when these resources are scarce and need to be utilised in the context of long-term perspective for depletion.
- Major investments in technology acquisition and development and capability building in critical sectors which influence the prospects for developments in the whole economy e.g., machinery manufacture, electronics and information technologies and bio-technology.
- Investments in the manufacture of products -- where strategic considerations preclude dependence on private sources.
- Selective investments in areas which are largely in the private sector, where a countervailing power to monopolistic or oligopolistic practices is felt to be necessary and where other methods of regulating these practices are ineffective.

In the light of these, the draft calls for a "review of the existing portfolio of public investments". "Public enterprises should consider vacating low technology, small scale and non-strategic areas of operation so that they can concentrate their resources and focus their capabilities on high priority and technologically demanding areas".

On profitability, the September draft states that "financial profitability (other than in exceptional cases) is both relevant and important and ought to be one of the key yardsticks of public sector performance evaluation provided certain distorting or handicapping features are moderated or eliminated. The November draft is without the portion "provided certain distorting or handicapping features are moderated or eliminated."

Similarly, the statement in the September draft that "the issue of overmanning

DHARANI SUGARS AND CHEMICALS MEETING THE NATION'S DEMAND FOR SUGAR



Dharani Sugars and Chemicals Limited is promoted by an enterprising group of highly successful U.S.-based NRI businessmen led by Dr. Palani G Periasamy. Dr. Periasamy is the Chairman of PGP International Financial and Industrial Consultants Inc., USA – a corporation providing a wide range of consultancy services in USA and the world over. In USA, the group has set up shopping complexes and is also in the hotel industry. Dr. Periasamy and his associates are the people behind the successful Dharani Cements which has already turned in profits in the first nine months of its operations.

To meet the huge demand-supply gap, Dharani Sugars is setting up an ultra-modern factory at a cost of Rs. 21.10 crores, at Sivagiri Taluk in Tamil Nadu with an installed capacity to crush 2500 tonnes of sugar per day. Located in the heart of the cane belt, the plant will enjoy 220 days of high- recovery crushing, as against the all-India average of 150 days.

It is an opportunity that can make your life sweeter.

Public Issue of 37,00,000 Equity Shares of Rs. 10/- each for cash at par.

ISSUE HIGHLIGHTS

- Promoted by successful U.S.-based NRI businessmen.
- Located at the centre of high yielding sugarcane belt rich in water resources.
- 220 days of high recovery crushing period annually as against national average of only 150 days.
- Commencing production in January 1989.
- Special Concessions: Free sugar quota, purchase tax deferment, electricity generation tax exemption.
- Low capital cost; shortest implementation period.
- 80CC and other tax benefits.
- Listing at Madras and Bombay.

MANAGERS TO THE ISSUE

The Industrial Credit and Investment Corporation of India Limited
Merchant Banking Division,
1 Cenotaph Road,
MADRAS 600 018

SBI CAPITAL MARKETS LTD.
'Shakti Towers'
766, Anna Salai
Madras 2

Indian Bank
Merchant Banking Division,
31 Rajaji Salai,
MADRAS 600 001

CANBANK FINANCIAL SERVICES LTD.
Capital Market Group
563/1 Anna Road
MADRAS 600 018

ADVISORS TO THE ISSUE

BOB FISCAL SERVICES LTD.
A wholly owned subsidiary of Bank of Baroda

ISSUE OPENS ON 14th DECEMBER, 1988

Dharani Sugars–add sugar to your portfolio

Dharani Sugars and Chemicals Limited
Regd Office: No.1, Venus Colony Second Street, MADRAS 600 018

Sobhagya 8/88

in some of the public enterprises has to be confronted and a consensus reached on measures to resolve it" does not find a place in the November draft. Any retrenchment of surplus staff would be unpalatable to the political bosses in an election year. Hence its deletion.

However, some other portions of the September draft have been retained intact. These are:

"Social obligations are often best discharged by producing efficiently and ensuring availability of resources for future growth and expansion..... Not only will the government undertake to speedily initiate the induction of new technology and changes in product-mix in loss-making units to enable them to turnaround.....In future, any deviations from commercial considerations transparent in investment decisions have to be made possible whenever the source of these deviations is outside the domain of enterprise manager (for example, location)..... In case, it is not able to compensate an enterprise for the extra cost involved in the non-commercial obligation which would be the ideal-solution, it would make explicit the impact of such objections on profitability to ensure that the objective of generating resources for future investment is not neglected."

"Hard decisions"

On a case-by-case basis, government has chosen to "restructure the capital base of such public enterprises that continue to make losses ..... Government as owner would consider absorbing the capital loss arising from the venture and suitably write-down the capital which needs to be serviced; and thereafter insist on capital servicing" ....And, in units which just cannot be turned around, it would "actively seek a political consensus on some hard decisions needed to plug the continuous drain on public enterprises in keeping them going."

Such a proposal clearly hints at closure of units perpetually making losses, no matter for what reason. Does the Gandhi government has the courage to take such a proposal to its logical conclusion?

About the crucial issue of checks and counter-checks on the functioning of public enterprises, which could undermine their autonomy, both the September and November drafts have conveniently passed on the buck to Parliament and sought the establishment of "a convention that questions concerning matters that are not within the direct purview of government should not be admitted". Needless to say such a suggestion, if it is pushed through in parliament, will effectively remove from the public gaze all the misdeeds of public sector managers who actively collaborate with bureaucrats and politicians.

The justification given is that the ministries have to furnish information to parliamentary committees concerning day-to-day administration or executive action in public enterprises.

Close scrutiny

Ministries have in turn to address such enquiries to the public enterprises, which may some times affect the operational autonomy. The close scrutiny by the Comptroller and Auditor General of India (CAG) is sought to be diluted by the assertion that "the audit which is essentially an ex-post activity should not become an ex-ante control on managerial initiative and decision making, as indeed it has".

It is proposed to establish effective systems of parliamentary committees to examine overall efficiency and working of public enterprises as well as reorientation of the scope of CAG's reports which would enable them to have a better perspective. Thus the guilt of interference is conveniently transferred to parliament by the statement that "if Parliament defines its scope of scrutiny clearly, then the administration will have reduced scope for interference that erodes the operational autonomy of public enterprises".

In effect, the draft merely wants to restrict the purview of the CAG on the flimsy argument that the public sector is subject to double audit. The reality however is that the public sector has become the proverbial golden goose for politicians. As an ardent supporter of the public sector put it, "A decade ago someone apparently very high up made a remarkable discovery: that the ruling party does not have to run after the private sector for election funds when it has an inexhaustible goldmine in their backyard, the backyard being the public sector."

The public sector as a whole has suffered from umpteen wrong decisions taken by the government, the various agencies of the government and the enterprises themselves. The quality and character of some of these decisions have been brought to the fore by the Committee on Public Undertakings and the CAG. Every year the audit report (commercial) issued by the CAG highlights the deficiencies in the operations of the Central government controlled companies, which are pointed out in the context of the fact that the management of these enterprises are not responsible for the problems. As such, management control has been substantially curbed by the bureaucrats and politicians rather than the CAG or the CPU.

In wage settlements with trade unions, the November draft accepts that governmental guidelines and their approval undermines the authority of the management and vitiates the negotiating process. However, the noteworthy proposal that "government could by and large concern itself only with the D.A. formula to be applicable to the public sector" which is in the September draft has been deleted. The reason for the deletion is obvious: it pinpoints the role of the government and leaves little scope for later manipulations and interference.

The statement on productivity in the September draft which states that the government expects overall productivity, both employee and managerial, to substantially improve so that the products become internationally competitive has been deleted from the revised fourth draft. This has been a controversial issue throughout, with the trade unions complaining that the workers are made to pay the costly price of an inefficient management. The September version of the draft had also stated that unless productivity is improved, "the increase in employee remuneration in the public sector will become totally uneconomic rendering the enterprises uncompetitive and a drain on the economy." Such a sensitive suggestion would also be unpalatable in an election year and hence its deletion. Nevertheless, the November draft is of the vied that the logic of having a completely uniform wage structure in the public sector needs to be examined.

The draft proposes amendment of Article 12 of the Constitution to exclude all government-owned corporations and companies under the jurisdiction of CPU. This would remove public enterprises from the jurisdiction of the state and amenable to writs. It is such proposals and more which have so far prevented the government from placing the White Paper before Parliament. The White Paper may never see the light of day, some observers feel, atleast during the present tenure of the government.

■ ANOOP SAXENA

3-day Educational Program on

STRATEGIC MARKETING

Based on

STRATEGIC MARKETING MANAGEMENT PROGRAM OF HARVARD BUSINESS SCHOOL

Offered By

Prof. KASH RANGAN of Harvard Business School
with support from
Dr. Manesh Shrikant, DBA (Harvard) and others.
For senior managers in Consumer and Industrial sectors.

Content : Product Policy, Channel Management, Market Segmentation, Pricing, Consumer Behaviour

Venue : The Taj Mahal Hotel, BOMBAY

Date : January 5-7, 1989.

Fees : Rs. 5,000/- per participant (Non-Residential)

Organised by BHARTIYA VIDYA BHAVAN'S
S P JAIN INSTITUTE OF MANAGEMENT & RESEARCH
Munshi Nagar, Andheri (West) BOMBAY - 400 058.

Nominations/Enquiries be sent to:
The Program Co-ordinator at the above address. Tel: 6287454 / 6280396

MOULDS

We have been designing and manufacturing moulds and dies since 1970 and have 250 employees including engineers, designers, machinists, tool makers and moulders. Our engineers have been trained in the best tool rooms in the U.S.A. and are fully conversant with the latest techniques of precision mould manufacture.

We have a fully air-conditioned computer controlled tool room which is equipped with the best EDM's from Switzerland, three dimensional die sinkers from W. Germany, inspection and quality control machines from Japan and all other precision back-up machines.

We hold large stocks of the best imported alloy steels which are heat treated in our modern heat treatment plant. We can case-harden, harden, nitride and stress relieve all steels.

We are specialists in moulding the whole range of thermo-plastics and can ensure supply of moulded components to your requirements. Our moulding shop is equipped with ten Toshiba 150 ton fully automatic moulding machines, a Kautex blow moulding machine and a team of experts to run them.

Contact us for further information.

- High quality moulds for plastics and die casting industries.
- Moulded plastic components for general purpose and engineering plastics.
- Precision and electric discharge machining (spark erosion).
- Complex jigs and fixtures.
- Heat treatment of steels.

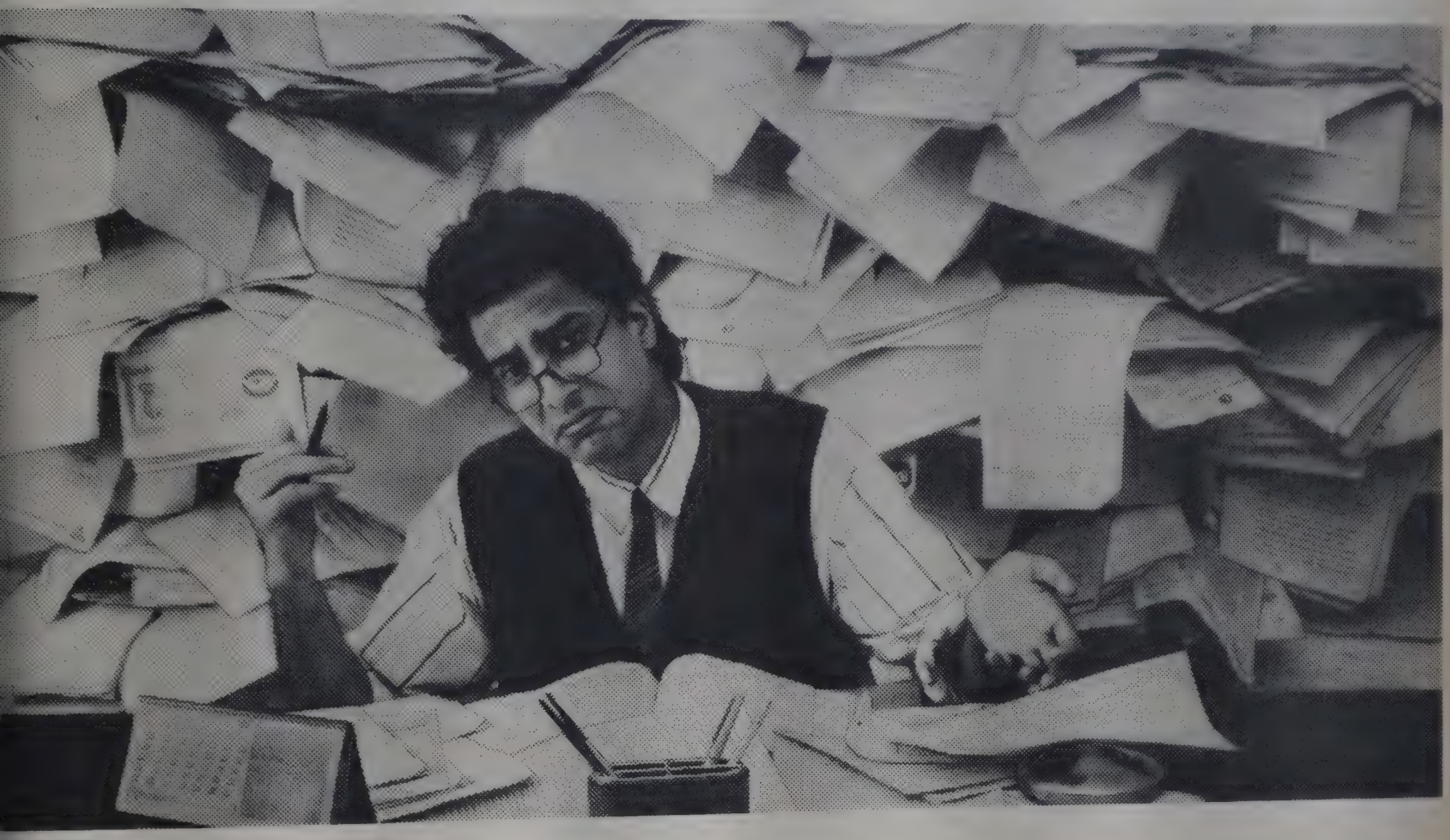
PMD

PRECISION MOULDS AND DIES ®

8/4C, Industrial Area No. 4, Sahibabad-201 010,
Ghaziabad (U.P.). Phones Delhi: 869357, 866523, 869226.

Pavitra

A paper explosion in the office will burden a lot more than just office space.



An important document is lost. An urgently required paper takes impossibly long to find. Confidential information leaks out...

When unwanted papers are allowed to pile up and spill over everywhere, minor disasters occur. Reducing office efficiency and productivity — and threatening the security of your company.

Pilot Paper Shredding Machine: the fast and simple solution

The Pilot Paper Shredding Machine is the surest, most convenient way to check paper explosion and preserve information security.

It speedily reduces large quantities of paper to unreadable bits, preserving confidential information.

And it gives you a choice of five models — so you can select one to suit your needs.

Manufactured by:
Pilot Business Machines Pvt. Ltd.
8/4 Sona Udyog, Parsi Panchayat Rd.,
Andheri (E), Bombay 400 069.
Ph: 634 1233, 634 1072
Telex: 011-79180 GUNS IN

PILOT Destroys confidential papers, to preserve information security.

PAPER SHREDDING MACHINE

Dattaram-PBM 14/88

LAWRIE PLANTATIONS

Reduced profit

The Lawrie Plantations group showed a sharp fall in pre-tax profit from £3.47 million last year to £677,000 this year. The drop in profits is attributed to lower coffee prices from the group's African plantations and reduced sales from tea plantations in Bangladesh. The Lawrie group has sold off most of its once extensive interests in India.

BUDGET RENT A CAR

Leveraged buy-back by Ford

The third largest vehicle rental group in the world, Budget Rent a Car, is going through a $ 300-million leveraged buyout. Budget, which used to be owned by Trans America Corporation, went public two years ago. It is now again going private through a management-led leveraged buyout, principally financed by the Ford Motor Company. Last year, Ford had funded a similar management buyout of the leading car rental company, Hertz. The No.2 in the car rental business, AVIS, also went through a management buyout backed by General Motors. With the buyout of both Hertz and Budget, Ford will have a very strong position in the car rental market.

DAIMLER BENZ

Air Bus tie-up

The West German government has cleared the proposal for the giant auto maker Daimler Benz (manufacturers of Mercedes Benz) to take over MBB, the leading West German aircraft manufacturer. MBB is the German partner in the European Air Bus Consortium. The takeover proposals include a 75 per cent West German government guarantee on exchange risks on the Air Bus project until 1998. After the merger, the Daimler Benz-MBB group would have a combined turnover of DM 80 billion per annum.

SAATCHI & SAATCHI

Sued by Arthur Anderson

The world's largest advertising group, Saatchi & Saatchi, is being sued by Arthur Anderson, America's largest accountancy firm. Arthur Anderson alleges that Saatchi and Saatchi is luring away it management consultants and in the process taking away its consultancy business. Saatchi and Saatchi is fast developing its consultancy division which is headed by Victor Millar, formerly a top consultant with Arthur Anderson.

TEXACO

Joint ownership with Saudi Arabia

The world's largest oil producer, Saudi Arabia, seems determined to extend its present oil business into refinery and marketing activities in the consuming countries. Saudi Arabia has recently signed a $ 1.8 billion deal with the leading US oil company, Texaco, for joint ownership of three major Texaco refineries in the US, and for a chain of 1,400 US service stations. The $ 1.8 billion from this transaction will help Texaco iimprove its cash position. Texaco was almost driven into bankruptcy following a $ 10 billion court award against it, in a suit filed by rival oil company Pennzoil.

SEARS ROEBUCK

Sears Towers up for sale

The American retailing giant, Sears Roebuck, has put up for sale its 110-storey head office building in Chicago which is reputed to be the world's tallest building. Sears' asking price is $ 1 billion. The Sears Tower was constructed in 1974 when the company was riding high. Now the company is facing a takeover threat and plans to utilise the sales proceeds from the Tower block to buy back 10 per cent of its own shares. Edward Brennam, chairman of Sears Roebuck said that it was a prudent time to sell the building and earn revenue to expand the stagnant company.

NIHON TOCHI

Bankruptcy over Konica

One of Japan's most aggressive corporate raiders, Nihon Tochi, has been declared bankrupt by the Osaka district court, with debts of $ 1.2 billion. Nihon Tochi had built up a 22 per cent stake in the film and camera company Konica, in the expectation that Konica would seek to ward off this takeover threat by buying back its shares at a profit to Nihon, but this did not happen. Last year Nihon had made substantial profits through similar greenmailing techniques with the shares of Mitsui Chemical and Toyoda. However Konica refused to give in to the greenmailing threat and the blockage of funds by Nihon ultimately led to its financial bankruptcy.

METAL BOX

European link

Metal Box is merging its packaging business in the French packaging company Carnaud, to form a new company, CM Packaging. This merged company will be the largest packaging group in Europe and will have its shares listed on the Paris and London stock exchanges. Earlier there had been speculation of an Australian bid for Metal Box when Elders Group of Australia announced that it had acquired a 5 per cent stake in Metal Box.

KLOCKNER

Loss on oil futures

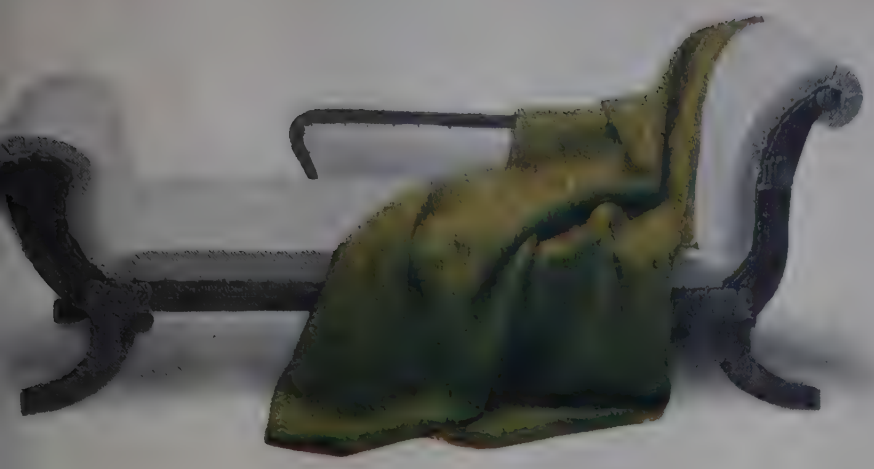
Klockner and Co, the leading West German steel and oil conglomerate, has lost DM 600 million on trading in oil futures. The enormous loss has jeopardised the interests of the whole group. The company's executive dealing with oil futures trading has been arrested. It is likely that the Deutsche Bank may step in with a rescue operation to fund the loss on an interim basis.

GEC

Joint bid for Plessey with Siemens

Siemens of West Germany and GEC of UK have joined hands to make a takeover bid of £ 1.7 billion for Plessey, the UK defence and telecommunications giant. Only two years ago, GEC had made a £ 1.2 billion bid on its own to take over Plessey, but was turned down by the British Monopolies Commission. Plessey has rejected the current bid and a long-drawn-out battle is likely.

■ ABHIJIT SE



C O V E R S T O R Y

Harmony's gracious velours transform simple furniture into fine pieces of art for your fine home. Choose the cover story of your choice. The autumn tones of English velours, lustrous shades of German or the great exuberance of the French. Carefully spun and crafted with the finest yarns in the manner of textures and fabrics found in the stately homes of the world.

HARMONY

PREMIUM FURNISHING FABRICS

VIMAL

A RELIANCE PRODUCT

Day Curtains ▪ Drapes ▪ Upholstery Material

Mudra RIL 4422

A secretary, a telephone, a telex machine, a calculator and increasingly, a personal computer. You'll agree that an executive can hardly function in today's world without these facilities. But there's something else that's even more essential. It's made of plastic, measures 2"x 3", and operates smoothly to make life easier and more convenient for you.

Flying to any point in India or abroad? It buys your airline ticket (and automatically gives you free flight insurance for Rs. 1 lakh). It pays for your hotel room, picks up your restaurant and shopping bills. It comes to your aid in an emergency– you can even cash in on it. It is recognised at 7,000 outlets in the country and makes sure that you are recognised too. It makes you a member of the world's most prestigious club and gives you continuing benefits. Like discounts at select hotels in India and abroad, and on medical insurance. It rewards you with a purchase bonus when you pre-pay for expected expenses. It's a thoughtful little machine that even lets you phone and have flowers, fruit, mithai, chocolates or cakes delivered to someone special.

It makes a lot of business sense and is just your style. The Diners Club card.
You have no business being without it!

BUSINESS MACHINE

Diners Club
Welcome to our world.

Diners Club, Raheja Chambers, 213, Nariman Point, Bombay 400 021. Tel: 244949. Bangalore – Tel: 567201, 567202. Calcutta – Tel: 432768. Madras – Tel: 475191, 475112. New Delhi – Tel: 602565, 601034. Secunderabad – Tel: 72277.

I would like to be a member of Diners Club India Pvt. Ltd. and enclose my cheque of Rs. 1,450/- towards Entrance Fees and one year's subscription.

Name _____ Tel. _____

Address _____

Company & Designation _____

Cheque No. _____ Date _____ Drawn on _____

Signature _____ Date _____

(Please mail this coupon to the Diners Club Bombay address)

COUPBUI 9

LINTAS DC 151 2418BI

EID Parry

Higher dividend in bicentenary year; well entrenched in a firm and well-diversified base; several modernisation and expansion plan on hands; substantial rise in bottom line; better performance due to reduced interest and liabilities

For the year ended June 1988 the company has recommended payment of dividend on equity capital at the rate of 20 per cent against 15 per cent paid in the previous year. The dividend includes 5 per cent special bicentenary dividend. The group, known as Parry group completed 200 years of operation in 1988.

The company's founding father was Thomas Parry, who set up the house of Parry's in 1788. The company has now dug deep into such diversified business activities as sugar, confectionery, fertilizer, sanitaryware, farm inputs, gensets, investment and electronic connectors.

The company has improved its sales by 19 per cent compared to the previous year at Rs.186.09 crores (Rs.155.88 crores). However the operating margins have reduced from 7.09 per cent to 5.23 per cent. The company has reduced its interest liability from Rs.4.10 crores to Rs.2.82 crores. After reduced depreciation at Rs.1.81 crores (Rs.2.6 crores) and taxation at Rs.1.78 crores (Rs.2.50 crores), profit at the net level has improved from Rs.1.80 crores to Rs.3.34 crores.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
GROSS SALES	186.09	155.88
OTHER INCOME	18.04	17.10
OPERATING PROFIT	9.75	11.06
INTEREST	2.82	4.10
DEPRECIATION	1.81	2.66
GROSS PROFIT	6.93	6.96
TAXATION	1.78	2.50
NET PROFIT	3.34	1.80
CASH PROFIT	5.15	4.46
EQUITY	6.28	6.28
RESERVES & SURPLUS	6.69	5.12
GROSS BLOCK	31.75	30.14
INVESTMENTS	3.54	3.71
EPS (%)	13	29
DIVIDEND (%)	20	15
MARKET PRICE (Rs)		
CURRENT	45.00	
1988: HIGH	45.00	
Low	29.00	

The company's ammonium phosphate fertilizer "Paranfos" registered higher production at 71.849 tonnes. During the year the company crushed a record 8.41 lakhs tonnes of cane, it was made possible due to the company's efforts to improve cane acreage and yields.

The company's alcohol production was maintained at a satisfactory level. In view of the low demand for alcohol in Tamil Nadu the company had to export it to other states. As for the company's ceramics division this is the first full year of operations of new kilns. The production has increased by 10.6 per cent over the previous year. The company has launched the cascade range of products, which has been extended to all parts of India.

The company has decided to sell the land, building and machinery pertaining to the tools division. The sulphuric acid and phosphoric plants have been commissioned after modernisation. This will enable the company to increase productivity. The company is currently working on a proposal to modernise the Paranfos granulation plant and hope to complete this project by March 1990. Moreover the company has received the government approval for expanding the crushing capacity of sugar plant to 5000 tonnes canes per day.

As for the controversy regarding the purchase of Coromondel Fertiliser shares EID Parry was the only Indian promoter of Coromondel Fertilizer and the industrial licence had been obtained in its name. The company directly and through its subsidiaries hold about 8 per cent shares of CFL.

		(Rs crores)
Year ended 30 June	**1988**	**1987**
SALES AND OTHER INCOME	115.36	91.89
INTEREST	2.30	1.81
DEPRECIATION	1.19	1.88
PRE TAX PROFIT	7.65	5.49
TAX	3.20	2.60
NET PROFIT	4.44	2.89
EQUITY	5.09	5.09
RESERVES & SURPLUS	14.58	11.53
LOAN FUNDS	17.54	15.76
NET BLOCKS	10.00	8.68
NET CURRENT ASSETS	26.41	23.12
EPS (%)	87.2	56.8
DIVIDEND (%)	26	20
MARKET PRICE (Rs)		
CURRENT	255.00	
1988: HIGH	255.00	
LOW	133.50	

Indrol Lubricants

Sales cross Rs.100 crores; net profit up by 54 per cent due to power depreciation and tax liability. Foreign shareholders gain from issue of rights shares

Indrol is engaged in the processing and marketing of industrial and automotive lubricants. Its products are sold under the brand name of Castrol. Castrol Ltd UK holds 40 per cent equity of the company.

For the year ended 30 June 1988, Indrol's sales crossed Rs.100 crores for the first time; sales volume going up by 21 per cent. The total income increased by 26 per cent to Rs.115.36 crores. Dividend was stepped up by 6 points to 26 per cent.

Nearly 75 per cent of Indrol's sales came from automotive lubricants and 20 per cent from industrial lubricants. Its main raw materials is base oil. Unit cost of base oil rose marginally to Rs.10.1 and that of various additives by Rs.1.20 to Rs.28.9. With its reputation for quality products, Indrol is able to pass on the increase in raw material costs to the consumers. However, during the year higher sales volume coupled with lower depreciation charges resulted in 54 per cent increase in net profit.

Depreciation during the year was lower at Rs.1.19 crores. Gross profit went up by 20 per cent to Rs.8.83 crores. With lower depreciation and reduced tax liability (from 47 per cent to 42 per cent), net profit at Rs.4.45 crores represents a 54 per cent increase over the previous year. In 1983-84, Indrol's tax liability was as high as 71 per cent of its pre-tax profit. With various tax planning measures (including IDBI deposits), tax liability during the last five years has been reduced substantially.

During the year, borrowings has been restricted and as much as Rs.4.32 crores ploughed back. While gross block increased by Rs.2.48 crores, working capital went up by Rs.3.29 crores. Sales tax deferment loan from SICOM (interest free) has increased by Rs.1.34 crores. Gross margin declined from 8 per cent to 7.7 per cent but net margin improved to 3.9 per cent (from 3.1 per cent).

In July 1988 it offered lastly convertible debentures of Rs.150 each aggregating Rs.9.62 crores. Despite the fact that all the shareholders (belonging to the same

A new era is about to dawn

We will probably never be manufacturing Blankets, Carpets, Clothes, Knitwear or Upholstry.

But in the near future you will feel our fibre in these.

Pasupati Acrylon

Bringing the-state-of-the-art technology from SNIA BPD, ITALY (FIAT GROUP) World leaders in Acrylic Fibre manufacture.

SNIA BPD
ITALY
(Fiat Group)

Pasupati Acrylon Ltd.

M-14 CONNAUGHT CIRCUS (MIDDLE CIRCLE)
NEW DELHI-110001 (INDIA)
PHONES 3322213, 3324133, 3329370 TELEX 31-63002 PAL IN
WORKS KASHIPUR ROAD, THAKURDWARA, DIST
MORADABAD (U P) INDIA PHONE 36

Six pointers on road safety.

(Or, how Srichakra's unique 'Lock-in' Tread brings you home safe.)

Pump out water from the roads
With the special high-suction design that vacuums its way to a grip on wet roads.

Keep your balance at high speeds
The 'Lock-in' Tread is wider, and continues around to the sides of the tyre.

Stop yourself from skidding
With the angular pattern that gets maximum grip.

Avoid bald spots on your tyres
The 'Lock-in' Tread is flatter and wears evenly, unlike rounded designs.

Take corners with perfect grip
The shoulder tread blocks firmly hold down the tyres to the ground.

Keep your tyres perfectly clean
The innovative design constantly channels air (and water) through the grooves, removing dust and sand.

TVS SRICHAKRA TYRES

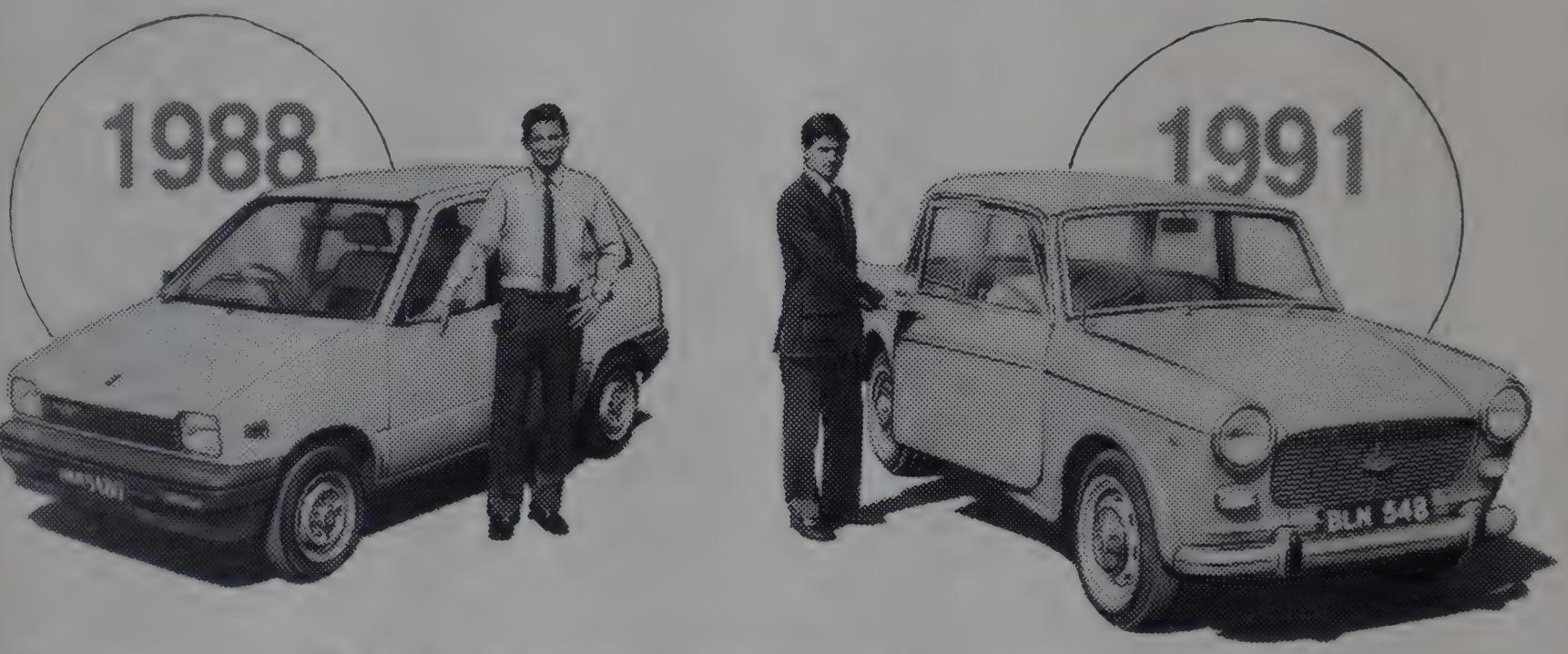
Safety you can trust.

INCREDIBLE BUT TRUE !!!

THE 20TH CENTURY AUTOPLAN II

100% Finance at just 6.29% p.a.....

.... And your next car paid for too!



Buying a Car has never been so simple

20th Century Autoplan is a Hire Purchase Scheme which enables you to acquire a car without making an outright purchase, yet enjoying ownership benefits such as depreciation etc.

HIGHLIGHTS

- Upto 100% finance available.
- Remarkably low net cost of financing at 6.29% p.a. flat.
- No Guarantor.*
- Security Deposit (25%) grows at an attractive rate (14%) enabling you to pay for your next car.
- Flexible repayment period ranging from 24 to 48 months to suit your budget.
- All established Indian & Imported Cars covered under Autoplan.

* Autoplan I gives you the option of a lower Security Deposit (15%) with one Guarantor.

For further details contact:

Dr. Gayatri Sirur
Consumer Finance Division,

20th Century Finance Corporation Limited

25/26, Maker Chambers III,
Nariman Point, Bombay-400 021.
Tel. No.: 243641/243751/2870542

Sodhaya-888

lass) have equal rights, the resident shareholders of Indrol were at disadvantage. The foreign shareholder was directly offered right shares (instead of convertible debentures) to enable them to retain their 40 per cent holding. The Indian shareholders will have to hold the non-convertible part of Rs.100. The overall prospects are reasonably good.

Mather and Platt

Higher dividend on enlarged capital; increased cash profits and growth in fire protection division; bright future in food processing and packaging; satisfactory order book position

The company has recommended a dividend of 25 per cent for the year ended June 1988 against 20 per cent paid for the previous year ended June 1987. The bonus shares issued and allotted in the ratio of 3:5 in August 1988 will also be eligible for dividend.

The sales and other income has gone up to Rs.46.92 crores from Rs.42.04 crores. Although sales turnover increased by 12 per cent, the operating profit is up by only 9 per cent, even when the operating margins are the same. This is because the previous year's profit included an element of tax free capital profit of Rs.40.72 lakhs. The Rs.2.65 crore tax the company has paid is 33 per cent more than that paid last year.

The company has made a net profit Rs.3.69 crores (Rs.3.92 crores). Cash profit is higher by 8 per cent up from Rs.4.22 crores to Rs.4.56 crores. The bonus issue has not been reflected yet. Hence the equity is the same as last year. After the bonus the equity will be Rs.10.34 crores and reserves Rs.6.48 crores. The investment is less at Rs.0.65 crores (1.10 crores) because the company has sold some units of Unit Trust of India.

	(Rs crores)	
Year ended 30 June	**1988**	**1987**
GROSS SALES	46.23	41.18
OTHER INCOME	0.69	0.86
OPERATING PROFIT	7.78	7.09
GROSS PROFIT	7.21	6.79
DEPRECIATION	0.87	0.89
TAXATION	2.65	1.98
NET PROFIT	3.69	3.92
CASH PROFIT	4.56	4.22
EQUITY	6.40	6.40
RESERVES & SURPLUS	10.32	8.23
GROSS BLOCK	11.47	10.50
INVESTMENTS	0.65	1.10
EPS (%)	58	61
DIVIDEND (%)	25	20
MARKET PRICE (Rs)		
CURRENT	70.00	
1988: HIGH	112.00	
LOW	44.00	

In the fire protection field the year under review has been successful with a 23 per cent growth in turnover over previous year. The company has recently completed installation at Commerce Centre and the IDBI building in Bombay.

The turnover of the machinery division vis-a-vis pump department increased by 15 per cent. The company continue to be a major supplier to the core sector industries. During the year the company has received large orders from Maharashtra State Electricity Board. Similarly Neyveli Lignite Corporation has placed orders for vertical pumps.

Other notable orders include fire fighting pumps for the HBJ Pipeline and large multistage pumps for collieries. A new range of end suction pumps has been introduced and the range of sewage pumps has been extended.

The textile machinery department has had a very disappointing year due to the recessionery trend in the textile industry. With the well deserved national thrust now being given to food processing industry the company foresees a sound future for food processing and packaging machinery.

The orders booked during the year amounted to Rs.57.20 crores as against 54.56 crores in the previous year. There is a record order backlog of Rs.73.85 crores as at the year end.

Kalyani Brakes

The company turns to the black; current year's results encouraging; increased turnover leads to economies of scale and nominal operating profits; consistent losses over last five years causes company to come under the ambit of the Sick Industrial Companies (Special Provisions) Act

The company has reached higher levels of operations. This has made a turn around in results possible. The turnover achieved was Rs.12.29 crores (Rs.5.81 crores). In come from other sources has risen to Rs.1.03 crores (Rs.0.56 crores). The operating profit is Rs.2.62 crores (Rs.0.25 crores) against a loss of Rs.1.22 crores last year. It has managed a nominal profit of Rs.51 lakhs (loss Rs.1.83 crores).

	(Rs crores)	
Year ended 30 June	**1988**	**1987**
NET SALES	12.29	5.81
OTHER INCOME	1.03	0.56
OPERATING PROFIT	2.62	0.24
INTEREST	1.55	1.47
DEPRECIATION	0.56	0.61
TAXATION	—	—
NET PROFIT	0.51	−1.84
EQUITY	3.90	3.90
RESERVES & SURPLUS	0.10	0.10
GROSS BLOCK	11.06	10.11
INVESTMENTS	Nil	Nil
EPS (%)	13	—
DIVIDEND (%)	Nil	Nil
MARKET PRICE (Rs)		
CURRENT	32.00	
1988: HIGH	31.00	
LOW	14.00	

The raw materials cost has risen to Rs.7.69 crores (Rs.4.02 crores) and the wage bill to Rs.1.03 crores (Rs.0.69 crores). The interest burden went up nominally to Rs.1.55 crores (Rs.1.47 crores) and a marginally lower depreciation of Rs.0.56 crores (Rs.0.61 crores) has also been provided.

Current year operations have brought in economies of scale. Also the import content in raw materials and components has come down from 44 per cent to 39 per cent while the value has doubled.

The working of the two halves of the year are evenly balanced. In the first half, sales and operating profit were Rs.5.93 crores and Rs.1.35 crores respectively, as against Rs.6.36 crores and Rs.1.27 crores respectively in the second half.

Margins in the first half were 22.77 per cent of sales and in the second half were 19.96 per cent. The reduction in import content of raw materials and components, and economies of scale, have reduced the raw materials cost as a percentage of sales to 60.22 per cent from 65.09 per cent in the first half.

The consistent losses in the immediately preceding five years, have eroded at least 50 per cent of the company's net worth. As such the company comes under the Sick Industrial Companies (Special Provisions) Act, 1985.

However, this year's results are highly encouraging, so is the outlook of the automobile ancillary industry as a whole.

Factory 2000

with GILDEMEISTER and hmt

CNC
Turnmill
Centers
GDM 30
GDM 42
GDM 65
GDM 90
and for bigger batches
multispindle automatics.
Range GS/GF

GILDEMEISTER

Now available against rupee payment.

For further information, contact

No. 354, 4th Main Road, Bangalore 560 080
Tel: (0812) 340365 or any hmt sales office

During the year the company has developed front disc brakes and 4-way joints for the Maruti car, front brakes for the van and rotors for the Gypsy. Besides, hydraulic brakes cylinder was developed for Bajaj Matador-MAX and the tandem master cylinder for Hindustan Motors, Bajaj Tempo and PAL-118NE.

The indigenisation plan of all the new models of various vehicles has come as a boon to this company. Front caliper assembly contributed significantly to the turnover for the first time.

The agreement with the employees should ensure a trouble-free year. The general boom in the auto ancillary is also going to boost the profitability of the company.

TRENDS

TELCO

The company's performance in the first half year ended 30 September is encouraging. Net sales are higher at Rs.603.54 crores (corresponding period in previous year: Rs.502.84 crores). With an income of Rs.16.02 crores (Rs.11.96 crores) from non-manufacturing sources, the total income for the period is Rs.619.56 crores. The net earning after providing for substantially higher depreciation of Rs.21.28 crores (Rs.15.50 crores) and taxation at Rs.1.20 crores (Rs.60 lakhs) is Rs.6.20 crores. This is Rs.3 crores more than the figure of Rs.3.20 crores in the corresponding period of the previous year.

Manufacturing costs have been on the rise with sales. Raw materials at Rs.342.03 crores (Rs.258.40 crores) and wages at Rs.86.05 crores (Rs.79.80 crores) together account for 71 per cent of sales, compared to 67 per cent in the corresponding previous period. Interest is however lower at Rs.31.65 crores (Rs.37.80 crores). The gross profit at Rs.28.68 crores (Rs.19.30 crores) is 4.75 per cent of sales, a better margin than the 3.84 per cent of the previous six months.

The company's sustained efforts at improving the quality of its product has paid off. The total number of vehicles sold during this period is 23,417 (19,475) out of which 1066 were exported, a significant rise from 477 in the corresponding period of the previous year. The total number exported in the last accounting year was 2,386. The company expects to sustain this trend for the remaining part of the year.

The company reports that the Tata 206 pick-up has cleared the fuel efficiency norms set by the government. The vehicle which was launched in July 1988 is expected to be well received by the customers. Another product, the Tata Estate, is now in the development stage, and is expected to be launched sometime late next year.

(Rs. crores)

	Apr-Sept 1988	Apr-Sept 1987	Apr 1987-Mar 1988
NET SALES	603.54	502.84	1375.46
OTHER INCOME	16.02	11.96	27.09
TOTAL INCOME	619.56	514.80	1402.55
RAW MATERIAL COST	342.03	258.40	710.43
WAGES	86.05	79.80	160.59
INTEREST	31.65	37.80	77.58
GROSS PROFIT	28.68	19.30	70.27
DEPRECIATION	21.28	15.50	38.22
TAX	1.20	0.60	5.10
NET PROFIT	6.20	3.20	26.95
GROSS PROFIT/ SALES (%)	4.75	3.83	5.10
RM/SALES (%)	56.57	51.38	51.65

Grasim Industries

Grasim Industries has reported excellent results for the first half of the current year.

Sales at Rs.307.34 crores are 14 per cent higher compared with the corresponding period last year. The company has earned an operating profit of Rs.49.93 crores (Rs.38.70 crores), an increase of 29 per cent. After providing Rs.12.68 crores for interest and other financial charges (Rs.13.82 crores), Rs.18.10 crores for depreciation (Rs.15.05 crores), and Rs.3.60 crores for taxation (Rs.1.53 crores), the net profit has risen to Rs.15.55 crores (Rs.8.30 crores) an increase of 87 per cent.

The operating margins have increased to 16.25 per cent (14.39 per cent), mainly because the share of raw materials as a percentage of sales declined to 46.74 per cent (50.67 per cent).

The raw materials cost went up by 5 per cent to Rs.143.65 crores (Rs.136.27 crores), wages constituted Rs.24.97 crores (Rs.23.80 crores) while manufacturing, selling and distribution expenses shot up by 30 per cent to Rs.96.28 crores (Rs.73.82 crores).

(Rs crores)

	Apr-Sept 1988	Apr-Sept 1987	Apr-Mar 1988
SALES	307.34	268.91	559.36
OTHER INCOME	7.49	3.68	11.18
TOTAL INCOME	314.83	272.59	570.54
RAW MATERIALS COST	143.65	136.27	266.07
SALARY & WAGES	24.97	23.80	49.24
OTHER EXPENSES	96.28	73.82	168.38
OPERATING PROFIT	49.93	38.70	86.85
INTEREST	12.68	13.82	25.85
GROSS PROFIT	37.25	24.88	61.00
DEPRECIATION	18.10	15.05	39.01
TAX	3.60	1.53	2.87
NET PROFIT	15.55	8.30	19.12
OP/SALES (%)	16.25	14.39	15.53
RM/SALES (%)	46.74	50.67	47.57

The company has plans to invest Rs.950 crores on new projects in the next four years. Among them are the sponge iron project, the colour TV picture tubes glass shell project, the hydrogen peroxide project and the Mangalore refinery project. It is also doubling its cement capacity at Jawad to 2 million tpa.

To finance its cement expansion plan costing Rs.145 crores, it has offered Rs.60 crores worth of convertible debentures. There are also plans to raise another Rs.100 crores in the first half of 1989.

Raymond Woollen

The company has performed exceedingly well in the first half year ended September 1988. Sales and profitability have jumped appreciably. Sales at Rs.118.49 crores are 17 per cent higher. The operating profit is Rs.17.27 crores (corresponding period in previous year: Rs.14.23 crores), an increase of 21 per cent. The interest burden has declined substantially to Rs.7.01 crores (Rs.8.35 crores). This has allowed the company room to make higher provisions. The provision for depreciation rose to Rs.7.57 crores (Rs.7.04 crores) while the higher profits warranted a tax provision of Rs.42 lakhs (nil).

Thus, the company ended its first half year with a net profit of Rs.2.27 crores compared with a loss of Rs.1.16 crores in the corresponding period last year. This is in spite of an increase in the ratio of raw material cost to sales from 22.58 per

	(Rs. crores)		
	Apr-Sept 1988	Apr-Sept 1987	Apr 1986-Mar 1987
SALES (NET)	118.49	101.45	235.71
OTHER INCOME	2.06	1.33	3.34
TOTAL INCOME	120.55	102.78	239.05
RAW MATERIAL COST	30.02	22.91	46.30
SALARY & WAGES	14.87	11.81	26.24
OTHER EXPENSES	58.39	53.83	127.19
OPERATING PROFIT	17.27	14.23	39.32
INTEREST	7.01	8.35	15.66
GROSS PROFIT	10.26	5.88	23.66
DEPRECIATION	7.57	7.04	14.33
TAX	0.42	—	1.63
NET PROFIT (LOSS)	2.27	(1.16)	7.70
OP SALES (%)	14.57	14.03	16.68
RM SALES (%) (%)	25.33	22.58	19.64

	(Rs crores)		
	Feb-July 1988	Feb-July 1987	Feb-Jan 1988
SALES	23.92	12.82	29.97
OTHER INCOME	0.49	0.30	0.66
TOTAL INCOME	24.41	13.12	30.63
RAW MATERIALS COST	16.49	11.92	23.64
SALARY & WAGES	0.60	0.79	1.41
OTHER EXPENSES	4.97	4.16	7.51
OPERATING PROFIT	2.35	−3.75	−1.93
INTEREST	0.96	1.22	2.38
GROSS PROFIT	1.39	−4.97	−4.31
DEPRECIATION	0.69	0.61	
NET PROFIT	0.56	−5.73	−5.88
OP SALES (%)	9.82	—	—
RM SALES (%)	68.94	92.98	—

	(Rs. crores)		
	Dec 1987-May 1988	Dec 1986-May 1987	Dec 1986-Nov 1987
SALES (NET)	8.13	6.38	13.11
OTHER INCOME	0.25	0.22	0.42
TOTAL INCOME	8.38	6.60	13.53
RAW MATERIAL COST	—	—	—
SALARY & WAGES	0.58	0.43	0.98
OPERATING PROFIT	7.80	6.17	12.54
INTEREST	3.13	2.67	5.64
GROSS PROFIT	4.67	3.50	6.90
DEPRECIATION	3.09	2.57	4.52
TAX	0.25	0.14	0.36
NET PROFIT	1.33	0.79	2.02
OP/SALES (%)	95.94	96.71	95.65
NP/SALES (%)	16.36	12.38	15.41

cent to 25.33 per cent. The wage bill has risen by 26 per cent to Rs.14.87 crores.

The company is in the process of setting up, in a new division, a plant to manufacture textiles wholly or partly from synthetic fibres or yarn by installing 50,000 spindles and 1,500 looms in phases. The plant will be located at Chindwara in Madhya Pradesh and not at Balaghat as planned earlier.

The company's PFY project has suffered due to the appreciation of the yen, resulting in a 25 per cent jump in the project cost to Rs.150 crores. This has made the company change its earlier plan to implement the project as a division of the company. A new company, Raymonds Synthetic Ltd, is being floated to implement the project. It will have an equity capital of Rs.50.54 crores. Of this Rs.10.11 crores is being contributed by the Japanese collaborator. The promoter's contribution will be Rs.20.21 crores and the public participation will be Rs.20.22 crores.

The company proposes to raise at least 50 per cent of the rupee capital through a rights issue of debentures.

Kinetic Honda

This new generation two-wheeler company has turned the corner at last, during the half year ended July 1988. It has managed to earn a net profit of Rs.56 lakhs

Sales have risen by 86 per cent from Rs.17.15 crores to Rs.23.92 crores. The company has entightened its grip over expenditure and raw material costs have increased only by 38 per cent to Rs.16.49 crores (Rs.11.92 crores). The indigenisation programme has been helpful and the wage bill too is lower.

Thus the company has earned an operating profit of Rs.2.35 crores against a loss of Rs.3.75 crores in the corresponding period of the last year.

The interest burden too has come down to Rs.0.96 crores (Rs.1.22 crores). This is significant, as the depreciating rupee had played havoc with the company's interest burden on its yen loan. The company has made a provision of Rs.68 lakhs for depreciation.

The reduced costs and improved sales have combined well to allow the company to close the half year with profits. Production and sales figures confirm the profitable working. The company produced 15,662 units (9,894) and sold 16,284 units (10,107).

First Leasing

The company has ended the first half year ending May 1988 on a highly encouraging note. The total turnover is higher and profitability has improved.

The turnover of the company has risen by 27 per cent to Rs.8.38 crores (corresponding period of previous year: Rs.6.60 crores). The company is servicing a very high interest burden of Rs.3.13 crores (Rs.2.67 crores). Despite this, the gross profit is higher at Rs.4.67 crores (Rs.3.50 crores). The company has made higher provisions for depreciation and tax. While the provision for depreciation rose to Rs.3.09 crores (Rs.2.57 crores) the provision for tax was Rs.25 lakhs (Rs.14 lakhs). After all the provisions, the company managed to earn a handsome net profit of Rs.1.33 crores (Rs.0.79 crores) on an equity capital of Rs.3.80 crores.

The company's earning per share was 35 per cent. Moreover, the cash earning per share was over 100 per cent in the first half itself.

RESULTS ANNOUNCED

Anagram Finance

An integrated finance company also engaged in manufacturing activities, Anagram Finances has handsomely rewarded its shareholders by stepping up dividend by 6 points to 30 per cent for the year ended June 1988 combined with a 1:2 bonus issue subject to the consent of the controller of capital issues. After the capitalisation of Rs.43 lakhs from reserves the company's equity base will stand at Rs.1.31 crores.

During the year, the company's leasing and hire purchase divisions had steady returns. The manufacturing turnover rose after the commissioning of the polyester filament yarn sizing plant in February 1988.

Though gross income increased by 31 per cent to Rs.7.81 crores (Rs.5.96 crores), profits after tax jumped by 60 per cent to Rs.79 lakhs (Rs.49 lakhs). In order to augment long-term resources the company proposes to announce an issue of rights convertible debentures by February 1989.

MASTERPIECES
You will love to gift.

The Cruiser Collection

With Cruiser pens elegance flows in style. The Cruiser range of Gift Sets, Ballpens and Pen Stands – each one of them impeccably crafted employing the latest technology matching international standards.

Cruiser makes you a new design every month, with a wide variety of shades and finishes. Come, make your choice – its sure to be the ideal gift to give or to receive.

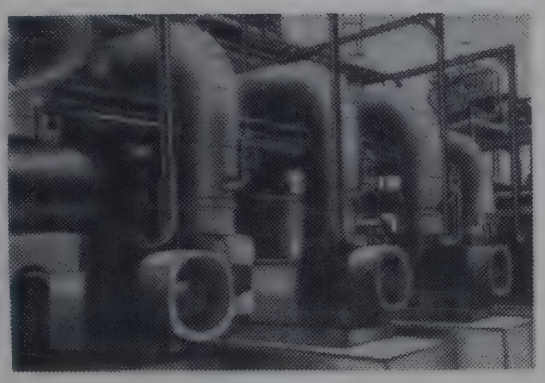
We incorporate Company Logos on institutional sales and have special offers on bulk purchases.

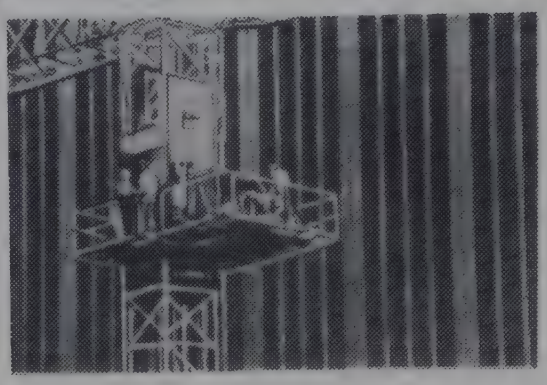
CRUISER GIFT SETS

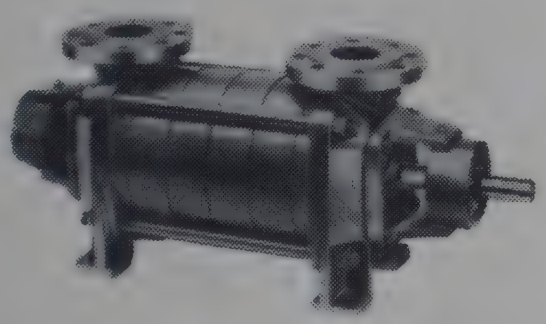
Memorable Creations for Memorable Occasions.

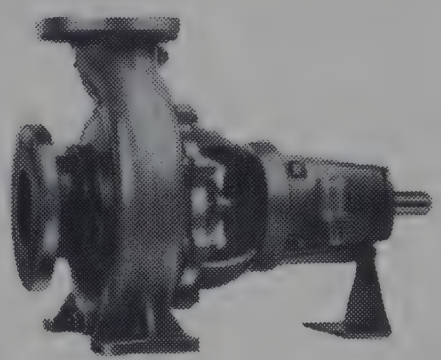
28, Sainath Industrial Estate, Off Aarey Road, Goregaon (E),
Bombay - 400 063. ☎ : 695773.
DELHI: ☎ 605726 **AHMEDABAD:** ☎ 960796
BANGALORE: ☎ 577106 **MADRAS:** ☎ 422873

STORK PUMPS GET SET TO TAKE INDIA BY STORM









Stork Pumps India Pvt. Ltd., is a joint venture undertaking with Stork Standard Pumps International B.V. of Holland. The Dutch collaborator is a member of the gigantic Stork Group of Holland which, among its many splendid achievements, has established successfully, joint ventures in countries all over the world.

Stork's equity participation and technical know-how, ensure for the Indian Company a continuous inflow of latest technology which will play a vitally important role in the regular upgradation of the Indian manufacturing programme and the techniques deployed in manufacture so that those technicalities are always abreast of latest international developments in the specialised field of Pump manufacture.

A unique feature of the Stork 'Combisystem' Pump is its modular construction by which a high degree of flexibility is imparted to the design for easy and quick conversion of the product at minimum cost, to suit different needs. The obvious advantages are reduction in inventories, manufacturing and order processing time.

The local introductory programme commences with the manufacture of four basic models. More models will be added from year to year and the range will eventually be extended to cover all the Pump models included in the wide range developed by Stork.

An interesting facet of local production is that there is a buy-back arrangement by which Pumps of indigenous manufacture will be shipped regularly to Stork in Holland. To ensure top quality and rigid adherence to the high standards imposed by Stork, Holland, products from Stork India are subject to frequent checks by Stork Engineers on the staff of the foreign collaborator.

The establishment of Stork Pumps India brings to the Indian market a fund of invaluable data on application know-how, an effective solution of all problems related to liquid transfer, the advantage of latest technology and the ready availability at a reasonable price of reliable products of fully proven design.

STORK PUMPS

Manufactured by:
Stork Pumps (India) Private Ltd.
Survey No. 320 Odhav Road,
Ahmedabad 382 410
Tel: 887743
Telex: 121-6564 ATE IN

Sales Office:
A.T.E. Limited
43, Dr. V.B. Gandhi Marg,
Fort, Bombay 400 023
Tel: 287 2245
Grams: 'CORATEX'
Telex: 11-2118 ATE IN

Branch Offices:
Ahmedabad, Bangalore, Bombay, Calcutta, Coimbatore, New Delhi.

ATE/17/88/11

Deepak Fertilisers

Deepak Fertilisers & Petrochemicals Corporation Ltd, a Rs.40 crores, one product unit, has decided to join the big league. A Rs.346 crores expansion plan is on the anvil, which is expected to push Deepak up and beyond Rs.200-crore level, with a forwardly integrated, multiproduct base.

At present the company manufactures and sells ammonia, primarily to RCF and Zuari Agro. After expansion, the ammonia is going to be used inhouse to produce Ammonium Nitrophosphate (ANP), Low Density Prilled Ammonium Nitrate (LDPAN), Dilute and concentrated Nitric Acid (DNA & CNA) and Methanol — all with different collaborators.

The project financing is interesting. Roughly fifty per cent of the money is going to come from financial institutions, banks and internal accruals, and the balance is going to be raised from an innovatively structured Rs.190 crores 14 per cent convertible debenture issue, second largest since Reliance.

The debentures with face value of Rs.100 is divided into three parts, A, B and C. Part A valued at Rs.20 will be converted in January 1989 immediately after the issue to one equity of Rs.10, the balance Rs.10 being the premium. Part B, valued at Rs.30, will be converted in January 1991, to one equity of Rs.10, with Rs.20 going to the premium account. These two conversions are compulsory and automatic.

The choice of fare comes with Part C, valued at Rs.50. This part can either be converted into one equity of Rs.10, at a premium decided by the CCI, but not exceeding Rs.40, at a time determined by the company between 1993 and 1995, or can be retained in the form of a debenture payin 14 per cent p.a. If the equity and premium of Part C is valued at less than Rs.50, the balance amount will continue as debenture.

Part C will also have, for the first time in India , a detachable and tradeable warrant attached and the holder will have the right to apply for one equity at a price fixed by the CCI, either by surrendering Part C, or paying in cash/cheque. Part 'C' and the warrant will be seperately listed along with the equity and this offers the investor a number of options. They are: 1. Convert Part C along with the warrant into one equity, 2. Acquire one equity by payment against the warrant and sell the debentures, 3. Do the same, but retain the debenture and earn interest, 4. Sell the warrant, and retain the debenture portion 5. sell the whole of Part C.

While the project is really well conceived and Deepak has a definite cost advantage in terms of supply of basic input, ie, of gas from Uran by using their own pipeline, the present demand and supply gap of the products may narrow down when the project goes on steam. Other producers are joining the fray and Deepak may require active marketing support to sell.

Unicorn Organics

Unicorn Organics Ltd is entering the capital markets with a public issue of 12,50,000 equity shares of Rs.10 each for cash at par. Aggregating Rs.1.25 crores, it is to raise a part of the capital required for its Rs.8.5 crores sorbitol project.

The project is being co-promoted by Bhanu Sanghani, Sanjay Sanghani and the Andhra Pradesh Industrial Development Corporation Ltd (APIDC) who will collectively put in Rs.1.7 crores. The issue opens on 12 December. Sorbitol is polyhydric alcohol which uses tapioca or maize starch as a raw material. Sorbitol is widely used in the pharmaceutical and toothpaste industry.

Unicorn Organics is setting up its project for the manufacture of 7,200 tpa of sorbitol at Waddepally, Warangal district, Andhra Pradesh. Tapioca is extensively grown in and around Salem in Tamil Nadu and East Godawari district in AP apart from Kerala. "This will ensure a ready supply of raw material at lower transport costs," says B. Sanghani.

In an environment of supply far exceeding demand and falling prices, Unicorn Organics hope to market their product using "superior technology" and hence a better quality of sorbitol. Unicorn plans to manufacture sorbitol using low pressure hydrogenation. Sanghani claims that low pressure hydrogenation results in substantial saving in energy cost, catalysts, utilities etc.

The prices of sorbitol in the international market are more than half of those prevailing in the domestic market. So while manufacturers claim to have hundreds of enquires from foreign parties, real exports are minimal. Unicorn Organics are no exception but Sanghani is at pains to explain that the special grade of sorbitol they plan to manufacture will find a good market overseas. "However, first we plan to cater to the domestic market," he added.

Hinditron Tektronix Instruments

The company is offering 7.87 lakh equity shares of Rs.10 at par to the public. The issue opens on 15 December. Tektronix Inc, USA and the Hinditron group of companies will subscribe to Rs.14.63 lakh equity shares. The total project cost is Rs.6.56 crores.

Tektronix Inc of the US, which reported a turnover of $1.8 billion in financial year ended May 1988, is an acknowledged leader in the field of testing and measuring instruments. The Hinditron group is in a wide range of activities including instrumentation, computer and computer software, process control and telecommunication equipment and services.

The new project will manufacture portable real time and storage oscilloscopes. The project is located at Peenya Industrial Estate, about 10 km from Bangalore. According to Hemant Sonawala, deputy chairman of the company, though the company will initially import most raw materials and components from Tektronix the company will attempt to reach a 40 per cent indigenisation in a period of 3 years.

The project's major strength is the reputation that Tektronix's Oscilloscopes have reliability and excellence. According to Sonawala, every attempt will be made to maintain international standards in manufacture.

There are several other manufacturers of oscilloscopes in India including Peico, BPL and APLAB. According to Sonawala, Tektronik's oscilloscopes are used even by other oscilloscope manufacturers for purposes of benchmarking. As oscilloscopes are used in trouble shooting in practically every activity where electronics is involved, the market for oscilloscopes is potentially large.

Sonawala expects a turnover of approximately Rs.2.5 crores in the first year of operation, Rs.5 crores in the second year and Rs.15 crores in the third year. Though Sonawala, is reluctant to state when the company will pay dividends, he expects the company to make a profit in the very first year.

I only fly Lufthansa.

Air cargo by Lufthansa means expert handling of your important goods to 161 destinations in 82 countries of the world. Professionally. Speedily. Economically.

Lufthansa Cargo

Cash scrips in focus

(For the period 21 November to 3 December 1988)

BSE Index on 2 December= 709.65, down 1.5 per cent. ET Index on 2 December= 374.90, up 1.8 per cent (record)

The past fortnight definitely belonged to cash scrips. While turnover on the Bombay Stock Exchange continued to be very strong at an average of Rs.90 crores per day, business shifted in favour of cash scrips. The B group recorded 23 per cent of total business translated by the end of November as against 20 per cent during October. Also, within the cash list, the percentage of total turnover in the five most active (and speculative) scrips, viz. Finolex, Modi Xerox, Oswal Agro Furane, Rathi Alloys and Vindhya Telelinks, fell from 12 per cent in early November to less than 5 per cent by early December.

The activity in cash scrips resulted in sharp rises, given the relatively poor liquidity of these scrips. Even some well-traded scrips, such as Madras Petro and Premier Tyres recorded large rises, with Madras Petro up 50 per cent at Rs.15 and Premier Tyres up 103 per cent at Rs.325. Several newer scrips also recorded substantial rises, such as Su-raj Diamond up 30 per cent at Rs.79 and Punsumi up 38 per cent at Rs.52.50.

Prime position. Meanwhile, A group shares tended to move little in price, although volumes continued to be strong. Surprisingly, even a share like Telco, a recent speculative favourite, fell by Rs.10 to Rs.765 in spite of announcing a rise in LCV prices of Rs.7,500. Trading in Reliance, which used to be about 10 per cent of turnover till October, fell to less than 6 per cent over the fortnight under review. Tata Steel, however, continued to occupy its prime position as the favourite of hedgers and speculators, and was actively traded, closing at Rs.1,100, marginally up from Rs.1092.50. The exception of the fortnight was ACC in the 'A' group. It rose strongly in active trading to Rs.410, up from Rs.389. This was in spite of its shift from the forward to the spot delivery list on 1 December. Even after this the official closing price showed a rise of Rs.9 to Rs.410 (although there was undoubtedly a fall from kerb rates). There are a spate of rumours about ACC that have arisen in spite of slackness in the cement markets. One is about a possible split of the Rs.100 paid-up scrip to Rs.10. The other is that the company's name may be changed to a more "popular" one. These should be resolved at the annual general meeting later this month.

The opposing movements of the BSE Index and the ET Index mirrored the opposing situations in forward and cash shares: while the A group based BSE Index fell off, the ET Index, which is broader-based, went on to a new record.

It seems that bull speculation is less these days. What could be the reason? Several could be suggested. The first is the raising of **daily margins** on forward trades. These were doubled to 20 per cent for bulls and 10 per cent for bears for 32 scrips from 20 November, and again raised to 30 per cent for bulls and 20 per cent for bears from 5 December. Meanwhile, 9 "speculative" scrips in the cash list came under a 20 per cent daily bull margin on 20 November. Finally, daily bull margins were levied on a further 18 forward scrips at 20 per cent from 5 December. The high daily margins may well have caused a flight to cash shares. However, this is belied by the sustained high level of turnover in the forward list.

Playing catch-up. A second reason could be that cash shares are merely playing **catch-up**. While the market as a whole has gone up for good reasons (strong corporate performance, good monsoon, etc.), the effect was first felt in the forward group. This was because the constraint of liquidity did not deter those buyers who thought the market should rise. Now that forward shares have risen substantially, good deals are available only in hitherto neglected shares. Hence, the belated — but well-deserved — rise in cash shares like Alfa-Laval and Nicholas Laboratories.

A third reason could be the change in the pattern of institutional buying. Financial institutions — charged with restoring investor confidence in stockmarkets — started buying in the forward group perhaps because they felt that their buying power would combine with that of bull speculators (while countering that of bear speculators) to cause substantial — and reassuring — rises in the BSE Index. With investor confidence restored, institutions shifted their buying activities to cash shares about two months ago as a deliberate move to induce a broad-based market rise.

The final reason could be high badla rates. Markets are not expected to rise at rates anywhere near the (recent) high badla charges of 50 per cent per annum. This means that forward buyers expect to lose money at these rates and have held on to their forward positions solely in expectation of a fall in badla rates.

Encouraging news. However, the most recent badla rates have recently been 36 per cent per annum in Calcutta. This should help overall market sentiment. Meanwhile, corporate news and results continued to be encouraging. Genelec, which has been rising slowly over the past few months, was taken over by the Shaw Wallace group which has acquired 25.2 per cent of the shares from General Electric at Rs.65 per share. The Chhabrias of Shaw Wallace have agreed to pay all shareholders Rs.65 per share, a deal which ought to overcome the major objection of minority shareholders. The scrip closed at Rs.70, up from Rs.65, but the deal with the Chhabrias was announced after the market closed on 2nd December and the share price could fall.

Meanwhile, Rallis announced good half-yearly results. The scrip rose to Rs.120, up from Rs.110. Garden Silk and Vareli Textiles announced significantly worse half-yearly results. Garden fell by Rs.10 to Rs.60, while Vareli fell by Rs.3.75 to Rs.30. S.I.Viscose rose sharply on reports of good working to Rs.850, up from Rs.635. Dunlop was actively traded in Bombay and Calcutta and rose to Rs.105, up by Rs.11. Dunlop chairman Chhabria denied knowledge of the rumoured Ambani involvement in the share, but its rise is a paradox given that the strike at its Sahagunj unit has hurt the company with six-monthly earnings per share plummeting to ten paise per share.

The market is still strong and trading is active. If badla rates fall, speculative shares could well return in focus given their greater liquidity. The market is still awaiting news of the effect of the good monsoon on aggregate demand, following which further rises are possible. However, this will probably start becoming clear only in the first quarter of 1989.

RAFIQ DOSSANI ■

Cash shares in focus

Week ended	12/11	19/11	26/11	3/12
B GROUP: NEW HIGHS	84	176	181	309
NEW LOWS	1	14	11	26
A GROUP: NEW HIGHS	23	29	17	20
NEW LOWS	0	0	0	0

NOTICE

It is hereby notified for the information of the public that KERALA DISTILLERIES AND ALLIED PRODUCTS PVT. LTD. proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant	**KERALA DISTILLERIES AND ALLIED PRODUCTS PVT. LTD.** **K. Pudur, Kanjikode** **Palghat 678 621** **Kerala**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Ordinary Rs. 12,00,000** **Subscribed** **Ordinary Rs. 12,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr S K Damodaran** **Mr T R Rajagopalan** **Mr R Ramani** **Mr K Subramanian** **Mr S Solayappan** **Mr G Thangaraj** **Mr L Venkatesan**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**Establishment of new undertaking**
5.	Location of the new undertaking/unit/division	**District Palghat, Kerala**
6.	Capital structure of the proposed undertaking.	**Same as in item 2**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or con of any goods/ articles, indicate: i) Names of goods/articles. ii) Proposed licensed capacity iii) Estimated Annual Turnover	 **Potable Alcohol** **50,00,000 Bulk Litres per annum** **Rs. 7,53,00,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value, income, turnover, etc.	**N.A.**
9.	Cost of the Project	**Rs. 4,27,00,000**
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Will be raised from internal resources of the Company, borrowing and issue of Rights Shares**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

Dated This 12th September, 1988

R. RAMANI
DIRECTOR

Pressman

BOMBAY STOCK EXCHANGE

Load shedding on Dalal Street

The stockmarket may be buoyant after two years. But all is not well at the Bombay Stock Exchange (BSE). Beginning December, there was a rumour that the brokers had threatened to strike work. The provocation: abrupt suspension of trading for the third time in the new Samvat year 2045, and the umpteenth time in the last six months.

The official reason for the closure? They needed time to clear the backlog of settlements that had piled up since the market thawed out. "We are having problems coping with the spurt in business over the last few months," says M.R. Mayya, executive director, BSE. "Besides, we have also had a number of holidays recently."

Piles of work. No doubt, the business has risen tremendously. As Mayya points out, the number of daily transactions has shot up from 30,000 a few years ago, to over 100,000 and during the settlement ended 24 November, the average daily turnover was Rs.76.83 crores.

The market fraternity, however, is not impressed. "The number of transactions were higher during the boom of 1985-86," says a broker who preferred to remain annonymous. "They should have expected the market to bounce back after the bull and utilised the slack time to build up the infrastructure."

The governing board of the BSE has not been idle. "We did provide for the boom in 1985-86 with an ICIM-2904 computer system," says Mayya. "When that was not enough we installed a bigger ICIM-6000 system in March last year. We are still not able to cope with the growing business and are now thinking of a more sophisticated mainframe computer.

Some brokers do concede that the number of holidays in quick succession were responsible for throwing the BSE machinery out of gear. There were three public holidays and six weekly offs (two at each week end) between the 10 November 'moorat' session and 30 November. Add to this the two days when trading was suspended, which left the exchange working for less than half the time.

Besides, the authorities had also extended the settlement period on several occasions, giving a boost to speculative trading by enabling bull operators to carry forward outstanding business without paying up the contango charges.

The closure of the market also led to a pent up demand, especially for the cash scrips, and consequently the volume of business increased further on subsequent trading days.

Investor baffled. The genuine investor was baffled by the developments and even suspected that there was something going on behind the scenes. On 1 December, for instance, rumours were rife that the authorities had suspended trading to bail out a couple of big brokers. The fact that the ACC shares were buoyant despite a glut in the cement market added grist to the mill.

The lack of confidence is reflected in the fact that investors were unwilling to send their certificates for registration till the eleventh hour, causing a pile-up on the company registrar's desk and a further delay in clearing the backlog. "How can I leave my certificates with the broker when I do not know when the settlement period will end?" asks Dilip Shah, a small investor.

Usually, sagging investor confidence is marked by subdued trading and a resultant drop in share prices. But this time institutional support prevented this happening and instead there was a boost in speculative trading and a hike in share prices.

Many brokers are unhappy with the role of the financial institutions. "They are supposed to protect the investor by cooling an overheated market," says a broker who was formerly on the BSE governing board. "On the contrary they are warming up a cool market."

The spurt in speculative trading led the BSE authorities to step in and "cool" the market either by a hike in daily margins on frequently traded scrips or, as some brokers would like to believe, by suspending trading activities. A distinct measure taken on 2 December by the BSE was to shift the ACC shares to the 'spot' delivery counters and prohibit any fresh trading in the scrips.

Ironically, while the uncertainty in the settlement programmes led to a spurt in speculative trading, it also resulted in losses to badla financers, thus curbing the growth in volume.

Thus, while the market has been quite cheerful, the small investor has yet to participate in a big way. The two big players are the speculators and the financial institutions. It is hoped that it will not be long before the wrinkles are ironed out and the market steadies itself, making it safe for the genuine investor to return.

■ ALOYSIUS FERNANDEZ

It's slack time at the BSE

4 DECEMBER 1988
Ballet on ice

History will have to be reworded. Not only did the Russians finally manage to come, but they came ever so gracefully, gliding on that sheet of ice. For a moment there I felt like leaping on to my feet and yelling the praises of "Mikhail! Micky Mikhail". But then there are certain rules of conduct to be followed by us merchant bankers and yelling in public, unless one is indulging in some kerb dealing, is certainly a rule we are very particular about. I mean, you can break a code or two about the kind of public issues you handle and advertising material that is allowed to be released, but yelling in public is just not cricket — atleast not the way we leisurely Indians seem to have gotten used to playing it.

"So", I proclaimed to the silent SK who seemed to be captivated by the seemingly effortless twirls and flips, "this proves that Micky Mouse is not the only Micky in the world who can entertain and Europe not the only continent that can draw crowds of tens of thousands."

"Tell me," said SK, "what is the melting point of ice?"

I looked at this hapless man in amazement. Here we were watching this extraordinary performance and yet his mind went on to elementary science. "The melting point of ice," I parroted, trying hard to remember the science stuff my nanny taught me," is zero degrees centigrade. Of course, if it is impure, it will melt even sooner — above zero degrees."

"And pray", said SK looking intently at the effortless grace before our eyes, "what is the temperature in Bombay now?"

"It is about 17 degrees centigrade," I replied, grateful for having watched yet another episode of that boring re-run called The News.

"How do you keep a substance which melts at anything above zero degrees centigrade from melting at seventeen degrees centigrade?" queried SK, not missing a single twirl of the performance.

I gasped in amazement. SK had a point. How were these guys doing it? I looked around the stadium for the tell-tale signs of a giant silent airconditioner but there was none. Maybe they had a magician or a godman somewhere chanting *mantras*. I scanned the bejewelled crowd but did not find any black capes or orange robes. Finally, in sheer resignation, I turned to SK. "Alright, alright. I'm intrigued. How do you keep ice from melting in this weather?"

"If you had a fire," quizzed SK, "and you wanted to put it out, who would you call?"

"The fire brigade, of course."

"But," continued SK, "if you did not want anyone to know that you had a fire on your hands but, instead, wanted to let the world feel that everything was just fine and normal, then whom would you call?"

My instincts told me to say "Ghostbusters", but somehow logic got the better part of me. Intrigued by this exercise and wondering where it was all leading to, I decided to admit my ignorance — something that would please SK.

"I give up, SK. Now please tell me who I should call."

Not only did the Russians finally manage to come, but they came ever so gracefully, gliding on that sheet of ice. For a moment there I felt like leaping on to my feet and yelling "Mikhail! Micky Mikhail"

"That's easy", said SK, munching on his popcorn, "you would call our very own version of Father Christmas — Deepak Chacha. Actually, it's a bunch of them — a team effort."

"Please, SK, could you talk simple English for a change?"

"Well, one more clue. What is the one place in Bombay that is flaring up today?"

"Bombay High?", I replied like one of those nervous not-so-sure contestants on those quiz shows.

SK was in splits. "How many times have I told you that there is a time and place for everything. Can we keep your jokes for after dinner or for occasions when some boring politicians decide to address members of our community?"

"Alright, SK, I give up once again. Who is helping these chaps keep their ice together?"

"That's simple. It's the guys who run the Bombay Stock Exchange! Look how well they've done in keeping the BSE under control. Although it is on fire, they act as if nothing has happened. In fact, they're sending out invitations for a mammoth barbecue party, never mind that some investors will get roasted in the bargain. And, given the fact that the ice hasn't yet melted, they are doing a pretty good job of it, wouldn't you agree?"

7 DECEMBER 1988
Churchgate Station

The lobbies are at it again. Here were a these institutions all ready to go and hav some fun on the floor of the BSE whe those guys had to spoil the fun, onc again. I mean we all know that a little b of exercise is highly recommended f everyone and so if some guys want to g out of their armchairs once in a while a wave their hands about like our ancesto did 6 million years ago, why stop them

Yelling, my psychoanalyst had advise me quite some time back, clears the co fusion of the mind and the lethargy of t limbs.

But my brethren have once again d cided to derail the ambitious plans those moneyed people. Apparently, t brokers do not mind accepting instit tional members on the BSE provided th do not trade. Now, can anyone find an thing wrong with that? I mean we all ha to take care of our own families and th stuff about sacrifice and good of the pe ple is alright for Sunday morning TV, b life is not a soap opera.

But all is not lost. At least not yet. Wh the institutions should do is take the membership cards and frame it and ke it along with the other tombstones th have acquired over the years for all the foreign currency transactions. At le this card will have been less costly.

The other alternative is to go out to t smaller towns and drum up interest shares amongst the local inhabitants.

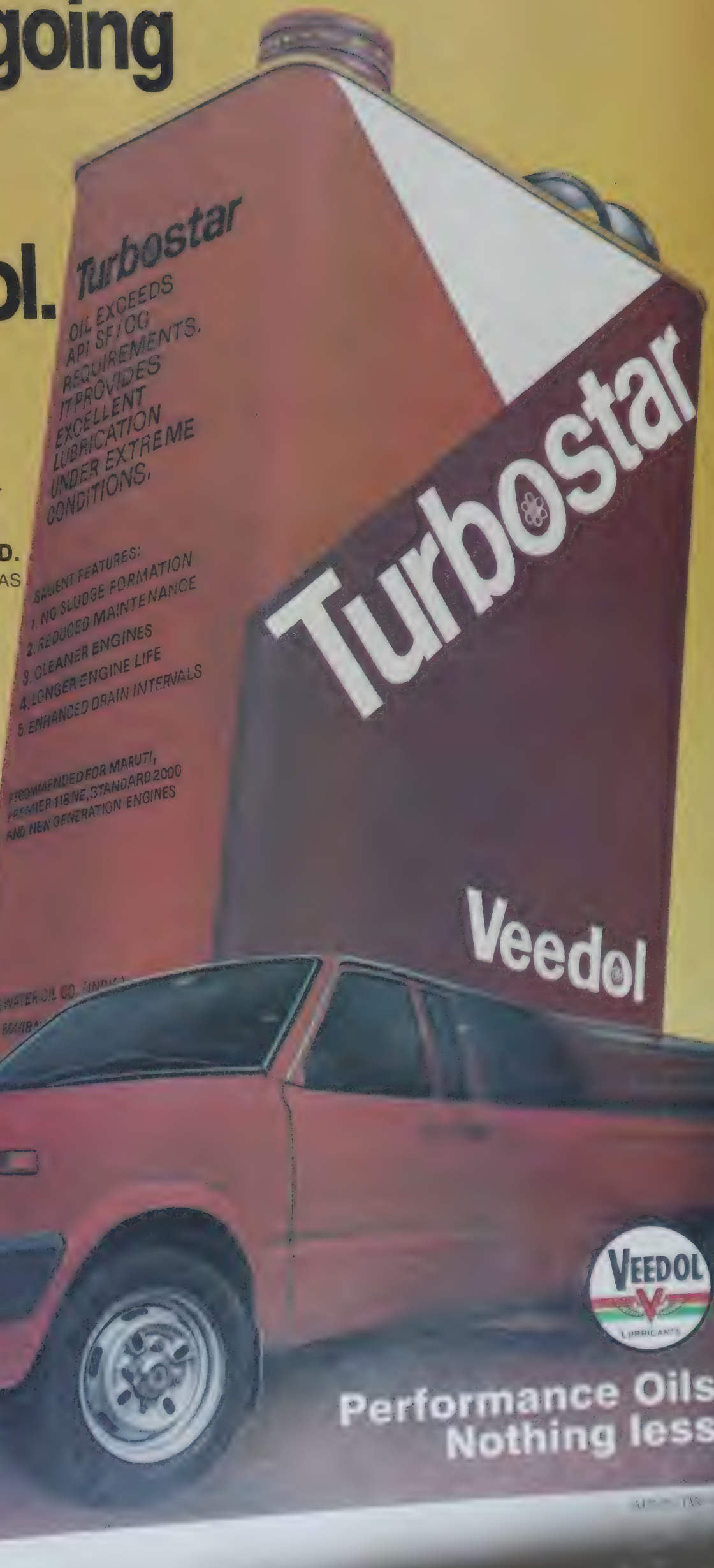
Supply, said the original supply-sid J.B. Say, creates its own demand. T institutions should learn from those ment companies. A few years ago eve one was clamouring for cement licen and when they all got it — much to th dismay — they didn't sit down and su They decided to promote the idea building new cities and new roads. N only that, some bright fellow even d cided to build cement partitions and ro dividers that cause the maximum d comfort to the poor pedestrians but g a lot of comfort to these cement chap

It's easy to complain and cry about t obstacles in one's way — ask the g who have to weave through those mo strous cement blocks outside Churchg every day, two times a day — but what t institutions should do is take the c and visit the floor every afternoon fo leisurely stroll since Hanging Gard and the Race Course are pretty crow these days.

When the going gets hot, keep your engine cool.

The rigours of peak hour traffic place a heavy burden on your engine. That's when you need high performance VEEDOL lubricants to keep your car cool... even if you lose yours.

TIDE WATER OIL CO. (INDIA) LTD.
CALCUTTA ■ BOMBAY ■ DELHI ■ MADRAS



Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 2.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P SCOOTERS.10	07/87	9.94	-13.25	-3.33	4.50	6.24	2.00	-4.8		0.0				
ACC 100	07/88	55.95	101.32	281.09	410.00	410.00	120.50	0.6		696.7	10.0	2.4	86	1:5
AHM CALICO.125	06/87	13.56	18.43	276.46	33.00	41.00	25.00	1.3		25.6			77	1:7
AHM ELECTRIC.100	03/88	18.30	65.26	456.61	150.00	150.00	120.00	35.5		4.2	16.0	10.7	87	1:5
ALFA LAVAL.10	12/87	5.21	15.07	38.93	102.50	102.50	46.00	5.8	1.4	17.7	18.0	1.8	86	1:2
ALLWYN NISSAN.10	06/87	16.54	0.15	10.09	12.50	13.00	3.76	-2.2	-1.3	0.0				
AMAL RASAYAN.10	03/88	1.48	2.81	28.99	145.00	150.00	42.00	12.2	9.1	11.9	10.0	0.7		
AMB SARABHAI.10	03/88	22.20	-1.72	9.23	12.75	16.00	10.00	0.8		15.9			82	1:5
AMFORGE.10	03/88	5.33	8.92	26.74	65.00	72.00	23.00	3.8	3.5	17.1	22.0	3.4		
ANDHRA CEMENT.10	03/87	9.51	11.54	22.13	16.75	20.00	7.75	0.7	-4.0	23.9	10.0	6.0	67	1:2
ANDHRA VALLEY.100	03/88	10.51	38.33	464.70	290.00	300.00	142.50	110.9		2.6	16.0	5.5	75	1:9
ANDREW YULE.10	03/87	9.41	22.81	34.24	18.20	24.00	15.50	2.2		8.3	10.0	5.5	67	2:5
ANNAPURNA FOILS.10	03/88	9.05	0.00	10.00	17.00	17.00	6.00			0.0				
APOLLO HOSP.10	06/87	5.44	0.14	10.26	18.00	18.00	8.50	1.5	1.6	12.0	10.0	5.6		
APOLLO TYRES.10	10/87	7.75	1.34	11.73	83.00	83.00	22.75	17.2	7.3	4.8				
APPLE LEASING.10	09/87	3.56	0.81	12.28	22.50	24.50	11.50	2.0	3.9	11.2	23.0	10.2		
ASEA 10	12/87	3.00	7.33	34.43	67.50	72.50	38.00	3.6		17.8	18.0	2.7		
ASHOK LEYLAND.10	12/87	21.39	72.03	43.67	72.00	74.00	29.00	3.6	1.7	20.0	18.0	2.5	78	1:2
ASIAN CABLES.10	12/86	3.03	5.00	26.50	50.00	53.75	30.00	4.3	3.9	11.6	17.0	3.4	81	1:3
ASIAN HOTELS.10	09/87	13.64	1.30	10.95	52.50	52.50	28.00	1.8	1.4	29.2	10.0	1.9		
ASIAN PAINTS.10	12/87	12.45	32.81	36.35	222.50	232.50	126.75	10.1	3.7	22.0	30.0	1.3	87	1:2
ASSAM CO 10	06/88	7.00	20.71	39.59	105.00	112.50	90.00	7.6	-5.5	13.8	40.0	3.8	85	1:1
ASSAM FRONTIER.10	06/88	3.00	8.95	39.83	125.00	135.00	91.00	12.0		10.4	50.0	4.0		
ASTRA IDL 10	06/88	2.50	2.17	18.68	40.00	45.00	27.00	2.2		18.2	10.0	2.5		
ATLAS COPCO 10	12/87	7.26	7.96	20.96	57.00	66.00	33.50	1.6	0.2	35.6	16.0	2.8	87	1:2
ATLAS CYCLE.10	06/87	1.15	4.73	51.13	152.50	157.50	36.00	5.0	4.6	30.5	20.0	1.3	87	1:2
AVERY INDIA.10	12/87	4.20	9.34	32.24	116.00	134.00	93.00	8.6		13.5	35.0	3.0	84	2:5
BAJAJ AUTO.10	06/88	18.81	195.82	114.10	418.75	418.75	182.50	15.6		26.8	40.0	1.0	87	1:1
BAJAJ PLASTIC.10	12/87	1.50	4.94	42.93	31.00	36.00	17.00	1.2	-3.8	25.8			86	1:1
BAJAJ TEMPO.10	09/87	6.60	42.10	73.79	115.00	115.00	65.50	3.1	2.5	37.1	12.5	1.1	86	1:1
BAKELITE HYLAM.10	06/88	4.50	18.48	51.07	29.00	31.50	15.00	3.2		9.1	18.0	6.2	80	2:3
BALLARPUR.10	06/88	13.98	268.90	202.35	65.00	72.00	34.00	3.4	2.0	19.1	22.0	3.4	75	1:5
BARODA RAYON.100	06/88	12.14	20.14	265.90	385.00	385.00	140.00	35.5	-0.7	10.8	15.0	3.9	82	1:2
BASF 10	12/87	2.84	11.14	49.23	115.00	117.50	63.33	7.0	4.6	16.4	20.0	1.7	88	1:2
BATA INDIA.10	12/87	10.50	17.18	26.36	86.50	86.50	52.25	3.7		23.4	15.0	1.7	87	1:1
BATLIBOI.10	09/87	2.79	3.90	23.98	17.50	18.00	10.50	-0.5		0.0	10.0	5.7		
BAYER INDIA.100	12/87	16.22	11.19	168.99	555.00	640.00	285.00	27.2	25.5	20.4	16.0	2.9		
BEST & CROM.10	03/88	4.73	18.85	49.85	72.00	79.00	30.00	1.6		45.0	9.6	1.3	82	3:5
BHADRA PAPER.10	09/87	10.57	17.51	26.57	39.00	44.00	22.50	4.2		9.3	20.0	5.1		
BHARAT FORGE.10	09/87	5.27	24.50	56.49	205.00	207.50	103.00	10.2	7.6	20.1	25.0	1.2	81	1:1
BHARAT GEARS.10	07/87	4.03	8.98	27.32	20.50	24.50	10.00	2.1	-2.5	9.8	12.5	6.1		
BIHAR ALLOY.10	12/87	8.20	-11.24	-3.71	37.50	42.00	12.75	1.4		26.8				
BIMETAL.10	06/88	1.91	7.73	50.47	130.00	130.00	50.00	16.4		7.9	30.0	2.3	81	1:2
BINDAL AGRO.10	12/87	3.79	2.85	17.52	101.25	120.00	52.00	11.3		9.0	50.0	4.9		
BIRLA JUTE.10	03/88	20.37	83.19	50.84	56.00	58.00	32.00	0.1		560.0	14.0	2.5	86	1:1
BIRLA YAMAHA.10	08/87	8.00	0.17	10.21	14.00	16.00	8.25	0.2	-1.8	70.0				
BLOW PLAST 10	07/88	2.00	3.64	28.20	50.00	62.50	29.00	1.7		29.4	15.0	3.0	87	1:1
BLUE STAR.10	06/88	3.56	9.53	36.85	66.25	70.00	37.00	8.1		8.2	18.0	2.7	86	3:5
BOM BURMAH.100	09/87	5.52	14.56	363.77	450.00	510.00	330.00	36.6	21.7	12.3	20.0	4.4	78	1:4
BOM DYEING.10	03/88	11.24	55.99	59.81	140.00	159.50	94.00	17.2	5.0	8.1	30.0	2.1	79	1:1
BOM SUBURBAN 100	03/88	5.85	71.00	1313.68	340.00	350.00	150.00	104.8		3.2	20.0	5.9	81	1:3
BOOTS.10	03/88	8.10	6.76	18.35	123.75	145.00	64.00	5.0	2.7	24.8	18.0	1.5	87	1:1
BOROSIL GLASS.10	12/87	2.25	6.83	40.36	79.50	96.00	50.00	5.3		15.0	20.0	2.5	82	1:2
BRITANNIA.10	11/87	12.38	20.98	26.95	120.00	125.00	75.00	6.4	2.6	18.8	24.0	2.0	87	2:5
BROOKE BOND.10	06/87	24.73	22.90	19.26	112.00	125.00	74.50	5.8	5.4	19.3	30.0	2.7	86	3:5
BURROUGHS.10	08/88	3.00	11.76	49.20	210.00	237.50	115.00	12.7		16.5	15.0	0.7		
C.E.S.C..10	03/87	16.94	62.17	46.70	16.50	18.50	12.50	5.6		2.9	16.0	9.7		
C.P.TOOLS.100	12/87	4.57	9.43	306.35	450.00	790.00	405.00	57.0	7.9	7.9	18.0	4.0	77	1:3
CABLE CORP 10	12/87	9.00	10.39	22.21	61.00	78.00	26.00	5.2	3.2	11.7	18.0	3.0		
CARRIER AIRCON 10	03/88	6.25	0.00	10.00	32.00	34.00	10.50			0.0				
CEAT TYRES.10	06/88	14.76	87.68	69.40	115.00	140.00	52.50	13.6	7.7	8.5	27.5	2.4	86	1:2
CEMINDIA 10	09/87	1.26	7.27	66.80	110.00	135.00	82.50	10.2	7.5	10.8	27.0	2.5	84	3:5
CENTURY ENKA 100	12/87	16.61	65.10	491.93	2300.00	2440.00	1080.00	84.0	100.7	27.4	38.0	1.7	88	2:5
CENTURY SPIN 100	12/87	26.62	203.09	862.92	1465.00	1535.00	617.50	59.9	23.8	24.5	24.0	1.6	86	2:3
CHAMPAGNE.10	12/87	2.50	-1.46	4.16	15.00	30.00	12.00	-3.2		0.0				
CHLORIDE 10	08/87	20.65	13.55	16.56	74.00	80.00	60.00	4.5	2.8	16.4	31.0	4.2	86	3:5
CIFCO FINANCE 10	07/88	4.80	0.50	11.04	11.00	11.00	3.50	1.7		6.5	15.0	13.6		
CITURGIA 10	03/88	3.38	5.02	24.85	112.50	120.00	62.00	8.6		13.1	35.0	3.1		
COLGATE 10	12/87	15.72	15.18	19.66	316.25	335.00	160.00	9.6	6.6	32.9	50.0	1.6	87	1:1
COLOUR CHEM 100	03/88	7.94	12.89	252.27	440.00	480.00	320.00	37.7		11.7	20.0	4.5	80	2:5
COMET STEEL 10	03/87	8.13	0.00	10.00	18.75	20.00	9.00			0.0				
COROM FERT 10	03/87	24.32	36.61	- 25.05	35.00	38.00	21.00	-0.5	-3.6	0.0	8.0	2.3	86	1:2
COSMO FILMS 10	03/88	2.32	7.24	41.21	48.75	77.50	41.25	5.5		8.9	18.0	3.7		
CROMPT GREA.100	06/88	9.60	62.92	755.42	582.50	625.00	285.00	64.3	55.4	9.1	18.0	3.1	79	1:3
CYANAMID 10	11/87	5.25	10.26	29.54	66.75	72.50	34.50	2.5	1.5	27.5	10.0	1.5		
DCM MILLS 10	05/88	23.02	44.71	29.42	34.00	49.00	28.75	-3.6		0.0			71	4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 2.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year
DCM TOYOTA.10	06/87	15.00	7.25	5.17	15.00	15.00	6.50			0.0			
DEEPAK FERT.10	03/88	14.82	7.05	14.76	49.00	52.00	23.00	3.0		16.3	18.8	3.8	
DEEPAK NITR.10	10/87	2.43	4.01	26.50	48.00	53.00	27.50	4.0	1.9	12.0	15.0	3.1	85
DEMPO STEAM.100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00			0.0			
DHARAMSI.10	12/87	6.24	10.44	26.73	37.50	38.00	14.00	1.0	1.5	37.5	10.0	2.7	79
DR.REDDYS.10	12/87	1.37	0.81	15.91	75.00	87.50	46.25	4.5		16.7	20.0	2.7	
DUNCAN AGRO.100	12/86	2.03	14.11	795.07	150.00	176.00	150.00	92.1		1.6	15.0	10.0	77
DUNLOP.10	03/88	18.99	64.48	43.95	105.00	109.00	65.00	10.6		9.9	30.5	2.9	76
E MERCK.10	12/87	5.94	5.04	18.48	67.50	77.50	44.00	2.2		30.7	16.0	2.4	86
E.I.HOTELS.10	03/88	23.84	37.31	25.65	62.50	65.00	36.00	2.9		21.6	20.0	3.2	84
EICHER MOTORS.10	04/87	3.96	1.02	12.58	18.00	18.50	5.50	6.4	-4.8	2.8	12.0	6.7	
EID PARRY.10	06/88	6.28	6.72	20.70	45.00	52.50	29.50	4.5		10.0	20.0	4.4	
ELECON ENG.10	12/87	5.65	24.76	53.82	65.00	77.00	42.00	4.6	2.2	14.1	15.0	2.3	87
ENFIELD.10	06/88	5.04	9.45	28.75	10.00	11.50	8.25	-10.4		0.0			85
ENGLISH ELECT.10	03/88	9.00	16.38	28.20	58.00	66.00	47.75	4.9		11.8	15.0	2.6	87
ESCORTS.10	12/87	27.65	91.43	43.07	82.00	86.00	36.00	0.3	2.4	273.3	22.0	2.7	86
ESKAYEF.10	11/87	7.50	14.26	29.01	165.00	165.00	97.00	7.7	4.0	21.4	25.0	1.5	88
ESSAR SHIPPING.10	12/87	34.87	37.98	20.89	31.00	33.00	15.50	2.2		14.1	20.0	6.5	
EXCEL.10	09/87	4.62	7.12	25.41	139.50	139.50	34.00	1.3	3.4	107.3	10.0	0.7	84
FAG PRECISION.100	12/87	3.36	7.09	311.01	335.00	360.00	105.00	9.8	12.8	34.2	10.0	3.0	
FERRO ALLOYS.100	06/88	5.52	18.78	440.22	630.00	680.00	122.50	37.5	31.7	16.8	15.0	2.4	80
FGP.10	03/88	4.89	5.82	21.90	33.75	37.50	23.75	4.1	3.7	8.2	16.0	4.7	87
FICOM ORGANIC.10	09/87	1.29	3.07	33.80	196.25	250.00	125.00	17.0	9.7	11.5	30.0	1.5	87
FINOLEX.10	11/87	3.24	13.72	52.35	377.50	405.00	154.00	25.1	34.6	15.0	40.0	1.1	88
FIRST LEASING.10	11/87	3.77	8.78	33.29	15.50	20.00	14.00	6.4		2.4	25.0	16.1	83
FLAKT INDIA.10	12/87	3.40	2.85	18.38	61.25	87.50	44.00	4.3		14.2	20.0	3.3	86
FOOD SPECIAL.10	12/87	19.20	20.16	20.50	172.50	180.00	93.75	5.6		30.8	25.0	1.4	86
FORBES FORBES.10	06/88	4.25	4.96	21.67	45.00	46.00	22.00	2.4	-0.2	18.8	15.0	3.3	82
FULFORD.10	12/87	0.80	2.28	38.50	385.00	425.00	50.00	8.8	1.2	43.8	22.0	0.6	88
G.E.SHIPPING.10	06/88	55.61	39.18	17.05	45.65	45.65	20.50	3.0		15.2	15.0	3.3	81
G.K.W..10	12/86	24.06	20.83	18.66	14.00	18.00	5.50	-1.7	-1.5	0.0			83
G.T.C.INDUST.10	06/87	5.00	9.32	28.64	18.00	18.00	12.50	3.9	3.8	4.6	25.0	13.9	72
GABRIEL.10	11/87	2.64	3.33	22.61	24.00	37.00	17.00	1.7	1.7	14.1	18.0	7.5	78
GAMMON INDIA.10	07/88	2.16	13.46	72.31	135.00	167.50	29.00	1.9		71.1	18.0	1.3	82
GARDEN SILK.10	03/88	10.01	63.07	73.01	60.00	160.00	47.50	14.0	1.7	4.3	30.0	5.0	
GARWARE NYLON.10	08/88	9.72	13.31	23.69	52.00	56.00	20.00	2.6	2.6	20.0	15.0	2.9	83
GARWARE POLY.10	06/88	8.31	28.96	44.85	122.50	127.50	72.00	6.5		18.8	20.0	1.6	
GARWARE SHIP.10	03/88	3.75	0.03	10.08	35.00	41.00	10.50	-3.6		0.0			
GEN ELECTRIC.10	03/88	7.20	18.92	36.28	63.00	63.00	26.00	3.9	1.9	16.2	12.0	1.9	
GENELEC.10	03/88	2.16	5.79	36.81	70.00	88.00	43.75	6.5		10.8	14.7	2.1	84
GEORGE WILL.10	06/87	6.30	19.69	41.25	110.00	115.00	82.50	7.6	5.0	14.5	35.0	3.2	86
GERMAN REME.10	12/87	3.26	4.93	25.12	75.00	77.00	30.00	2.9		25.9	10.0	1.3	82
GLINDIA.10	06/88	20.00	30.27	25.14	93.00	104.00	51.50	5.1		18.2	20.0	2.2	80
GODFREY PHILIPS.10	12/86	2.60	3.24	22.46	39.00	45.00	10.00	3.4	2.4	11.5	25.0	6.4	75
GOETZE.10	06/88	6.93	12.40	27.89	62.50	62.50	25.00	5.5		11.4	22.0	3.5	76
GOKAK PATEL.10	06/88	6.52	16.51	35.32	79.00	85.00	60.00	10.7	4.2	7.4	20.0	2.5	87
GOOD NEROLAC.10	06/87	3.24	5.08	25.68	75.00	75.00	45.00	4.2		17.9	20.0	2.7	78
GOODYEAR.10	12/87	7.48	24.67	42.98	87.00	87.00	48.00	11.6		7.5	30.0	3.4	77
GRAMOPHONE.10	09/86	1.81	-16.59	-81.66	6.50	7.75	4.00			0.0			
GRASIM.10	03/88	37.78	101.81	36.95	87.50	93.50	46.60	4.1	4.1	21.3	27.5	3.1	88
GREAVE COTTON.100	06/88	6.57	22.36	440.33	600.00	600.00	295.00	85.1		7.1	22.0	3.7	88
GUJ ALKALIES.10	03/88	10.72	22.59	31.07	71.50	71.50	29.00	2.4	-1.3	29.8	26.0	3.6	87
GUJ AMB CEM.10	06/88	19.99	4.01	12.01	25.00	28.00	11.00	2.1		11.9	11.0	4.4	
GUJ NARMADA.10	06/88	88.37	103.48	21.63	59.50	62.00	27.00	2.7		22.0	18.0	3.0	
GUJ STATE FERT.10	12/87	26.95	170.03	73.09	165.00	174.00	75.00	10.1	5.2	16.3	30.0	1.8	87
HARRISON 10	03/88	9.10	15.62	27.16	69.00	75.00	36.00	5.6	3.0	12.3	25.0	3.6	87
HERDILLIA CHEM.10	06/88	7.35	36.64	59.85	67.50	72.00	41.00	7.6		8.9	25.0	3.7	78
HERO HONDA 10	06/88	15.60	1.94	11.24	39.00	40.00	15.00	1.2		32.5			
HIND ALLOY.10	12/87	5.89	2.20	13.74	92.50	93.75	28.75	2.4	2.9	38.5	20.0	2.2	
HIND ALUM 10	12/87	15.89	166.64	114.87	145.00	146.00	72.50	8.8	5.3	16.5			88
HIND BROWN.100	12/87	5.47	23.08	521.94	820.00	900.00	265.00	64.2		12.8	23.0	2.8	78
HIND CIBA 100	12/87	17.71	31.79	279.50	650.00	691.00	332.50	38.1	15.5	17.1	20.0	3.1	80
HIND COCOA 10	06/88	8.40	9.69	21.54	123.75	123.75	67.50	4.5		27.5	20.0	1.6	87
HIND DEVELOP.10	12/87	8.92	87.06	103.04	107.50	112.50	65.00	5.8	6.5	18.5	20.0	1.9	86
HIND DORR-OLIVER 10	11/87	2.38	10.79	55.34	160.00	215.00	95.00	16.4		9.8	37.5	2.3	86
HIND FERODO 10	12/87	5.50	1.19	12.16	23.00	23.00	16.00	1.3		17.7	5.0	2.2	83
HIND LEVER.10	12/87	93.32	90.17	19.66	79.50	92.00	59.50	5.0	2.2	15.9	25.0	3.1	8
HIND MOTOR 10	03/88	26.35	52.67	29.95	29.75	34.00	15.50	1.0		0.0	7.5	2.5	86
HMM 10	03/88	14.18	93.90	76.22	165.00	185.00	121.00	6.6	5.7	25.0	40.0	2.4	87
HOECHST 100	12/87	9.58	25.35	364.61	590.00	680.00	437.00	14.3	3.1	41.3	10.0	1.7	82
HOGANAS 10	10/87	1.15	8.00	10.00	57.50	62.00	34.00		1.6	0.0			
HOTEL LEELA 10	06/88	8.36	2.08	7.68	19.50	19.50	11.50	1.1		0.0			
HOUSING DEV FIN.100	06/88	20.00	33.00	265.00	180.00	180.00	65.00	65.5		2.7	17.0	9.4	
HYD ALLWYN 10	07/87	8.10	10.70	23.21	20.50	20.50	7.50	3.1	4.2	5.5	15.0	7.3	
ICIM 10	12/87	4.18	5.86	24.02	21.00	40.50	21.00	2.3		9.1			
IEL 10	09/87	40.87	72.49	27.74	55.25	60.00	30.00	1.2	0.9	46.0			78

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 2.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
ACC,10	12/87	33.32	53.59	26.08	34.50	40.00	21.50	1.2	-1.2	28.8	10.0	2.9	82	1:5
ACRON,10	11/87	11.72	15.65	23.35	81.00	90.00	50.00	0.3	0.4	270.0	10.0	1.2	77	4:5
ALFA LAVAL,10	03/88	4.10	9.92	34.20	102.00	106.00	55.00	13.2	5.6	7.7			86	1:2
ALLWYN,10	12/87	19.30	24.65	227.72	895.00	920.00	515.00	53.0	45.1	16.9	28.0	3.1	88	1:2
ALPHA GEO,10	06/87	6.68	11.38	27.04	190.00	250.00	127.50	5.4	3.8	35.2	40.0	2.1	87	1:1
ANDREW YULE,10	03/88	16.20	103.38	73.81	55.25	58.00	23.00	6.9		8.0	25.0	4.5	86	1:1
APOLLO TYRES,10	06/88	3.71	10.35	37.90	410.00	435.00	257.50	12.6		32.5	50.0	1.2	88	4:5
ARVIND MILLS,10	09/87	1.38	0.65	14.71	20.00	38.00	10.25	1.8		11.1	17.0	8.5		
ASHOK LEY,10	04/88	9.52	30.00	41.51	120.00	125.00	60.00	5.9	5.3	20.3	27.5	2.3	77	3:1
ASIAN PAINTS,10	12/87	5.22	12.72	34.37	82.50	92.50	68.00	5.2	2.6	15.9	20.0	2.4	88	2:5
BAJAJ AUTO,10	03/88	22.47	50.11	32.30	76.00	76.00	41.50	3.8	1.0	20.0	25.0	3.3	87	1:1
BALLARPUR IND,10	12/87	4.20	13.60	42.38	145.00	155.00	92.50	12.7	7.6	11.4	30.0	2.1	88	1:1
BATA INDIA,10	12/87	5.00	1.21	12.02	31.50	31.50	18.00	5.6		5.6	10.0	3.2		
BEML,10	03/88	7.89	21.32	37.02	335.00	370.00	212.50	11.0	4.6	30.5	30.0	0.9	86	1:1
BERGER PAINTS,10	03/88	2.67	4.34	26.25	40.00	40.00	24.75	4.1	2.6	9.8	20.0	5.0	86	1:2
BHARAT FORGE,10	03/88	3.46	7.20	30.81	70.00	87.00	38.75	4.3		16.3	20.0	2.9	88	4:5
BHARAT PETRO,10	06/87	12.00	0.83	10.69	17.00	22.50	8.75	2.4		7.1				
BHARAT ROADS,10	06/88	33.17	144.82	53.66	49.00	64.00	30.00	7.5		6.5	35.0	7.1	81	1:5
BIRLA CORP,10	06/88	3.00	2.84	19.47	40.00	44.00	21.00	4.4		9.1	20.0	5.0		
BOMBAY DYEING,10	03/88	13.76	16.78	22.19	70.00	70.00	25.00	12.0		5.8	20.0	2.9	87	1:1
BOMBAY SCOOTER,10	03/88	27.25	207.02	85.97	90.00	94.00	45.50	3.1		29.0	20.0	2.2	83	1:3
BOMBAY TYRE,10	06/88	3.87	5.11	23.20	62.00	62.00	24.50	4.8		12.9	21.0	3.4	87	2:5
BOSCH,10	06/88	3.90	-4.84	-2.41	34.00	34.00	14.50	1.3		26.2				
BRAKE INDIA,10	03/88	1.13	11.41	110.97	550.00	600.00	250.00	31.9		17.2	85.0	1.5	88	1:1
BRITANNIA,10	06/88	3.55	25.48	81.77	143.75	150.00	36.00	18.5		7.8	20.0	1.4	84	1:1
CADBURY,10	03/88	8.85	52.23	69.02	70.00	71.00	32.50	3.4		20.6	23.5	3.4	79	1:2
CAMLIN,10	06/87	6.00	8.88	24.80	52.00	56.00	33.00	3.1	1.0	16.8	20.0	3.8		
CASTROL,10	06/88	1.20	18.15	161.25	365.00	410.00	161.25	31.3		11.7	40.0	1.1	88	1:1
CEAT,10	01/88	9.99	2.63	12.63	38.75	40.00	16.75	-5.9	0.6	0.0				
CHLORIDE,10	09/88	27.10	42.46	25.67	85.00	100.00	48.00	4.2		20.2	22.5	2.6	86	1:1
CHOLAMANDALAM,10	09/87	3.85	3.36	18.73	70.00	72.50	15.00	1.8	1.3	38.9	12.5	1.8		
CIPLA,10	06/88	6.71	11.55	27.21	47.00	55.00	12.00	4.4		10.7	6.0	1.3	76	3:7
CMC,10	12/87	4.50	3.27	17.27	112.50	122.50	81.25	4.4	2.9	25.6	21.0	1.9	88	1:2
COLGATE,10	12/87	4.35	11.98	37.54	335.00	398.25	220.00	12.3	6.3	27.2	20.0	0.6	86	1:1
CROMPTON,10	06/88	2.10	6.86	42.67	137.50	145.00	61.25	5.3		25.9	27.5	2.0	86	2:5
DCM,10	09/87	56.37	235.96	51.86	132.00	148.50	75.50	4.9	2.2	26.9	20.0	1.5	86	3:5
DUNLOP,10	06/88	15.75	8.19	15.20	80.00	84.00	52.00	4.6		17.4	22.0	2.8		
ELECTROSTEEL,10	03/87	3.38	4.13	22.22	38.00	46.00	17.00	4.7	4.5	8.1	21.0	5.5		
ESCORTS,10	10/87	21.05	8.64	14.10	16.50	19.50	9.00	-2.9		0.0			80	4:5
EXIDE,10	06/88	2.74	41.38	161.02	45.00	47.75	43.75	2.3		19.6	7.0	1.6		
FERTILISER,10	12/87	3.02	18.65	717.55	800.00	860.00	315.00	-153.3	-79.5	0.0				
FOSECO,10	06/88	21.96	92.32	52.04	101.00	101.00	60.00	6.2		16.3	30.0	3.0	86	1:2
GESTETNER,10	03/88	14.48	24.38	268.37	222.50	225.00	140.00	6.0		37.1	16.0	7.2	80	1:3
GHCL,100	03/88	16.20	52.98	427.04	335.00	350.00	200.00	14.4	12.2	23.3	20.0	6.0	78	1:5
GLAXO,100	03/88	18.20	52.98	427.04	335.00	350.00	200.00	14.4	12.2	23.3	20.0	6.0	78	1:5
GODREJ SOAP,10	10/87	19.26	102.06	62.99	119.00	124.00	48.50	5.5	2.3	21.6	22.0	1.8	84	2:3
GRASIM,10	06/88	7.30	17.76	34.33	100.00	100.00	48.00	6.6		15.2	25.0	2.5	86	1:2
GUJ AMBUJA,10	12/87	7.11	11.31	25.91	24.00	30.50	13.00	2.8	1.7	8.6	15.0	6.2		
HEG,10	03/88	12.45	13.98	21.23	45.00	55.65	15.25	0.1		450.0	10.0	2.2		
HERCULES HOIST,10	06/88	150.00	63.00	14.20	19.15	21.00	9.25	4.2		4.6	13.0	6.8		
HERO HONDA,10	06/88	10.24	6.47	16.32	72.50	85.00	27.35	3.6		20.1	15.6	2.2	87	3:5
HEXT,10	09/87	2.79	0.94	13.37	56.00	58.00	30.00	4.3	1.8	13.0	18.0	3.2		
HINDALCO,10	12/87	4.50	7.18	25.96	58.00	58.00	34.00	3.1	1.2	18.7	10.0	1.7		
HINDUSTAN MOTOR,10	06/87	4.32	2.32	15.37	20.00	20.00	11.00	4.5	2.2	4.4	25.0	12.5		
HMT,10	06/88	7.74	33.05	52.70	90.00	105.00	72.50	11.2		8.0	20.0	2.2	86	1:1
HOECHST,10	06/88	8.25	17.13	37.41	97.50	130.00	88.25	8.1	5.2	12.0	45.0	4.6	87	1:1
HOOGHLY MILLS,10	06/87	6.25	17.13	37.41	97.50	130.00	88.25	8.1	5.2	12.0	45.0	4.6	87	1:2
HOOVER,10	03/87	14.66	-12.54	1.46	8.50	10.00	4.24	-4.0	-5.0	0.0			87	3:5
HTMT,10	12/87	0.64	0.91	24.22	165.00	180.00	52.00	9.8	4.8	16.8	30.0	1.8	87	1:1
HUL,10	12/87	1.14	4.49	49.39	250.00	290.00	75.00	8.9	12.4	28.1	25.0	1.0	87	1:5
ICI,10	09/86	2.17	12.66	68.34	35.00	85.00	35.00	-11.9	-26.0	0.0	12.0	3.4	69	1:5
IDL,10	06/88	10.38	41.58	50.07	117.50	117.50	43.00	14.3		8.2	25.0	2.1	84	2:5
INDAL,10	04/88	17.46	0.17	10.10	65.00	75.00	21.50	2.9		22.4				
INDIA CEMENTS,10	03/88	7.29	13.49	28.50	30.00	62.50	22.50	5.7	0.7	5.3	22.0	7.3		
INDIA GLYCOLS,10	03/88	7.29	13.49	28.50	30.00	62.50	22.50	5.7	0.7	5.3	22.0	7.3		
INDIAN ALUM.10	12/87	41.16	49.09	21.93	48.00	52.00	24.00	0.9	1.2	53.3	14.0	2.9	77	2:5
INDIAN DYESTUFF 100	03/88	7.50	35.98	579.73	285.00	335.00	177.50	4.8		59.4	15.0	5.3	80	1:4
INDIAN HOTEL 10	03/88	9.92	42.12	52.46	132.50	140.00	95.00	6.8		19.5	30.0	2.3	82	2:5
INDIAN ORGANIC 10	03/88	18.40	17.03	19.26	48.50	51.00	15.00	-6.2	0.2	0.0			85	1:2
INDIAN OXYGEN.10	09/87	14.60	29.94	30.51	42.50	43.50	29.00	2.2		19.3	16.0	3.8	85	1:3
INDIAN RAYON 10	06/88	16.14	160.90	109.69	89.00	93.00	46.00	3.1		28.7	28.0	3.1	80	1:4
INDIAN SEAMLESS 10	12/87	2.21	4.01	28.14	107.50	135.00	47.00	9.5	5.3	11.3	18.0	1.7		
INDOGULF FERT.10	03/88	165.00	0.00	10.00	25.50	28.00	10.50			0.0				
INDROL 10	06/88	5.09	14.58	38.64	267.50	291.25	135.00	8.7		30.7	26.0	1.0	86	1:1
INDU NISSAN.10	12/87	5.00	1.21	12.02	31.50	31.50	18.00	5.6		5.6	10.0	3.2		
INGERSOLL 10	12/87	7.89	21.32	37.02	335.00	370.00	212.50	11.0	4.6	30.5	30.0	0.9	86	1:1
ION EXCHANGE 10	04/88	3.46	7.20	30.81	70.00	87.00	38.75	4.3		16.3	20.0	2.9	88	4:5
ITC,10	06/87	12.00	0.83	10.69	17.00	22.50	8.75	2.4		7.1				
ITC.10	06/88	33.17	144.82	53.66	49.00	64.00	30.00	7.5		6.5	35.0	7.1	81	1:5
J.B.CHEMICAL 10	06/88	3.00	2.84	19.47	40.00	44.00	21.00	4.4		9.1	20.0	5.0		
J.K.INDUST 10	06/88	13.76	16.78	22.19	70.00	70.00	25.00	12.0		5.8	20.0	2.9	87	1:1
J.K.SYNTHETIC.10	03/88	27.25	207.02	85.97	90.00	94.00	45.50	3.1		29.0	20.0	2.2	83	1:3
JAYANT VITAMIN.10	06/88	3.87	5.11	23.20	62.00	62.00	24.50	4.8		12.9	21.0	3.4	87	2:5
KALYANI BRAKES.10	06/88	3.90	-4.84	-2.41	34.00	34.00	14.50	1.3		26.2				
KALYANI STEEL 10	08/88	1.13	11.41	110.97	550.00	600.00	250.00	31.9		17.2	85.0	1.5	88	1:1
KELVINATOR.10	06/88	3.55	25.48	81.77	143.75	150.00	36.00	18.5		7.8	20.0	1.4	84	1:1
KESORAM.10	03/88	8.85	52.23	69.02	70.00	71.00	32.50	3.4		20.6	23.5	3.4	79	1:2
KHODAY DIST.10	06/87	6.00	8.88	24.80	52.00	56.00	33.00	3.1	1.0	16.8	20.0	3.8		
KINETIC ENGG 10	06/88	1.20	18.15	161.25	365.00	410.00	161.25	31.3		11.7	40.0	1.1	88	1:1
KINETIC HONDA 10	01/88	9.99	2.63	12.63	38.75	40.00	16.75	-5.9	0.6	0.0				
KIRL CUMMINS.10	09/88	27.10	42.46	25.67	85.00	100.00	48.00	4.2		20.2	22.5	2.6	86	1:1
KIRL PNEUMATIC 10	09/87	3.85	3.36	18.73	70.00	72.50	15.00	1.8	1.3	38.9	12.5	1.8		
KIRLOSKAR OIL.10	06/88	6.71	11.55	27.21	47.00	55.00	12.00	4.4		10.7	6.0	1.3	76	3:7
KLOCKNER WIND.10	12/87	4.50	3.27	17.27	112.50	122.50	81.25	4.4	2.9	25.6	21.0	1.9	88	1:2
KSB PUMPS.10	12/87	4.35	11.98	37.54	335.00	398.25	220.00	12.3	6.3	27.2	20.0	0.6	86	1:1
LAKME.10	06/88	2.10	6.86	42.67	137.50	145.00	61.25	5.3		25.9	27.5	2.0	86	2:5
LARSEN TOUBRO.10	09/87	56.37	235.96	51.86	132.00	148.50	75.50	4.9	2.2	26.9	20.0	1.5	86	3:5
LIPTON.10	06/88	15.75	8.19	15.20	80.00	84.00	52.00	4.6		17.4	22.0	2.8		
LLOYD STEEL.10	03/87	3.38	4.13	22.22	38.00	46.00	17.00	4.7	4.5	8.1	21.0	5.5		
LML.10	10/87	21.05	8.64	14.10	16.50	19.50	9.00	-2.9		0.0			80	4:5
MACNEIL MAGOR,10	06/86	2.74	41.38	161.02	45.00	47.75	43.75	2.3		19.6	7.0	1.6		
MADRAS CEMENT,100	12/87	3.02	18.65	717.55	800.00	860.00	315.00	-153.3	-79.5	0.0				
MADURA COATES.10	06/88	21.96	92.32	52.04	101.00	101.00	60.00	6.2		16.3	30.0	3.0	86	1:2
MAFATLAL FINE.100	03/88	14.48	24.38	268.37	222.50	225.00	140.00	6.0		37.1	16.0	7.2	80	1:3
MAFATLAL IND.100	03/88	16.20	52.98	427.04	335.00	350.00	200.00	14.4	12.2	23.3	20.0	6.0	78	1:5
MAHIN & MAHIN.10	10/87	19.26	102.06	62.99	119.00	124.00	48.50	5.5	2.3	21.6	22.0	1.8	84	2:3
MAHINDRA UGINE.10	06/88	7.30	17.76	34.33	100.00	100.00	48.00	6.6		15.2	25.0	2.5	86	1:2
MANGALAM CEM..10	12/87	7.11	11.31	25.91	24.00	30.50	13.00	2.8	1.7	8.6	15.0	6.2		
MANGALORE CHEM 10	03/88	12.45	13.98	21.23	45.00	55.65	15.25	0.1		450.0	10.0	2.2		
MASTERSHARE.10	06/88	150.00	63.00	14.20	19.15	21.00	9.25	4.2		4.6	13.0	6.8		
MATHER PLATT.10	06/88	10.24	6.47	16.32	72.50	85.00	27.35	3.6		20.1	15.6	2.2	87	3:5
MAX INDIA 10	09/87	2.79	0.94	13.37	56.00	58.00	30.00	4.3	1.8	13.0	18.0	3.2		
MAY & BAKER.10	12/87	4.50	7.18	25.96	58.00	58.00	34.00	3.1	1.2	18.7	10.0	1.7		
MAZDA INDUST 10	06/87	4.32	2.32	15.37	20.00	20.00	11.00	4.5	2.2	4.4	25.0	12.5		
MCDOWELL 10	06/88	7.74	33.05	52.70	90.00	105.00	72.50	11.2		8.0	20.0	2.2	86	1:1
MCLEOD RUSSEL.10	06/87	8.25	17.13	37.41	97.50	130.00	88.25	8.1	5.2	12.0	45.0	4.6	87	1:1
METAL BOX.10	03/87	14.66	-12.54	1.46	8.50	10.00	4.24	-4.0	-5.0	0.0			87	1:2
MILES INDIA 10	12/87	0.64	0.91	24.22	165.00	180.00	52.00	9.8	4.8	16.8	30.0	1.8	87	3:5
MILKFOOD.10	12/87	1.14	4.49	49.39	250.00	290.00	75.00	8.9	12.4	28.1	25.0	1.0	87	1:1
MODI INDUSTRIES.10	09/86	2.17	12.66	68.34	35.00	85.00	35.00	-11.9	-26.0	0.0	12.0	3.4	69	1:5
MODI RUBBER.10	04/88	10.38	41.58	50.07	117.50	117.50	43.00	14.3		8.2	25.0	2.1	84	2:5
MODI XEROX.10	04/88	17.46	0.17	10.10	65.00	75.00	21.50	2.9		22.4				
MOTOR INDUST.100	12/87	38.05	46.32	221.73	630.00	700.00	447.50	29.4	14.5	21.4	12.0	1.9	86	1:1
MRF.10	09/87	3.86	23.30	70.36	385.00	400.00	127.00	26.1		14.8	40.0	1.0	75	1:2
MUKAND IRON.10	06/88	9.82	72.22	83.54	137.00	139.00	73.50	12.1		11.3	23.0	1.7	88	1:2
MYSORE CEMENT.10	06/87	11.48	19.23	26.75	26.00	28.00	18.00	1.1	0.5	23.6	17.5	6.7	85	2:5
NAGAR FINANCE.10	09/87	2.44	2.70	21.07	14.00	14.00	10.75	5.5	0.4	2.5	23.0	16.4		
NATION PEROXIDE.100	03/88	2.30	9.02	492.17	1150.00	1575.00	820.00	77.8		14.8	30.0	2.6		
NATIONAL RADIO.100	12/87	6.62	2.77	141.84	135.00	175.00	97.50	10.6		12.7				
NIRLON.10	09/87	15.76	27.98	27.18	15.00	15.00	5.00	-27.1	-0.1	0.0			82	1:2
NOCIL.100	12/87	36.00	55.62	254.50	930.00	990.00	390.00	48.2	32.6	19.3	20.0	2.2	88	1:2
ORISSA CEMENT.10	12/87	5.40	31.50	68.33	35.00	35.50	29.25	7.3		4.8	20.0	5.7	87	1:1
ORKAY.10	03/86	49.64	54.77	21.03	40.00	51.00	17.00	1.4		26.6	21.0	5.2		
OSWAL AGRO.10	06/87	28.52	81.67	38.64	120.00	129.50	57.00	2.8		42.9	50.0	4.2	87	3:5
OSWAL FURANE.10	12/87	18.00	0.00	10.00	61.00	75.00	22.25			0.0				
OTIS ELEVATORS.10	11/87	5.04	9.62	29.09	215.00	225.00	161.25	7.6	2.6	28.3	25.0	1.2	86	1:1
PARKE DAVIS.10	11/87	7.53	3.66	14.86	56.00	55.00	31.00	2.3		23.9	25.0	4.5	78	3:5
PEICO,10	12/87	33.32	53.59	26.08	34.50	40.00	21.50	1.2	-1.2	28.8	10.0	2.9	82	1:5
PFIZER 10	11/87	11.72	15.65	23.35	81.00	90.00	50.00	0.3	0.4	270.0	10.0	1.2	77	4:5
POLYCHEM.10	03/88	4.10	9.92	34.20	102.00	106.00	55.00	13.2	5.6	7.7			86	1:2
POLYOLEFINS.100	12/87	19.30	24.65	227.72	895.00	920.00	515.00	53.0	45.1	16.9	28.0	3.1	88	1:2
PONDS.10	06/87	6.68	11.38	27.04	190.00	250.00	127.50	5.4	3.8	35.2	40.0	2.1	87	1:1
PREMIER AUTO.10	06/88	16.20	103.38	73.81	55.25	58.00	23.00	6.9		8.0	25.0	4.5	86	1:1
PROCTER & GAM.10	06/88	3.71	10.35	37.90	410.00	435.00	257.50	12.6		32.5	50.0	1.2	88	4:5
PSI DATA.10	09/87	1.38	0.65	14.71	20.00	38.00	10.25	1.8		11.1	17.0	8.5		
RALLIS.10	04/88	9.52	30.00	41.51	120.00	125.00	60.00	5.9	5.3	20.3	27.5	2.3	77	3:1
RANBAXY.10	12/87	5.22	12.72	34.37	82.50	92.50	68.00	5.2	2.6	15.9	20.0	2.4	88	2:5
RAYMONDS.10	03/88	22.47	50.11	32.30	76.00	76.00	41.50	3.8	1.0	20.0	25.0	3.3	87	1:1
RECKITT COLMAN.10	12/87	4.20	13.60	42.38	145.00	155.00	92.50	12.7	7.6	11.4	30.0	2.1	88	1:1
REGENCY CERAMIC.10	04/87	3.97	-1.29	6.75	14.50	24.00	10.00	-3.9	-2.7	0.0				
RELIANCE.10	06/88	152.10	864.22	66.82	162.50	231.00	69.00	5.2		31.2	55.0	3.4	83	3:5
REMINGTON.10	03/88	2.67	4.34	26.25	40.00	40.00	24.75	4.1	2.6	9.8	20.0	5.0	86	1:2
REVATHI C.P.10	06/88	1.60	3.12	29.50	127.50	140.00	51.50	7.2		17.7	20.0	1.6	87	1:1
ROCHE PRODUCTS.10	12/87	4.81	5.38	21.19	75.00	87.50	34.00	2.3	1.4	32.6	14.0	1.9	80	1:3
ROSS MURARKA.10	06/87	3.74	3.29	18.80	17.00	17.00	10.50	4.7	3.4	3.6	26.0	15.3		
S.I.VISCOSE.100	03/88	11.03	13.08	218.59	800.00	810.00	215.00	74.0		10.8	25.0	3.1	87	1:2
SAMTEL.10	12/87	2.74	7.92	38.91	101.25	105.00	33.25	6.3	9.2	16.1	25.0	2.5	88	1:3
SANDOZ.10	12/87	5.30	19.88	47.13	93.00	95.00	59.00	3.0		31.0	16.0	1.7	84	2:7
SANDVIK ASIA.100	12/87	5.78	7.54	230.45	715.00	720.00	575.00	23.6	10.7	30.3	20.0	2.8	84	1:1
SCINDIA.20	06/87	18.95	3.79	24.00	7.75	8.00	1.76	-30.9		0.0			77	2:5
SEARLE.10	12/87	3.48	14.57	51.87	180.00	195.00	92.00	8.0	1.2	22.5	20.0	1.1	86	1:1
SESA GOA.10	03/87	5.15	9.42	28.29	34.00	45.50	16.00	7.0	-4.5	4.9	18.0	5.3	86	2:5
SHAW WALLACE.10	06/88	12.00	22.86	29.05	92.00	92.00	52.00	8.1		11.4	35.0	3.8	87	1:1
SHRI RAM FIBRES.10	09/87	10.33	22.69	31.97	64.00	66.00	34.50	2.7		23.7	20.0	3.1	82	1:2
SIEMENS.10	09/87	20.77	33.08	25.93	107.00	120.00	56.50	3.8	2.2	28.2	16.0	1.5	86	1:4
SILTAP CHEMICAL.10	03/88	1.80	-0.76	5.78	57.50	80.00	47.50	-4.2		0.0				
SIPTA COATED.10	10/87	9.42	1.84	11.95	23.00	25.50	15.00	3.1	2.6	7.4	15.0	6.5		
SKF BEARINGS.100	12/87	12.35	30.44	346.48	2330.00	2420.00	1058.00	67.8	68.1	26.5	22.0	0.9	86	2:5
SOUTHERN PETRO.10	12/87	34.00	267.86	88.78	63.50	68.00	22.75	1.5	-7.2	42.3	15.0	2.4	86	1:1
SPARTEK.10	06/88	2.85	6.19	31.72	97.50	110.00	58.00	13.2	5.0	7.4	25.0	2.6		
SPECIAL STEEL.100	12/87	7.59	10.79	242.16	775.00	825.00	575.00	104.7	67.3	7.4	15.0	1.9	73	1:1
STANDARD MILLS.100	03/88	11.06	75.27	780.56	297.00	390.00	190.00	37.0		8.0	16.0	5.4	82	2:5
STANDARD MOTOR.10	12/86	2.32	3.98	27.16	10.50	11.85	7.50	-16.1		0.0			85	1:1
STRAW PRODUCTS.10	12/87	10.14	73.61	82.59	47.00	48.00	29.50	4.0	1.3	11.8	20.0	4.3	72	1:2
SU-RAJ DIAMOND.10	04/88	4.77	4.37	19.16	79.00	80.00	15.00	9.1		8.7	15.0	1.9		
SUND CLAYTON.10	05/88	9.48	23.99	35.31	47.50	53.75	29.25	9.9		4.8	25.0	5.3	87	2:3
SUND FASTENERS.10	03/88	3.19	11.70	46.68	88.75	92.50	53.75	7.4		9.3	25.0

Your executives can now fly to work. At ground level.

Presenting the luxury of the new Tempo-Traveller

Tempo-Traveller is the new executive perk

It offers senior personnel the comfort and status that ordinary company buses can never match – and a car-pool could never give.

A spacious interior offers the luxury of upto 15 ergonomically designed seats and large, airy windows.

There's ample room for baggage. And a high curved roof allows for greater freedom of movement.

And it has been specially built for Indian roads by Bajaj Tempo – in collaboration with Daimler-Benz, the creators of the classic Mercedes range.

As cost-conscious as it is status-conscious

The new Tempo-Traveller is equipped with the advanced 72 BHP Mercedes OM 616 diesel engine, which functions like a built-in accountant. It stretches your company's every rupee – delivering the highest level of fuel economy with the lowest level of noise.

The Tempo-Traveller even minimises other maintenance costs. Spares are cheaper and more readily available. And regular service is close at hand. Because you are backed by the 150 experienced dealers established by Bajaj Tempo over a period of 25 years.

So before you stake business capital on company buses or corporate cars, give the new Tempo-Traveller serious thought.

And let your executives 'arrive in better shape'.

BAJAJ Tempo LTD.

The new Tempo-Traveller.
Anywhere else, they'd call it a Mercedes Transporter.

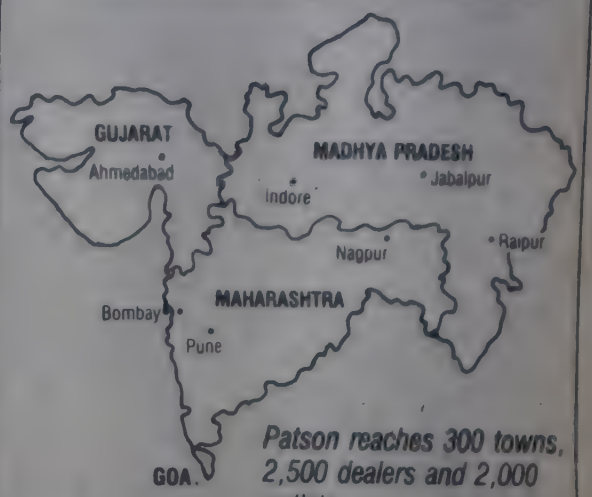
Company fixed deposits (current for December 1988)

Name of the company	Minimum Amount	Rate of Interest 1 year	2 year	3 year
ADDISON	3000	—	13.00	14.00
ANSAL HOUSING	2000	14.00	14.00	14.00
ASEA	3000	12.00	13.00	14.00
ASHOK LEYLAND FIN	1000	14.00	14.00	14.00
APOLLO TYPRES	5000	13.00	13.50	14.00
BAKELITE HYLAM	2000	—	13.50	14.00
BALLARPUR IND	2500	-	-	14.00
BAYER	5000	11.00	13.00	14.00
CAREW	1000	11.00	13.00	14.00
CHOLA MANDAL	3000	14.00	14.00	14.00
CROMPTON GREAVES	3000	11.00	12.50	14.00
DLF UNIVERSAL	1000	13.00	14.00	14.00
DUNLOP	3000	14.00	14.00	14.00
DCW LTD	3000	12.50	13.50	14.00
DUGAR INVEST	3000	13.50	14.00	14.00
DUNCANS AGRO	4000	—	13.00	14.00
EMPIRE FIN	1000	14.00	14.00	14.00
FOOD SPEC	5000	—	—	14.00
GHATAGE PATIL TRANS	1000	12.00	13.50	14.00
GENELAC	3000	13.50	14.00	14.00
GUJRAT AMBUJA	3000	—	13.50	14.00
GERMAN REME	5000	—	—	14.00
GSFC	3000	10.50	11.50	13.50
HIND B BOV	1000	—	—	14.00
HIND SUGAR	2000	—	13.00	14.00
HOTEL LEELA	2000	14.00	14.00	14.00
HIND COCOA	4000	—	—	14.00
INCAB INDUS	2000	13.00	13.50	14.00
INDIAN OIL	2000	10.50	11.50	13.00
J.K. INDUS	3000	—	13.50	14.00
KEC	2000	—	—	14.00
KREST DEVELOP	3000	13.00	13.50	14.00
L&T	3000	11.00	12.50	14.00
MADAN FINANCE	1000	14.00	14.00	14.00
MAH & MAH	2000	11.00	13.00	14.00
MODI ALKALI	2000	14.00	14.00	14.00
MODI RUBBER	2000	14.00	14.00	14.00
MRF LTD	1000	12.50	13.50	14.00
MAD CEMENT	1000	12.00	13.00	14.00
MCDOWELL	3000	12.00	13.50	14.00
NAGARJUNA FIN	1000	14.00	14.00	14.00
ORKAY	2000	13.50	14.00	14.00
OVERSEAS SAN	2000	14.00	14.00	14.00
PARVIDHGAAR LEASING	1000	14.00	14.00	14.00
POLYCHEM	2000	13.00	13.50	14.00
POLYOLEFINS	2000	12.50	13.50	14.00
PREMIER AUTO	3000	12.00	13.00	14.00
PHILIPS CARBON	1000	13.00	13.50	14.00
SANDOZ	5000	14.00	14.00	14.00
SIEMENS	5000	14.00	14.00	14.00
SPIC	3000	—	13.50	14.00
SAIL	2000	10.50	11.50	13.00
STONES AMALG	1000	12.50	13.50	14.00
SHRIRAM FIBRES	2000	—	13.50	14.00
SHRIRAM PISTON	5000	—	13.00	14.00
TATA CHEM	3000	14.00	14.00	14.00
TIDCO	2000	12.00	13.00	14.00
UNITED BREW	2000	—	13.50	14.00
USHA ALLOYS	3000	13.00	13.50	14.00
UPTRON	3000	—	13.50	14.00
VOLTAS LTD	1000	9.50	10.50	13.50
VIJAYA LEASING	1000	14.00	14.00	14.00
WESTERN INDIA	2000	14.00	14.00	14.00
WS INDUS	2000	13.50	14.00	14.00
ZENITH LTD	3000	—	13.50	14.00

Cumulative deposit schemes (current for December 1988)

Name of the Company	Minimum deposit	Maturity amount	Period (years)	Annual Compound rate of interest (%)
1	2	3	4	5
ACC	3000	4503	3	14.50
ASHOK LEYLAND	1000	4533	3	14.93
APOLLO TUBES	2000	3022	3	14.75
ADDISON	2000	3036	3	14.93
ANSAL HOUSING	2000	3036	3	14.93
ASEA	3000	4533	3	14.93
APOLLO TYRES	3000	4533	3	14.93
BATA	3000	4503	3	14.90
BAJAJ TEMPO	3000	4502	3	14.99
BAKELITE HYLAM	5000	7555	3	14.75
CHOLA MANDAL	1000	1518	3	14.93
CAREW	1000	1510	3	14.73
CROMPTON GREAVES	3000	4502	3	14.99
DUGAR INVEST	3000	4563	3	15.00
DCW LTD	3000	4533	3	14.93
DCL FIN	1000	1518	3	14.93
DUNCANS AGRO	4000	6044	3	14.74
DLF UNIVERSAL	1000	1518	3	14.93
EID PARRY	3000	4533	3	14.75
ENNORE FOND	2000	3025	3	14.79
GENELAC	3000	4554	3	14.93
GNFC	3000	4503	3	14.50
GUJ AMBUJA	3000	4555	3	14.80
HOTEL LEELA	2000	3035	3	14.89
INDIAL OIL	2000	2930	3	13.75
INCAB INDUS	2000	3022	3	14.90
J.K. INDUS	3000	4500	3	14.47
KEC	2000	3022	3	14.75
KREST DEVLP	1000	1518	3	14.93
MJ PHARMA	3000	4533	3	14.73
MADAN FIN	1000	1522	3	15.03
MODI ALKALI	2000	3037	3	14.94
MODI RUBBER	2000	3037	3	14.94
NAMDANG TEA	4000	6044	3	14.74
NELCO	2000	3022	3	14.76
ORKAY	2000	3037	3	14.94
PARVIDHGAAR LEAS	1000	1518	3	14.93
PEICO	3000	4502	3	14.49
PHILIPS CARBON	1000	1511	3	14.74
PREMIER AUTO	3000	4502	3	14.99
ROLATAINERS	2000	3001	3	14.48
SAIL	2000	2950	3	14.34
SAE INDIA	2000	3022	3	14.75
SAFE LTD	2000	3030	3	14.90
SHRIRAM FIBRES	2000	3022	3	14.75
SHRIRAM PISTONS	3000	4533	3	14.93
UNITED BREW	2000	3022	3	14.73
UPTRON	3000	4533	3	14.75
USHA ALLOYS	3000	4554	3	14.93
WESTERN INDIA	1000	1518	3	14.93
WS INDUS	2000	3022	3	14.75
ZUARI	2000	3023	3	14.76

Note: The list given above is a selection of many companies which accept deposits from their shareholders or from the public companies which offer somewhat lower rate compared to many quite sound private limited companies of partnerships. Readers are advised to take suitable professional advice.



Patson reaches 300 towns, 2,500 dealers and 2,000 outlets.

Successful products go to market with PATSON DISTRIBUTORS

Patel Roadways, one of India's leading road transport organisations, has diversified into Clearing & Forwarding through its associate company Patson Distributors which was established in 1986.

Clients Include:
Wander Ltd., Khaitan India Ltd., Kissan Products, Optonica TV, Pyramid TV.

Facilities Offered:
* *Transportation — quick, reliable delivery*
* *Warehousing — a total of 30,000 sq. ft. godown space located within and outside octroi limits.*
* *Re-packing*
* *Invoicing*
* *Stock control*
* *Tax matters and banking*
* *Extensive communication network.*

Benefits with Patson:
* *Better market penetration*
* *Savings in distribution and staff costs*
* *Single-point control for Western India.*

Get your products moving towards success in Western India! Team up with Patson.

Contact: ***Mr. K. Verghese***
Patson Distributors
(A Patel Group Company)
Patel House, 100 Sheriff Deoji Street, Bombay 400 003. Phone: 320451-54, 323332. Telex: 011-73212.
Or contact the nearest branch of Patel Roadways

PATSON DISTRIBUTORS

LINTAS PR 8 246

No one made it

Although the stockmarket has recently been buoyant, we have many contestants unable to breast the tape in Investor Contest 278. The prices of five out of six scrips fell. On Friday, 25, November, Bajaj Auto closed at Rs.397.50 from Rs.400 (21 October). The variation permitted was Rs.2, yet many contestants felt that the price should have crossed the Rs.400 mark. The Hindustan Lever share price has come up to the contestants' expectations.

All said and done we continue to have no winners.

How to enter
On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these shares as on 6 January 1989, and send in your entry by 27 December 1988. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 6 January 1989, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 6 January 1989, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 27 December 1988.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of **the Business India group of publications** is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 2 December 1988 (Rs)	Variations permitted from correct prices up to (Rs)	Prices as on Friday, 6 January 1989 (Please fill) (Rs)
Dunlop	Calcutta	102.50	2.00	
Garden Silk	Bombay	60.00	3.00	
Oswal Agro	Delhi	126.00	1.50	
S.I. Viscose	Madras	740.00	8.00	
Telco	Bombay	132.50	2.00	
Vindhya Telelink	Bombay	765.00	4.00	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC28

MICO. The spark that moves millions.

Millions of vehicle owners all over the country get off to a flying start. Everyday. With MICO.

MICO spark plugs incorporate the late: international technology from Bosch, West Germany – pioneers and leaders in spark plug technology.

An excellent example of this is the MIC Super – India's first bi-metal electrode spar plug.

MICO spark plugs are available in eve part of the country.

So when you fit a spark plug, stick to proven quality. Buy MICO. And ride on confidently!

MICO

LICENCE BOSCH

MICO makes a matching spark plug for *every* Indian vehicl

There's no power on this globe that can make losers survivors, and survivors winners.....

but the underworld has always disagreed

A disagreement that stems from the hidden depths of the Orient. From the fertile soils of Korea. From an enigmatic man-shaped miracle root. From a legend that modern day scientists have already put to the test, proved and accepted with awe. A legend called... GINSENG.

Ginseng. Over the years it's come to mean vigour, vibrance, vitality, plain good health or even energy plus. International pop legends have sung its praise. Celluloid giants have become fans. Celebrity authors write about it. Oriental athletes improve their track records with it. And Russian Cosmonauts use it in space to combat fatigue.

Ginseng. Across the counter, in Russia, China, Japan, Korea, West Germany, UK and USA, it's gained total consumer acceptance. And in every form, inspired hard-core medical confidence too.

Ginseng. To many it's the elixir of life. To others it's the key to sexual virility. While the Orientals have believed in it for years, the rest of the world is still waking up to its prowess. And discovering that Ginseng is much more than the aphrodisiac it's reputed to be. ★ It's good for body tone. ★ Protects the liver ★ Great for the heart. ★ Helps normalise blood pressure. ★ Reduces stress ★ Stimulates the nerves. ★ It has known anti-diabetic properties. In short, it's an ideal weapon to fight the rigours of today's demanding lifestyles.

Now, the original, most potent Korean Red Ginseng. In capsule form. Under the brand name JENSHENG, comes to you from Biological E Limited.

JENSHENG. Use it to make flights of imagination, exciting journeys of reality. Use it to open up the frontiers of your mind. Use it too, to surpass your own concept of the ultimate. But use it. Most of all, for your better health.

If you want to know more about JENSHENG do write to us for a complete illustrated booklet.

BE

Biological E Limited

18/1 & 3, Azamabad,
Hyderabad-500 020.

ORIGINAL RED GINSENG

JENSHENG

Your root to better health

Available with all leading Retail Chemists

A five-star performance

Vinita Bali *(32) heads the marketing department of Hindustan Cocoa Products Ltd (better known as Cadbury's) as general manager (marketing)*

When Vinita Bali, an honours graduate in economics, decided to plunge into the corporate world armed with an MMS degree, the loser was the civil services. She recalls, "I did attend the Delhi School of Economics for about a week to do an MA in economics. Then I'd most probably have applied for the IAS." But fate willed otherwise, and in 1975 she came to Bombay to do a two-year course at the Jamnalal Bajaj Institute of Management Studies.

At the end of the course, Bali was recruited by Voltas Ltd as a management trainee. Her first assignment was the groundwork for the launch of Rasna, then a new and innovative product. Recalls Bali, "The concept of a soft drink concentrate in the form of a powder and liquid package was then totally new. Hence, it required a more innovative marketing strategy."

The launch of Rasna is now marketing history. And for Bali, being involved was a very satisfying start to a marketing career; it exposed her "to everything that goes into the launch of a product, from the market point of view".

In March 1980, Bali quit Voltas to join Cadbury's as product manager in their confectionary department. "I was not really on the look out for a change," she says. "I answered an appointment ad just for the heck of it. It came through and seemed like a good opportunity to work with a multinational organisation that had both a manufacturing and marketing base."

Marketing chocolates was a novel experience for Bali. She worked closely with OBM, the advertising agency, and made significant changes in the promotion and advertising of chocolates. Recognition came in the form of the Ad Club Campaign of the year award in 1982 for the umbrella campaign, "Sometimes Cadbury can say it better than words".

In August 1983, she took time off from Cadbury's to do a one-year course on international business and economics at the Michigan State University in the US. This was followed by a graduate internship programme at the UN headquarters in New York. Subsequently she obtained a secondment to Cadbury Schweppes, UK, Hindustan Cocoa's parent company, for a year. During that time, Bali handled the marketing of Wisper, a relatively new brand of chocolate.

November 1985 saw Bali back in India with Cadbury's as marketing manager. She has been with them ever since and has gained much respect in the marketing field. She travels extensively and has her hands full with planning the marketing activity for the company. She is also closely involved in various training and development programmes run by the company from time to time.

Every Saturday she conducts marketing lectures for the MMS students at the Bajaj Institute and the Sydenham Institute of management "to keep in touch with academics". Her other passion is writing on marketing; her interviews with marketing heroes like David Ogilvy, Theodore Leritt, Al Ries and Keith Reiuhand have appeared in publications like the *Economic Times*. "I'd like to do a little more writing," she says, "otherwise, I'm quite happy with the way things are."

RAMA BISHNOI

FRONTRUNNERS

"I worked hard to get where I am," says **Manav Bose** who, at age 39, is the personnel director of Colgate Palmolive (CP) Ltd. Fascinated by the behaviour of the characters he was reading about while doing his MA in literature at Jadavpur University, Bose got trained in personnel management and behavioral science and joined Rohtas Industries in Bihar in 1981 as personnel manager. Here he was involved in a programme for boosting employee morale. In 1983, he moved to Bombay to work in Bharat Petroleum's HRD department. He joined CP as personnel director in May this year and is working on training programmes for sales and management personnel. Bose also teaches personnel management at the Xaviers Institute of Communications, Bombay.

To be on the top of things has been **Mario Lobo's,** 34 obsession. It has been a long way from hawking stationery and setting up a poultry farm on the terrace of his parents' home in Agra as a teenager, but today as managing director of Personnel Search Services (PSS), the largest head-hunting organisation in Bombay, and probably in the country, he is pretty much there. A graduate of XLRI, Jamshedpur, Lobo is on a first name basis with many corporate heavyweights having recruited top notchers for many major foreign banks and large multinationals. In seven years since he founded it, PSS has grown from a seven man team to a 45-strong organisation with the largest available manpower database. But Lobo is not resting on his laurels yet — the agency has diversified into recruitment advertising and on the cards are branches in New Delhi and Bangalore.

STATUTORY WARNING: CIGARETTE SMOKING IS INJURIOUS TO HEALTH

Tiles with a splash of romance

SPARTEK SENSATIONS

Attractive new siz
305 mm. × 152.5 n

INTRODUCING

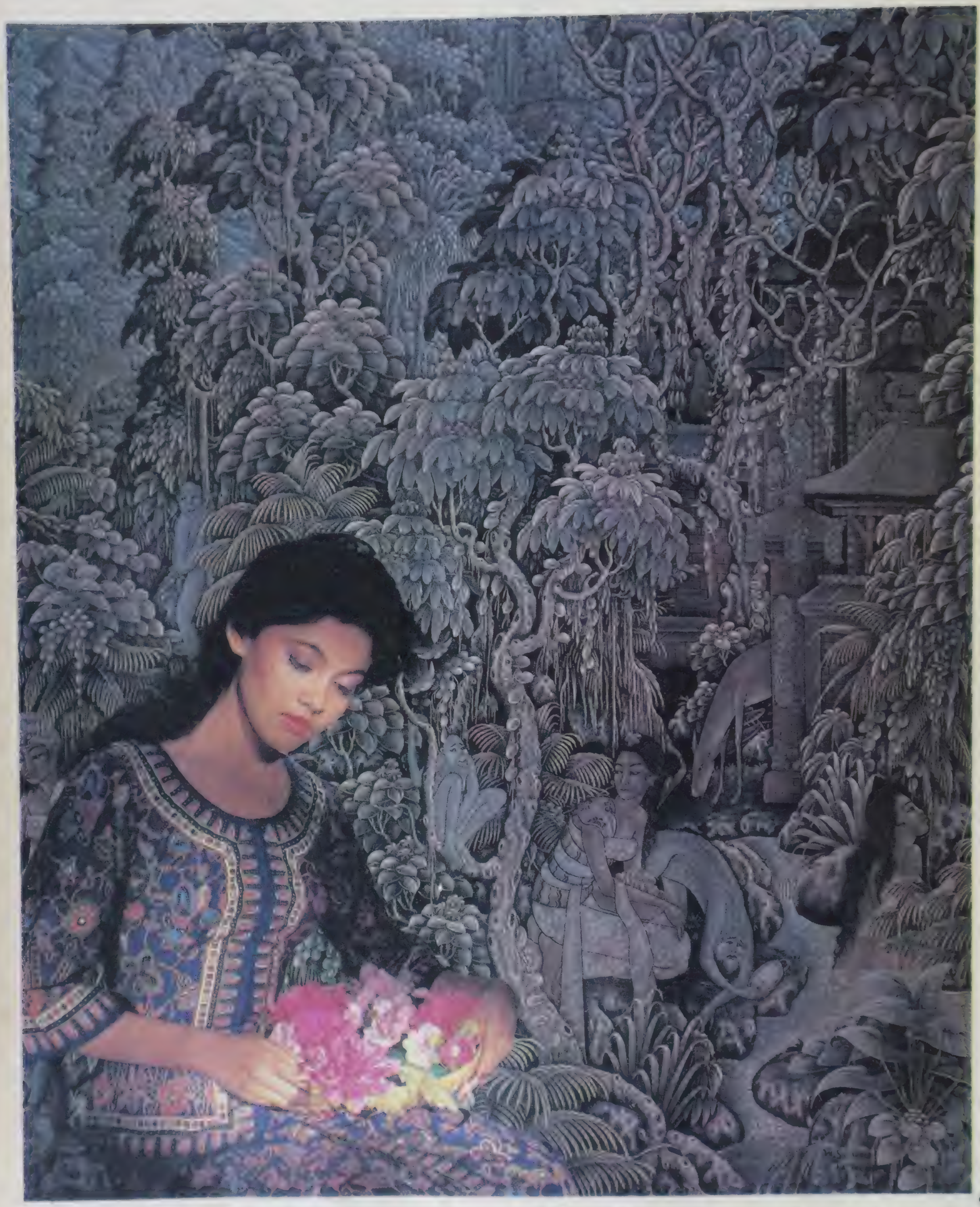
THE Rain Song SERIES

Soft, gentle rain. Sensuous. Evocative.
The romance of rain captured on a tile.
The Spartek Rain Song Series. In three
subtle shades to add magic to the mood.

SPARTEK

52, Chamiers Road. Madras 600 028

India's largest selling ceramic floor tiles



So what if worldwide the ans of Europe, the Swedish ard rock band, are predomiantly teenagers. At their nuch ballyhooed show in Bombay last fortnight fans of ll stripes turned up. Those vho rocked the night included (on their respective chairs) — from left: Neerja Shah, public relations manager of *The Times of India*, **Pritish Nandy,** publishing director of the Times of India group and editor of *The Illustrated Weekly*, Pradeep Guha, manager, response, of the group, Samir Jain executive director of the group and an unidentified guest.

It was hard work all the way for Bombay socialites last fortnight. Attendance was mandatory at the two-day jewellery show at the Taj Mahal Hotel organised by Asia's

Padmanabh Mafatlal

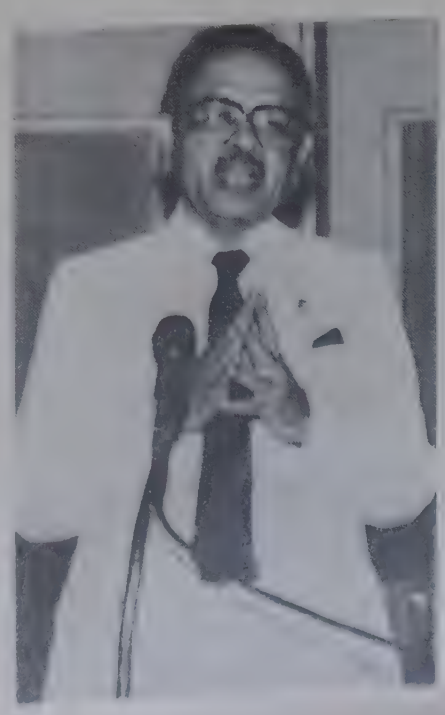
largest jewellers, Tribhovandas Bhimji Zaveri. But before that there was the not-to-be-missed Mafatlal wedding. **Atuliya Mafatlal,** the 23-year-old vice-chairman of the Sunrace group of companies and son of Yogindra Mafatlal, married **Payal,** daughter of a prominent city jeweller, Girdharlal Chaganlal. The guests, depending on the degree of closeness to the family, were invited to ten different celebrations which ranged from a garba dance at the Mafatlal family residence to a disco dance party at Oberoi Hotel's Supper Club. The last was organised by Atuliya's four sisters who called themselves "The Big Sis Quartet". Conspicuous by their absence at the festivities were Yogindra's feuding brother, Arvind Mafatlal, chairman of NOCIL, and his sons, Hrishikesh and Padmanabh.

Arvind Mafatlal

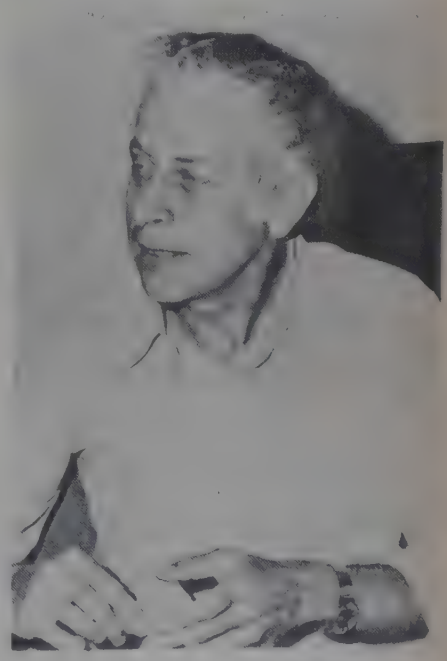
Quipped Atuliya, who is also referred to as Ayatollah by his friends, when asked where his uncle and cousins were, "Don't remind me of them on this day."

Talking of conspicuous absentees, the **Ambanis** were not to be seen at Larsen & Toubro's 50th anniversary bashes. And that, considering their recent purchase of controlling blocks of the engineering giant's shares, is surprising. Present however, at the do in the Presidential Room at Hotel President on 5 December, were **Holck Larsen,** N.M. Desai, Grete, wife of the late Soren Toubro, senior employees and, reportedly, over 30 foreigners, collaborators all. Larsen, in an obvious reference to the Ambani purchases, said in his speech that "the emergence of dominant shareholders is fine, so long as the power and influence they will wield is used for the benefit of the company". Though Larsen cannot be too happy about the developments in his Indian brainchild, his utterances do seem to signify a certain resigned acceptance.

Bombayites know **Nana Chudasama** by his prominent cloth banner on the city's Marine Drive; for the last 15 years the banner has carried many witty and some not-so-witty comments on the country's political scene. Founder of Giants International, Chudasama is also the owner of the popular Thackers Book Shop and sits on the board of various companies, including Raymonds and Empire Industries. Now, with his coming appointment as Sheriff of Bombay, its citizens will hear more of him. The fact that it is going to be a largely ceremonial post does not bother Chudasama. "I love this city," he says, "and I am determined to leave my mark on it."



Will private sector managers ever get the recognition they deserve? Usually, they don't seem to be the consensus in most quarters. But **Ram Laxman,** who took over the top job at ITDC a few weeks ago, has reason to think otherwise. Laxman who had a long stint at the competitor hotel chain of ITC, will now have the unenviable task of leading the public sector tourism corporation. Says Laxman, who is beaming confidence at the moment, "Hotels are and will continue to be ITDC's basic business." And, given Laxman's enthusiasm, the promise of support all around, and most important, the inherent advantages the chain has, this may well be the public sector corporation to watch in the near future.

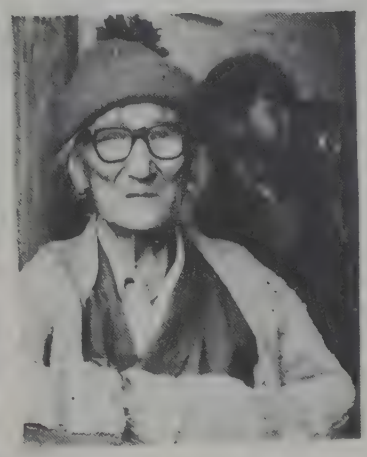


Jet age reaches dragon land

On November 21 Bhutan entered the jet age. On touch down the BAe-146 series 100 aircraft was given a traditional blessing and consecration by monks at Paro Airport. The age-old Caravan Road had given way to the jet age: a new route had been opened to the land of the peaceful dragon.

Nestled in the heart of the Eastern Himalayas, Bhutan is surrounded by high mountain ranges and richly endowed with great natural beauty. With about 70 per cent of the country under forest cover, it is one of the few places where man still lives in harmony with nature. Its predominantly Buddhist population of about 1.3 million is scattered in small settlements. It is an agrarian economy with paddy, maize and wheat as the main crops. Oranges and apples along with cardamom and asparagus, bring in foreign exchange earnings. But the forests constitute Bhutan's main wealt

Contact with t outside world has be slow and cautiou Bhutan is a member the United Nations, h missions in son neighbouring countri and diplomatic rel tions with Japan in t east and some Eur pean countries. Ho ever, it is with Ind that Bhutan has t closest ties. The rece commissioning of t Chukha hydel proje (Rs.244 crores) was landmark in Indi Bhutan relations. U



like some other countries, Bhutan has resisted the temptation of an economy based on tourism. Few tourists are allowed and the stay is expensive.

The purchase of the BAe-146 jet, however, may change all that. An investment of about US $ 30 million, by Druk-Air the national airline, will have to be recouped. The 80-seater jet will operate twice a week between Delhi and Paro. Druk-Air's Dornier aircraft bought in 1983 already operate flights to Calcutta. UN personnel, consultants and officials will fill part of this capacity.

But the choice of aircraft, the dedication, purposefulness and enthusiasm of the airline management and staff may make this a happy experience.

J. K. Industries Ltd.

SHRI HARI SHANKAR SINGHANIA

It gives me great pleasure to welcome you to the Annual General Meeting of the Company.

PERFORMANCE HIGHLIGHTS

I am extremely happy that the Company's performance during the year ended 30th June 1988 has been quite good. Sales and other income were higher at Rs. 227 crores. Gross Profit before depreciation was Rs. 31.6 crores as against Rs. 24.7 crores last year. Profit before taxes at Rs. 18.58 crores was substantially higher than the last year's figure of Rs. 3.07 crores.

Your Directors are pleased to recommend a higher equity dividend of 20% as against 15% last year. This is in addition to the dividend on Preference Shares. During the year, your Company has contributed Rs. 101.34 crores by way of duties and taxes to the national exchequer.

The working of the Company during the current year so far has been quite satisfactory. I am confident that your Company will be able to achieve better results in the current year.

SETTING THE TRACKS OF THE FUTURE

Every Company, particularly one engaged in a capital intensive industry like Tyres, has had to pass through a period of struggle in the early stages. Your Company has not only successfully overcome that early stage but has consolidated its position in the Industry. The Company's installed capacity has gone up from the initial 4 lakh tyres per annum to 12.84 lakh tyres per annum thereby attaining an economic size and competitive strength. Today it is in a position to enter the next stage of further growth and diversification. A scheme of modernisation and marginal expansion is under active implementation at the existing Tyre Plant in Rajasthan. Apart from this, the Company is planning to set up a new Tyre Plant for further augmenting its capacity. This would enable the Company to maintain a position of leadership in the Tyre Industry.

The Company also proposes to diversify into other areas. A project for manufacturing Penicillin G., an essential basic drug for a number of formulations in the pharmaceutical industry, is being actively pursued to be located in Tamil Nadu. Further, the Company is planning to take up high-growth oriented petrochemical and other projects. For this purpose, the Company has proposed widening the scope of its 'Objects'.

BRIGHT ECONOMIC OUTLOOK

Last year, the country passed through the worst drought in a hundred years. Coming as it did after four successive years of poor monsoons, it made things even more difficult. The Government of India deserves praise for tackling this natural calamity effectively. Despite this setback in the agricultural sector, it is heartening that tractor production and sales went up significantly in 1987 and 1988. The industrial production went up by 10.2% in the year 1987-88. This is significant and speaks of the strength of the Indian economy.

Now that the country has been blessed with good monsoons, we can look forward to a year of all-round prosperity and growth both in the agricultural and industrial sectors of the economy. With increased activity in these two sectors, the road transport sector will benefit.

In the recent years, the Government of India has initiated various policy measures to liberalise the economy. It is hoped that the Government will take follow-up action and take further administrative measures to see that unnecessary restrictions and controls which impede economic growth are completely abolished.

It is heartening to note that the Planning Commission has projected a growth rate of 6% in the 8th Five Year Plan as compared to 5% during the 7th Plan. This would require an outlay of Rs. 650,000 crores compared to Rs. 348,148 crores during the 7th Plan. Over fifty per cent of this investment will have to come from the private sector.

TYRE INDUSTRY PROSPECTS

Tyre is a growth industry. The demand for tyres is directly related to vehicle production and growth in road transportation. With the advent of the automobile revolution in India, the prospects of the Tyre Industry have improved. The new generation of cars, light commercial vehicles, trucks, tractors and two wheelers require a large number and types and sizes of tyres. It is a matter satisfaction that the first item that could mediately indigenised by the new ger automobiles was Tyre, which eloquently about the quality of Indian T

Tyre Industry is fully geared to m expected growth in demand for tyres modernisation and expansion. Howe my view, the industry scenario would one of competitiveness which may intensify further. Your Company has overcoming severe competition and tablished a name for itself in the mark not only wish to keep our present share but improve upon it and mai position of leadership in this industry. intend to do by modernisation and exp as mentioned earlier. I can assu shareholders that we will make it happe

OUR STRENGTHS

Commitment to Excellence in product and ensuring customer satisfaction is heart of JK's corporate philosophy philosophy is reflected in the Company mitment to continuous upgradation of quality. Quality is an attitude of min more than doing things right. It mean things right at the right time – all the tim is the attitude that must prevail in the en ganisation – every worker, employe manager. To succeed in a competitiv ronment demands more creativity and i tion in developing new products, processes and systems to serv customers better.

Your Company has been practisi philosophy. This is evident from the fac brought in the latest tyre technology in and launched the Radial revolution eleven years ago. A lot of investm research and development has been n perfect Radial Tyres suitable for India. the Company enjoys a unique posi leadership in Radial Tyres. We ma largest range of Radial Tyres, both Belted and Fibreglass belted, for a va imported and Indian cars and light comm vehicles.

The growing popularity and strong ence among consumers for JK Tyres i of the Company's commitment to g customers the best value for mone Company has spared no effort or cos tablishing the most modern Tyre Plan country equipped with the latest an sophisticated machinery and equipmen

The Company will be shortly launch new 'STAR TRAK' Steel Belted Radi after extensive testing on the most r roads in India. The GALAXY series of

CHAIRMAN'S STATEMENT

At the Annual General Meeting held on 12th November, 1988 at Calcutta.

glass Belted Radials launched a couple of years ago are performing exceedingly well. Eighty per cent of the luxury model Contessa Classic cars are fitted with JK Galaxy Radials. JK Steel Belted Radials have performed well on Maruti Gypsy and on LCV's manufactured by Mahindra & Mahindra, Bajaj and Standard Motors.

HUMAN RESOURCES DEVELOPMENT

We believe our people are our greatest assets. The Company is committed to the development of our human resources at all levels through a well thought out and executed plan of appraisal, training and development. We endeavour to provide our employees an environment conducive to encourage creativity, innovation and greater productivity. An appropriate system of rewarding and motivating people is being followed in the Company. A lot of investment has been made to provide housing, schooling, medical and recreation facilities at our Works at Jaykaygram.

EXPORT STRATEGY

In our strategy and plan for growth, export has a great role. Over the last few years, we have been able to establish a firm foot-hold in the international markets. The Company's exports rose sharply from Rs. 4.12 crores in 1985-86 to over Rs. 7 crores last year. Our tyres have earned a good name and are in demand in countries like USA, USSR, Canada, UK, Afghanistan, Egypt, Bangladesh, Mauritius, etc. We have developed new sizes and patterns of tyres specially suited for the export market. In order to substantially increase our sales in the overseas markets, we are creating additional capacity exclusively for exports. We intend to make a name in the export market as we have done in the domestic market.

IMPORT OF TYRES

In this context, I must make a reference to the Government's recently announced policy of allowing import of tyres and lowering of import duty on tyres from 145% to 105%. The logic of it is difficult to comprehend. After some of the tyre units which had been closed due to labour problems were re-opened, availability of the tyres in the domestic market has improved. There is absolutely no shortage of tyres of any kind in the country. On one hand, the Government wants exports to go up to reduce the trade deficit and earn foreign exchange. On the other hand, precious foreign exchange will be wasted by unnecessarily importing tyres when there is no need for the same.

If the Government's intention is to make tyres cheaper to the consumer, the better way would be to reduce import duties on raw materials so that the resultant reduction in cost can benefit the Indian consumer. The very high element of taxes and duties that add up to 81% of the tax excluded price in the case of a truck tyre needs to be reduced substantially. While there is shortage of critical raw materials required by the tyre industry, there is no shortage of tyres. Indian made tyres are preferred by our truck operators as they are stronger and carry more loads and run even on bad roads. In any case, there is no justification whatsoever for keeping import duties on raw materials higher than on the finished tyre. For example, why should the duty on imported nylon tyre cord be at 179% while it is 105% on tyres. In fact, the right thing to do would be for the Government to reduce duty on raw materials to 65% and place their imports under OGL.

RAW MATERIALS SHORTAGE

The Tyre Industry has faced the problem of chronic shortage of critical raw materials like rubber, chemicals, carbon black and nylon tyre cord required for tyre manufacture. Urgent steps must be taken to see that these shortages are totally eliminated by adequate capacity being created in the country. This is absolutely necessary from the point of tyre production for both the domestic and the overseas markets. If shortages of raw materials are removed, it will have a healthy effect on the price of raw materials and the rising escalation in cost of inputs can be reduced. The price of natural rubber has shot up in the domestic as well as the international market.

It is very necessary that the Government should take urgent steps to ensure availability of natural rubber at a reasonable price level. For this, it would be necessary to review and reduce the import duty on natural rubber immediately. The import duty on Nylon Tyre Cord should also be reduced substantially to make the imported nylon tyre cord available at an acceptable price in view of domestic shortage of nylon tyre cord. This is the only way further rise in prices of tyres can be somewhat contained.

INVESTMENT ON ROADS AND ROAD TRANSPORT

Road transportation is so vital to the nation's economy and yet it has been allowed to suffer from neglect. I would plead for the removal of all obstacles like octroi, so that movement of vehicles is not restricted from one State to another. Massive investment in Building new roads and modernising and improving roads is necessary.

CORPORATE RESPONSIBILITIES

Your Company has been discharging well the corporate responsibilities expected of it. It provides quality goods to the consumers, fully meets its obligations towards its employees, shareholders and the public. It is of immense satisfaction that your Company's contribution to the national exchequer by way of excise duties, customs duties and other taxes during the period 1977 to 1988 is of the order of Rs. 644 crores.

The Company has also been doing its mite in the matter of social obligations. You are aware, Rajasthan where your factory is situated, was worst hit by severe droughts during the past four years when your Company took several measures for providing drinking water to the drought affected people by deepening wells, installation of hand pumps and spraying of chemicals on Raj Samand Lake for minimising evaporation losses. Besides, the Company has also been providing essential requirements to the people around your factory through mobile fair price shops.

ACKNOWLEDGEMENTS

I would like to convey my sincere thanks to the all-India Financial Institutions, Banks, the Government of Rajasthan and M/s. General Tire International Co., USA for their continued co-operation and assistance to the Company.

I would also like to acknowledge the hard work put in by the employees at all levels and thank them for it. I am confident that they would continue to strive to reach higher levels of performance.

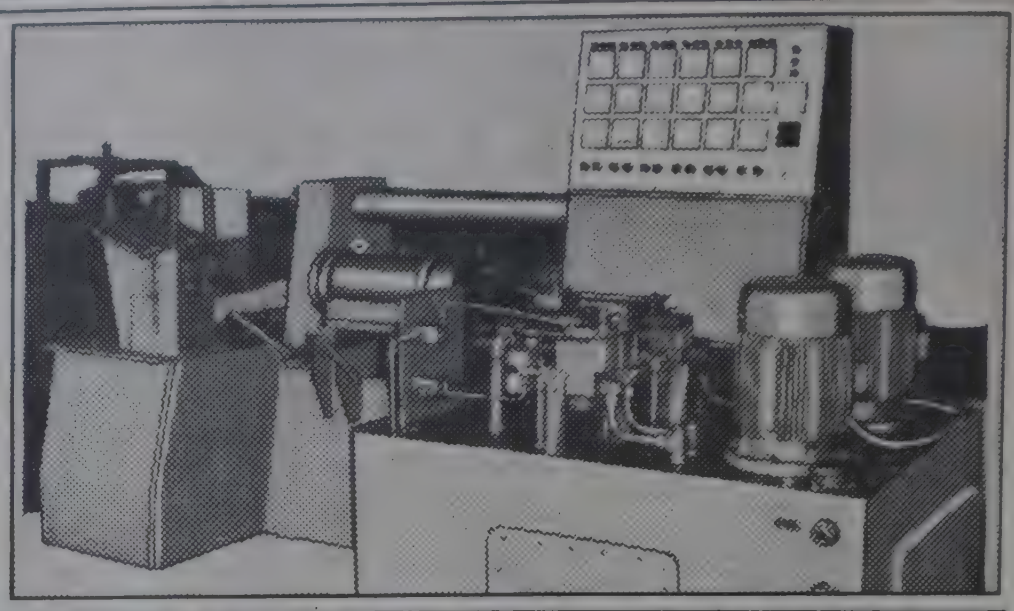
I would also like to offer my grateful thanks to the shareholders and to our customers and dealers all over the country for their continued support and co-operation.

NOTE: This does not purport to be a record of the proceedings of the Annual General Meeting.

We believe in Constant RESEARCH & DEVELOPMENT

FIRST IN INDIA

TO OFFER
WELDING ELECTRODES
MANUFACTURING PLANTS
WITH TECHNOLOGY.
ALSO OFFERS



PERFECT ALTERNATIVE TO FOREIGN BRANDS

MULTIROD 6013

mild steel welding electrodes

APPROVED BY :

IS : 814 · AMN A.S.R.T.U. · NTPC · UPRVUN

R.D. & S.O. ROPAR THERMAL PROJECT
RANJIT SAGAR DAM (THIEN DAM) PROJECT ETC.

Airgas International, Inc.

2970 Cottage Hill Road Suite 277
Mobile, AL36606 U.S.A.
Telex : 6974116
Telephone : 205/478-4556
FAX : 205/478-4831

July 30, 1987

AIR MAIL
Special Machines Bye-Pass, Kunjpura Crossing Karnal-132001, India.

ATTENTION : Mr. R.M. Jain
Dear Mr. Jain,
I have had the pleasure of seeing your manufacturing facilities located in Karnal, India, for the manufacture of welding electrodes and have been very impressed. I find that the quality of your welding electrode plants to be equal to those I have seen in other parts of the world.

Yours very truly,

Ray A. Harder
President

NTPC *National Thermal Power Corporation Ltd.*

(A Government of India Enterprise)
केंद्रीय कार्यालय /CORPORATE CENTRE
नई दिल्ली /NEW DELHI

संदर्भ संख्या
Ref. No. 01/CC/PS-925/1442 *Date: 24.4.86*

M/S Special Machines,
Buy-Pass, Kunjpura Crossing,
KARNAL-132001 (INDIA)

Sub : Use of Metal Arc Welding Electrodes in NTPC Projects

Dear Sir,

This has reference to your previous correspondence on the subject including your letter dated 17-2-86.

The issue has been examined in totality. The shielded metal arc welding electrode 'Multi-rod 6013' of your company was approved and was included in the 'rationalised list of welding consumables' circulated to our project sites by our Q.A. department on 10.8.84.

Thanking you
Yours faithfully

(K.M. GUPTA)
Manager (Core-Contracts)

Excerpts from the original

ANSALDO IMPIANTI Spa
Post Bag No. 3, Ramagundam-505 208
Grams: ANSALD, Telephone : Jyothinagar 34, 71 & 72

December 23, 1982

RL-5194/P-1033/82

"Approval of "Multirod Brand Electrodes" for welding of Structural steels.

Approval is hereby accorded for the use of Multirod 6013 electrodes, (manufactured by M/S Special Machines)

This is in line with our earlier letter RL/M7/1033/82 dated 2.1.1982 wherein we have approved the following electrodes for similar welding "Overcord" by Advani Oerlikon, Norma of D&H, Philips 45 X by Philips and Ferrospeed super by IOL, which are conforming to AWS classification E.6013 "

Yours faithfully
for ANSALDO IMPIANTI Spa

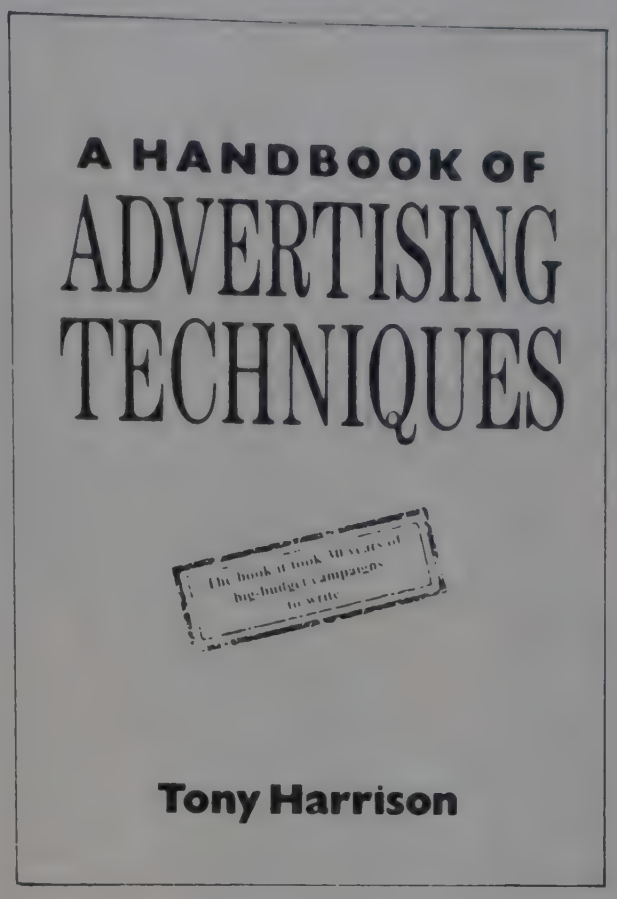
A. Chadha
Quality Control Engineer

PRODUCTS OF:
SPECIAL MACHINES BYE-PASS, KUNJPURA CROSSING, KARNAL-132001 (INDIA)
Phones : 3880, 4125 Gram : SPEMACHINE (KARNAL is situated 125 Kms. from Delhi on Delhi-Chandigarh Rd.)

PEHACHAN

nsider's view of an adman

handbook of advertising techniques
y Tony Harrison,
ogan Page, UK, hardback, pp 239 £ 17.95
Rs.436)



Vith the proliferation of magazines and ailies and the quantum leap in TV adver-ising, a lay person in India is constantly ubjected to ad blitzes. This book pro-ides such a reader a fascinating insider's iew of the advertising world. Produced in he manner of a handbook, it provides a iew of what goes on behind doors in ad offices.

Tony Harrison, an adman for 30 years, as "produced advertising worth more han 100 million in a career with some of he world's largest agencies". The author says: "We cannot start by saying 'let us hink of an ad'. First you must under-stand the environment in which your product or service exists, an environment made up of your product, the other prod-cts that comprise the market and those customers that you and your competitors are trying to impress...After all, in most markets today, customers have a great choice as to what they buy, so why should they buy yours." Advertisers try to find a uniqueness in a product or a service and then find a way of communicating it to predestined customers.

In this book, even though we may be unfamiliar with the British ads discussed, we do not feel 'left out' as these ads are reproduced. The adman needs to under-stand how the consumer sees a product and why it gets selected. Products and services are classified according to the modes of consumers' selection. Func-tional products, 'impulse' items (ie those placed near the cashier, eg small packets of sweets), high ticket items, conspicuous consumption items and services are cate-gorized each according to its own rules as described by the author.

On fact finding, Harrison emphasises that it is an ongoing process in market-ing, and after positioning, the evaluation and the use of the gathered information is most effective. Interestingly, one exam-ple used is that of Sharwoods Indian Products, whose condiments and curry powder ads are reproduced and analysed.

The voice of experience comes through when he comes to introducing the selling idea. To clever slogans, attractive pic-tures, intriguing headlines and all the highly creative things, the author says "no" because his experience shows that

> "As a consumer, do you choose a product that suits you best or buy something that seems less appropriate simply because you want to pay tribute to the cleverness of the advertising?"

content is more important than style. He asks: "As a consumer, do you choose a product that suits you best or buy some-thing that seems less appropriate simply because you want to pay tribute to the cleverness of the advertising?" To con-sider how a selling idea is built, an exam-ple used is Richardson Vicks' night time cold remedy marketed with the name Ny-quil, launched in Europe as Medinite. Beechams, with their competing product, Night Nurse won because their name con-veyed the product idea significantly better.

On communication, he poses a riddle. Communication takes place in the ear of the listener, not in the mouth of the speaker. Copywriters have a fatal fascina tion for things that are subtle and indi-rect but the cunning implication often remains a total mystery to the average reader or viewer.

Only after considering all these topics does Harrison come to the point at which an advertising campaign can be started. He mentions a well-worn acronym AIDA (Attention Interest Desire Action) and expresses that it is too simplistic to be the whole secret of advertising. He gives his own, far more detailed method, again with descriptions and illustrations of ac-tual ads and suggests ways to achieve convention. The individual advertisement is broken up into its component parts: effective headlines, claims, copy gambits, humour, etc, and he discusses techniques of the art director, techniques of TV, cin-ema, radio, posters, direct mail etc.

For executives and businessmen who are involved with advertising in some way, either for marketing or budgeting, this book provides better understanding of the mechanics. For admen, it is a pro's viewpoint of their world. Others, who have always been irritated by the on-slaught of ads on Doordarshan or the media, can get an idea of what is being attempted in each one, play critic and assess its effectiveness.

A guide to importers

BIG's Easy Reference Customs Tariffs 1988-89 (updated till July 1988);
BIG Database Publishing Pvt Ltd, New Delhi; pp: 803, Rs.160

The updated edition of the BIG's Easy Reference Customs Tariffs contains the new valuation rules applicable on all im-ported goods from 16 August 1988. The rules give effect to the GATT code on valuation to which India is a signatory. The previous rules, called Customs Valua-tion Rules, 1963, were replaced by Cus-toms Valuation (Determination of price of imported goods) Rules, 1988 on 16 July. The principles of the new methods of valuation are in agreement with the key elements in valuation laid out by the Customs Act, 1962.

The new rules differ from the super-seded rules since export prices to coun-tries other than India can no longer be used in value assessment. Domestic prices in the exporting country cannot also be taken as the basis. In fact, the rules require that only data available in India be used in the various valuation methods.

Apart from the valuation rules, the book gives the three duties (basic, auxil-iary and additional) and the total duty on each product which can be of help to an importer in calculating import duties.

YOUR CORPORATE GIFTS COULD EARN A BAD NAME FOR YOUR ORGANIZATION!

The corporate gifts that you give to your clients and business associates are your gesture towards the relationship that you have with them.

A gesture, that you care. And think of them with fondness.

If, what you gift is substandard and does not perform, then think, what your clients and associates will feel?

More important — how would you feel?

To avoid embarrassment follow the tried and trusted idiom:

PREVENTION IS BETTER THAN CURE.

So, when you select a corporate gift based on digital watch modules, make sure it has a SCL digital watch module in it. And not a spurious smuggled one. Insist on the gift manufacturer showing the SCL digital watch module to you.

For, if you decide in haste you may repent at leisure.

Don't decide in haste. Don't repent at liesure.

Semiconductor Complex Ltd.

(A Government of India Enterprise)

Phase VIII, S.A.S. Nagar-160 059.
(Near Chandigarh) Punjab (India)
Phones: 87585, 87265, 87409, 87310
Telex: 0395-270 LSI IN

Gifts based on the SCL digital electronic watch modules are available with all the leading manufacturers:

• Gupta & Goel, 4 -Ready Money Terrace, 167 Dr. A.B. Road, Worli Naka, Bombay Ph: 4932775 • Words & Figures, Wadia Building 22-D, S.A. Brelvi Road, Fort, Bombay Ph: 233203, 2872169 • Karigar, Vijay Industrial Estate, Mahakali Caves Road, Bombay Ph: 6341696 • S.R. Motwani & Co., 304 Commercial House, Nagindas Master Road, Bombay • Hindustan Plastic Corpn., 923, Faiz Road, Karol Bagh, New Delhi Ph: 5724865 • Coiner Advertising & Marketing (P) Ltd., G-4, Ashok Bhawan, 93, Nehru Place, New Delhi Ph: 6410599 • R.K. Industries, 80, H.B. Samaja Road, Basavanagudi, Bangalore Ph: 608584 • Hindustan Electronics & Watch Industries, SCO 89, Sector 17-D, Chandigarh. Ph: 28518.

aying by erformance

reasing competition, squeeze on fits, inflation and a greater need for ults persuaded several managements contemplate compensation policies ked to performance. In the West these ve been commonplace, and schemes ch as annual bonuses or stock option nemes ensure that the employee has a sted interest in the company's results d at least a part of his payments are sed on tangible results. In India how-er, there has been some hesitation on ne part of both managers and top man-gement regarding such schemes and, of ourse, stock option schemes have yet to rmount several legal hassles.

It is interesting that whilst workers are outinely forced to accept productivity-nked incentives or give guarantees of erformance levels with each settlement, ost managements have shied away from imilar schemes for managers. Of course, ssessing managerial performance is ometimes difficult because of several en-ironmental factors, governmental ac-ions, etc, that may adversely affect the erformance of a company. But it is not mpossible.

The Diwali bonus

everal family managed companies have istorically followed the practice of giving Diwali bonus often linked to the perfor-nance of the company and the level of atisfaction of the owner with the work of he employee. But the employee invaria-ly does not know the targets that have een set for him or the criteria by which e is assessed. And these need not neces-arily be the visible financial or business argets. They therefore do not always erve the purpose of motivating em-loyees or ensuring goal-directed rformance.

The only concrete and well-imple-ented performance-linked schemes in India today are the sales incentive chemes; even most of the so called pro-uctivity-linked schemes signed with workers have been failures since the norms have been set at fairly low levels. Sales incentive schemes have in most cases been individual schemes and have even accounted for 50 per cent of the earnings of the individual. Of course, group incentive schemes have also been implemented but nearly always in combination with individual schemes. There is as yet considerable difficulty experienced in implementing purely group schemes on a scale that significantly affects earnings.

Several of the older companies that are in stagnant industries are toying with the idea of incentive schemes for their managers rather than the annual increment system. However, none of them have made much headway partly due to the rejection of such concepts or schemes by managers and partly because of the absence or poor system of performance evaluation.

Managers in most companies hesitate to accept such schemes since they have not fully grasped the concepts. Besides, most of them are not used to such a high degree of accountability and result-orientedness. There is also considerable apprehension about the manner of implementation, since appraisal systems in most companies are either virtually non-existent or not objective and also because the goals of the management and the owners may also be at cross purposes.

The success of any system of incentive payment lies in having fair and well understood parameters on which the incentive is to be based. The individual whose efficiency is being evaluated must also have the authority to be able to make decisions that will affect the performance parameters. Often top management are merely implementers of decisions made by the owners and hence conventional financial parameters may not be an indication of the individual's performance. The other important aspect is to ensure that such a system does not start a rat race within the organisation.

Several new companies, especially those in sunrise industries, are looking at profit sharing schemes. This is as much to ensure commitment to the organisation as to preclude the possibility of the individual being pinched by competitors. These schemes are as yet informal since even the current directors' salaries provide for only a limited amount of profit sharing (1 per cent of net profits within certain prescribed upper limits). The high tax burden for the employee results in such schemes being operated in a very hush-hush manner.

Stock option schemes have long been talked about though yet have not been implementable due to a host of legal issues such as the ban on companies buying their own shares, the restrictions on funding of purchase of shares, the taxability of such income, etc. Some companies have experimented with having their employees form associations which have invested in shares from the market. But these do not serve the objective of getting the commitment of senior management to the long term financial health of the company.

Managements have also considered issue of shares to employees as a tool to prevent hostile takeovers. However this could be a double-edged sword. But the legal issues have to be first sorted out to make stock option schemes feasible in the country.

In the meantime, companies have experimented with other means of rewarding employees. During the stockmarket boom of 1985 several companies gave their employees shares in newly-floated group companies. But this was not subject to the employee achieving a defined performance standard.

Attractive schemes

Financial services companies have been able to successfully put together attractive schemes of investing a portfolio of funds for a select group of employees. The annual sum put forward by the company depends on the individual's performance and the company routinely manages the individual's portfolio. These are however not investments in the company's own stock.

However the real issue before several managements is, surprisingly enough, what criteria of performance to use. Most companies being functionally organised, the bottom line responsibility is often that of the owner alone or of the chief executive. The traditional problems and issues of assessing line and staff jobs therefore surface even at the highest level.

Managements would therefore have to first establish the ground rules for evaluating the performance of their managers. This has to be linked to the financial health of the company rather than the personal goals of the entrepreneur especially in companies that have a public shareholding.

For finally the performance of top management has to be subject to the normal parameters of profitability, market shares and return on investment. And if the tone of management and leadership is set at the top, in due course it has to percolate down.

■ ANITA RAMACHANDRAN

NOTICE

It is hereby notified for the information of the public that SKOL BREWERIES LIMITED proposes to make an application to the Central Government in the Department of Company Affairs, New Delhi, under sub-section (2) of Section 22 of the Monopolies and Restrictive Trade Practices Act, 1969, for approval to the establishment of a new undertaking/unit/division. Brief particulars of the proposal are as under:

1.	Name and Address of the Applicant	**SKOL BREWERIES LIMITED** **Udyog Bhavan** **29, Walchand Hirachand Marg** **Ballard Estate, BOMBAY 400 038**
2.	Capital Structure of the Applicant Organisation.	**Authorised** **Preference : Rs. 30,00,000** **Ordinary : Rs. 1,70,00,000** **Subscribed** **Preference : Nil** **Ordinary : Rs. 1,26,00,000**
3.	Management Structure of the Applicant Organisation indicating the names of the Directors, including the Managing, Wholetime Directors and Manager, if any.	**Mr M R Chhabria, Chairman** **Mr K R Chhabria** **Mr P G Daftary** **Mr A S Malik** **Mr C M Maniar** **Mr A C Mukherjee** **Mr R K Poddar** **Mr V C Vaidya** **Mr T S Venkatesan**
4.	Indicate whether the proposal relates to the establishment of a new undertaking or a new unit division.	**Establishment of new undertaking**
5.	Location of the new undertaking/unit/division	**Dist. Pune, MAHARASHTRA**
6.	Capital structure of the proposed undertaking.	**Same as in item 2**
7.	Incase the proposal relates to the production, storage, supply, distribution, marketing or con of any goods/ articles, indicate: i) Names of goods/articles. ii) Proposed licensed capacity iii) Estimated Annual Turnover	 **Potable Alcohol** **90,00,000 Bulk Litres per annum** **Rs. 15,20,00,000**
8.	In case the proposal relates to the provision of any service, state the volume of activity in terms of usual measures such as value, income, turnover, etc.	**N.A.**
9.	Cost of the Project	**Rs. 7,20,00,000**
10.	Scheme of finance, indicating the amounts to be raised from each source.	**Will be raised from internal resources of the Company and from borrowings.**

Any person interested in the matter may make a representation in quadruplicate to the Secretary, Department of Company Affairs, Government of India, Shastri Bhavan, New Delhi, within 14 days from the date of publication of this Notice intimating his views on the proposal and indicating the nature of his interest therein.

Dated This 2nd November, 1988

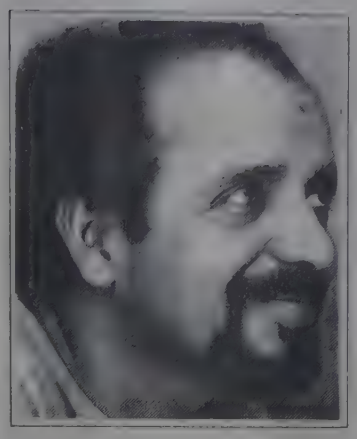
A.S. MALIK
DIRECTOR

Pressman

P.P. RATHOD has taken over as vice-chairman and managing director of Gujarat Industrial Development Corporation (GIDC).

GIRIJA P. PANDE has taken over as general manager, banking services, India for Grindlays Bank plc.

COLIN BAMFORD has taken over as chief executive of Hongkong Bank, India.



PRASANNA has taken over as chief executive of Independent Television (ITV) Delhi.

I. SADA SIVA GUPTA has assumed charge as chairman and chief executive officer of the Lakshmi Vilas Bank Ltd.

ANDREE BARBIER has been appointed as commercial manager, India and regional manager, North India, Nepal and Bangladesh of Air France.

RAGHU MODY has been appointed as a member of the Oil and Natural Gas Commission — Advisory Council.

LESLIE REBELLO has been appointed as general manager, personnel and administration at Bombay Oil Industries Ltd.

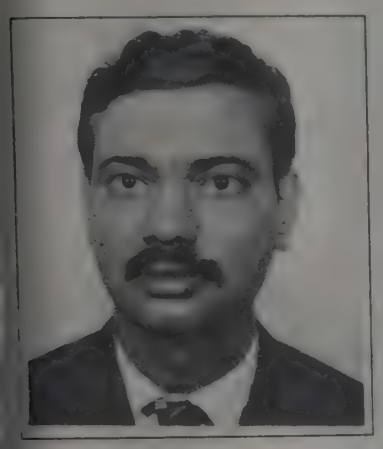
R.R. MALHOTRA has been appointed as general manager of Jalpac India Ltd.

R.C. MATHUR has assumed charge as general manager (planning), State Bank of India, Madras circle.

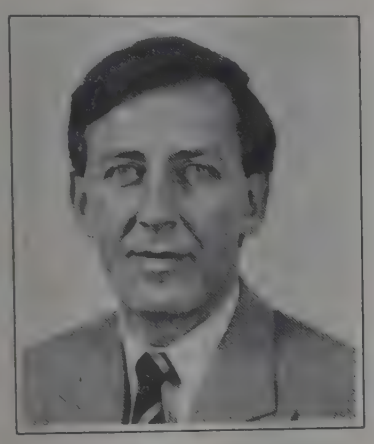
B.K. CHOWLA has been appointed as director — marketing responsible for polyester film division and video division at Garware Plastics & Polyesters Ltd.

R.C. KUMAR has been appointed general manager (finance and accounts) of A.P. State Housing Corporation Ltd.

HARDEEP SINGH has been appointed general manager, commercial, at Agro Chemicals, a subsidiary of Rallis India.

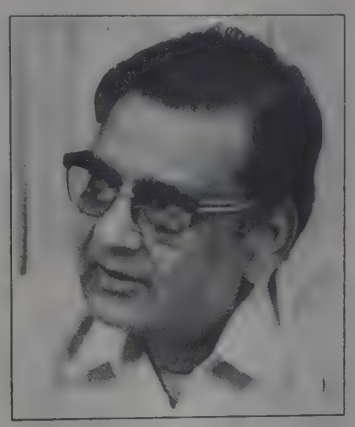


M.P. SHENOY has been promoted as director finance of Hindustan Ferodo Ltd.



ALAN BURNETT has taken over as manager, India, Nepal and Sri Lanka for British Airways.

UTTAM CHAND JAIN has joined Modi Cements Ltd as director (works).



R.P. AGARWAL has been elected managing director of Tribeni Tissues Ltd.

ASSOCIATIONS

C.R. SHAH has been elected as the president of the Gujarat Investors' & Shareholders' Association for the year 1988-89. G.P. THAKER and G.N. GUPTA have been elected vice-presidents of the association.

R.M. DUJODWALA was elected president of All India Manufacturers' Organisation (AIMO).

RAMAN SESHASAYEE has been elected president of the Association of Polyester Staple Fibre Manufacturers.

Y.P. TRIVEDI has been elected president of the Federation of Indian Automobile Associations. M.K. BELGAMVALA was elected vice-president.

S.N. SRIVASTAVA has been elected president of the Tea Packeters' Association of India for 1988-90.

NANA CHUDASAMA has been elected president of the Western India Automobile Association.

Senior executive positions

A compilation of executive positions advertised in **Business Inc** and other publications between 21 November and 4 November 19

NATIONAL

- GENERAL MANAGER (Finance) * *Sal* NS * *Age/Qlfn* NS * Charterted Accountant * *Reqd* 20 years' experience out of which 7 years' should be at a senior level * *Cont* The President, Samtel (India) Ltd, 50-51 Community Centre, New Friends Colony, New Delhi-110065 (BI-12.11)
- VICE-PRESIDENT (Manufacturing) * *Sal*NS * *Age/Qlfn* 45 years * Technical background an asset * *Reqd* Indepth experience in manufacturing, with 5 years at senior levels, good organisational ability * *Cont* Group Personnel Manager, Baho Industries Ltd, 392 Veer Savarkar Marg, Bombay-400025 (ToI-21.11)
- VICE-PRESIDENT (Finance) * *Sal* Very attractive terms * *Age/Qlfn* 38-42 years * Chartered Accountant * *Reqd* Exp in managerial position atleast 5 years. Ability to study and examine subjects in depth * *Cont* Box 3745, The Economic Times, New Delhi-110002 (ET-24.11)
- GENERAL MANAGER (Personnel) * *Sal* Decent + liberal perks * *Age/Qlfn* 40-45 years * Postgraduate in personnel management * *Reqd* Senior managerial experience in a professionally managed organisation, ability to handle manpower planning and rationalisation, IR negotiations, etc * *Cont* Ref GMP/CAL/2510, ABC Consultants Private Limited, 43/3, Hazra Road, Calcutta-700019 (S-27.11)

WEST

- GROUP CHIEF EXECUTIVE * Bombay * *Sal* NS * *Age/Qlfn* NS * NS * *Reqd* Strong engineering or financial background * *Cont* Cons India Private Ltd, Anand Ashram, 2rd Floor, 22 Pandita Ramabai Road, Gamdevi, Bombay 400007 (BI-11.12)
- GENERAL MANAGER (Finance) * Bombay * *Sal* Above Rs.100,000 pa * *Age/Qlfn* Around 40 years * Chartered Accountant * *Reqd* 15 years' experience in reputed organisation, out of which atleast 5 years should be in a senior position. CS qualification will be preferred * *Cont* N.A. Shah Associates, 4, Sailor Building, 373 D N Road, Bombay-400001 (BI-12.11)
- GENERAL MANAGER (Projects) * Bombay/Madras * *Sal* Rs.125,000 + housing + car + benefits * *Age/Qlfn* 35-40 years * Graduates, preferably in chemical or electrical engineering, postgraduate qualifications in business management an advantage * *Reqd* Successful techno-commercial experience including implementation of new projects, exposure to lead acid storage battery industry an advantage * *Cont* The Managing Director, The Standard Batteries Ltd, Vakola, Santacruz (East), Bombay 400055 (S-23.11)

NORTH

- CHIEF EXECUTIVE * New Delhi * *Sal* Excellent * *Age/Qlfn* 40 years * NS * *Reqd* A manager who can integrate the marketing, manufacturing and service functions * *Cont* The Executive Vice-President, Wipro Ltd, Bakhtawar, 229 Nariman Point, Bombay-400021 (H-3.12)
- CHIEF EXECUTIVE * New Delhi * *Sal* Excellent + stock options * *Age/Qlfn* Around 40 years * NS * *Reqd* Sales and marketing knowledge of analytical instruments business * *Cont* The Executive Vice-President, Wipro Ltd, Bakhtawar, 229 Nariman Point, Bombay-400021 (H-01.12)
- CHIEF EXECUTIVE * New Delhi * *Sal* Excellent compensation + housing + car * *Age/Qlfn* 40-45 years * NS * *Reqd* 15 years' experience, of which at least 5-7 years should have been in the electronics industry as an independent profit centre head * *Cont* Deepak Bhargava, Divisional Manager, ABC Consultants Pvt Ltd, 209 Meghdoot, 94 Nehru Place, New Delhi 110019 (BI-11.12)
- VICE-PRESIDENT (Finance) * New Delhi * *Sal* No constraint * *Age/Qlfn* 35-40 years * NS * *Reqd* 10-15 years' experience, 5 years at senior level * *Cont* Box AA/280/LM/2, Business India, 59 Regal Building, Connaught Circus, New Delhi, 110001 (BI-11.12)
- EXECUTIVE DIRECTOR (Construction) * Chandigarh * *Sal* Rs.100,000 + house + car * *Age/Qlfn* NS * Graduate civil engin * *Reqd* 15-20 years' standing in construction, 5 years at least at t management level * *Cont* Box No. AA/280/LM/4, Business Inc 59, Regal Bldng, Connaught Circus, New Delhi-110001 (BI-12.

EAST

- GENERAL MANAGER (Industrial Marketing) * Calcutta * Rs.10,000 pm + House + Car + perks * *Age/Qlfn* 35-45 year MBA (Marketing)** *Reqd* NS * *Cont* B.P. Agrawal, Chairman, A Consultants Pvt Ltd, 43/3 Hazra Road, Calcutta 700019 (BI-12.
- CHIEF EXECUTIVE * Calcutta * *Sal* No constraint * *Age/Q* Around 50 years * NS * *Reqd* At least 10 years' experience in sen management position, preferably in a large Indian house * *C* Box No AA/280/CL/1, Business India, Krishna Villa, 100 P Street, Calcutta-700017 (BI-12.11)

SOUTH

- DIRECTOR (Finance) * Bangalore * *Sal* Rs.3,250-165-4,750 perks * *Age/Qlfn* Max 50 years * CA/ICWA * *Reqd* 15 ye experience of which at least 4 to 5 years should have been i senior managerial position with defined responsibilities * *C* Chairman and Managing Director, NGEF Ltd, PB No 3876, B galore-560038 (BI-12.11)
- GENERAL MANAGER (Electrical products) * South India * Excellent terms * *Age/Qlfn* 40-45 years * Mechanical/electri engineer, preferably with PG qualifications in production tech logy/management * *Reqd* 15-20 years experience in product with background in machining and die casting * *Cont* Gene Manager, ABC Consultants Pvt Ltd, 4, Jagannathan Street, M dras-600034 (ToI-21.11)

OVERSEAS

- MARKETING CONTROLLER * Nigeria * *Sal* Excellent + perk *Age/Qlfn* NS * Graduate/MBA * *Reqd* 15 years' experience consumer/industrial non-durables * *Cont* Human Resources C sultants, Ram Bhavan, 10th Road, Khar, Bombay-400 (ToI-04.12)
- FINANCIAL CONTROLLER * Nigeria * *Sal* Excellent + perk *Age/Qlfn* NS * CA/ICWA * *Reqd* 15 years' experience in Banki MIS/Accounts/Budgeting * *Cont* Human Resources Consulta Ram Bhavan, 10th Road, Khar, Bombay-400052 (ToI-04.
- DIRECTOR OF ASIA/PACIFIC FORECASTING SERVICES * H Kong * *Sal* NS * *Age/Qlfn* NS * Higher degree in economi econometrics * *Reqd* Five years experience in economic analy preferably in consulting or value-added publishing and wit strong Asia/Pacific outlook * *Cont* Bill Henderson, Regional G eral Manager, Business International Asia/Pacific Ltd, 11 F, Mo Parker House, Cityplaza, Taikoo Shing, Hong Kong (E-26.
- SENIOR EXECUTIVE-INTERNATIONAL (Indian merchant ba ing) * London * *Sal* Competitive * *Age/Qlfn* 32-42 years * N *Reqd* Good financial skills, wide ranging merchant banking ex rience in India and relevant international contacts * *Cont* Pers nel Manager, Standard Chartered Merchant Bank, 33 Gracechurch Street, London-EC3VOAX (E-26.11)

xecutive positions

TOI — Time of India; *IE* — Indian Express; *H* — The Hindu; *S* — Statesman; *HT* — Hindustan Times; *ET* — Economic Times; *Econ* — Economist; *BI* — Business India

IATIONAL

OUNG BANKING PROFESSIONALS * Bombay * *Sal* NS * *Age/ Qlfn* 28-32 years * CA or MBA * *Reqd* Experience with leading ndian banks at officer level or leading financial institutions and nerchant banks is essentil * *Cont* A.F. Ferguson Associates, P.O. Box 1786, Bombay-400001 (ToI-4.12)

MATERIALS MANAGER * New Bombay * *Sal* Rs.110,000 pa + perks * *Age/Qlfn* 35-45 years * Chemical/mechanical/electrical/ ndustrial engineering. Qualifications in materials management vould be an asset * *Reqd* Exposure to procurement of chemicals, 10 years experience in materials management, vendor develop- ment and government licensing * *Cont* The General Manager (Personnel), Herdillia Chemicals Ltd, Post Bag No.5505, Dadar, Bombay-400014 (ToI-21.11)

GENERAL MANAGER * *Sal* Attractive + perks * *Age/Qlfn* 35-45 years * Engineering with post-graduate qualifications in manage- ment * *Reqd* 15-20 years experience in planning and execution of projects, preferably in chemical/petrochemical industries * *Cont* Ramapati Singhania, Director, Jaykay Tech, Sarnath, 10th Floor, 59-B, Bhulabhai Desai Road, Bombay 400026 (ToI-21.11)

CHIEF ACCOUNTANT * Baroda * *Sal* Attractive + perks * *Age/ Qlfn* 30-35 years * CA/ICWA * *Reqd* 7 years post qualification experience * *Cont* A.F. Ferguson Associates, Post Box 1786, Bom- bay 400001 (ToI-21.11)

SENIOR EXECUTIVE (Corporate Finance) * *Sal* Negotiable * *Age/ Qlfn* 36 years * Very good academic background * *Reqd* 6-8 years experience in successful merchant banking/stockbroking * *Cont* Chief Executive, Merchant Banking Division, Standard Chartered Bank, Post Box No.843, 23-25 Mahatma Gandhi Road, Bom- bay-400023 (ToI-21.11)

MARKET RESEARCH MANAGER * Bangalore * *Sal* Attractive * *Age/ Qlfn* Around 30 years * Postgraduation in business manage- ment with statistics * *Reqd* 5 years experience in similar capacity, excellent written and verbal communication skills * *Cont* ABC Consultants Pvt Ltd, Personnel Selection Division, 4 Jagannathan Street, Madras 600034 (ToI-22.11)

EXECUTIVE (Corporate Planning) * Pimpri, Pune * *Sal* Very attractive * *Age/ Qlfn* 30-35 years * Mechanical engineering with MBA (Finance/Marketing) or AICWA * *Reqd* 8-10 years relevant experience in engineering or consultancy firms. Experience on project planning and implementation involving hydraulic machinery is preferable. * *Cont* The Manager Human Resources, KSB Pumps Ltd, Pimpri, Pune-411018 (ToI-23.11)

- PRODUCTION PLANNING MANAGER * Bangalore * *Sal* Attractive * * *Age/ Qlfn* Around 35 years * Production/materials management * *Reqd* 5 years relevant experience, preferably in a pharmaceutical company * *Cont* ABC Consultants Pvt Ltd., Personnel Selection Division, 4, Jagannathan Street, Madras-600034 (ToI-29.11)
- SENIOR COMMERCIAL MANAGER * Bangalore * *Sal* Attractive * Age/ *Qlfn* Around 40 years * Post graduation in business manage- nent * *Reqd* 10 years relevant experience, with 5 years at a senior evel in materials management * *Cont* ABC Consultants Pvt Ltd, Personnel Selection Division, 4, Jagannathan Street, Ma- dras-600034 (ToI-29.11)
- GENERAL MANAGER (Sales) * *Sal* Negotiable * *Age/Qlfn* Around 40 years * NS * *Reqd* 15 years experience in selling capital equipment, 5-8 years with computer hardware and communica- tion equipment, experience in liaising with government depart- ments. * *Cont* Vice-president-Information Technology, Price Waterhouse Associates Pvt Ltd., Post Box 2238, Calcutta-700001 (ToI-30.11)
- ACCOUNTS & ADMINISTRATION MANAGER * Bombay * *Sal* According to background * *Age/Qlfn* 35-45 years * NS * *Reqd* Sound accountancy/finance background, experience with com- puter-based financial control and information systems * *Cont* A.F. Ferguson Associates, P.O. Box 1786, Bombay 400001 (ToI-30.11)

OVERSEAS

- PROJECT OFFICER * London * *Sal* 15,192-22,332 pounds per annum * *Age/Qlfn* NS * University graduate preferable a post-graduate * *Reqd* High analytical and writing skills. Specialist knowledge of atleast on broad sphere of international affairs * *Cont* Chief Personnel Officer, Commonwealth Secretariat, Marlbonough House, Pall Mall, London-SW1Y5HX (The Economist)
- MARKETING MANAGER * Doha * *Sal* Rs.14,000 pm * *Age/Qlfn* NS * Graduation, specialisation in marketing * *Reqd* 5 years experience in marketing of building materials and associated products * *Cont* Agnel Placement Services, Fr. Agnel Ashram, Bandstand, Bandra West, Bombay-400050 (IE-4.12)
- SENIOR MARKETING EXECUTIVE * Saudi Arabia * *Sal* NS * *Age/ Qlfn* NS * Post graduation in fisheries technology, preferably with qualifications in marketing management * *Reqd* 10 years experience in international trading in seafood * *Cont* Bava Enterprises, 3A Sindhu House, Nanabhai Lane, Flora Fountain, Bombay-400001 (IE-4.12)
- PRODUCTION EXECUTIVE * Saudi Arabia * *Sal* NS * *Age/Qlfn* NS * Graduation in seafood technology * *Reqd* 10 years experience in managing fresh/frozen seafood processing * *Cont* Bava Enterprises, 3A, Sindhu House, Nanabhai Lane, Flora Fountain, Bombay-400001 (IE-4.12)
- EXPORT EXECUTIVE * Saudi Arabia * *Sal* NS * *Age/Qlfn* NS * Graduation with diploma in marketing * *Reqd* 5-7 years experience in export of seafood, international contacts * *Cont* Bava Enterprises, 3A, Sindhu House, Nanabhai Lane, Flora Fountain, Bombay-400001 (IE-4.12)
- SYSTEMS ENGINEER * Houston, Texas (US) * *Sal* NS * *Age/Qlfn* NS * Bachelors degree in chemical/mechanical/electrical engineering * *Reqd* Five or more years experience * *Cont* Ambe International, 16, Walkeshwar Road, Goenka House, Bombay-400006 (ToI-04.12)
- PROJECTS MANAGER * Muscat * *Sal* Rs.17,000 per month + perks * *Age/Qlfn* 30-35 years * Qualified engineer preferably with additional qualification in management and marketing * *Reqd* 7 to 10 years' experience in institutional selling of industrial products * *Cont* A.F.Ferguson & Co, P.O. Box 1786, Bombay-400001 or A.F.Ferguson & Co, 6H, Hansalaya, 15 Barakhamba Rd, New Delhi-110001 (ToI-04.12)
- PROCESS ENGINEERS * Houston, Texas (US) * *Sal* NS * *Age/Qlfn* NS * Bachelors degree in chemical/mechanical/electrical engineering * *Reqd* Five or more years' experience * *Cont* Ambe International, 16 Walkeshwar Road, Goenka House, Bombay-400006 (ToI --04.12)

Harita Finance are looking for a Chief Executive.

To turn a large, strong regional company into a large, strong national company.

Harita have a very strong base in South India. A paid up capital of Rs.1.5 crores. Deposits of over Rs.18 crores. And a range of activities that include hire purchase, leasing, managing public issues, managing the deposits of large companies and various allied financial services.

Over the next two years, Harita are planning to go national. And are looking for a Chief Executive to mastermind their expansion plans.

The Chief Executive should be a Chartered Accountant with 15 years experience, preferably in banking or finance.

Someone who is progressive, yet plays by the rules.

Someone who leads from the front, and can build the team necessary for all - India operations.

Someone who goes about his job with the minimum of fuss, but takes sound, swift decisions under pressure.

If you're ready to take up this challenging assignment, write in strict confidence within 15 days to:

The Director
Harita Finance Ltd.
8, Haddows Road, Madras 600 006.

HARITA GROUP
alone in a crowd

BECKMAN – WIPRO

JOINT VENTURE IN ANALYTICAL INSTRUMENTS

Beckman Instruments Inc. is a world leader in providing analytical instrument based solutions to the life sciences and health care markets. To step up customer service and to meet the growing needs of the Indian market, Beckman's Bioanalytical Systems Group is promoting an Indian venture in financial collaboration with Wipro, a leader in the computer business in India. The joint venture will be based at Delhi and will establish manufacturing facilities to cater to the Indian and export markets. Our product range includes centrifuges, HPLC's, spectrophotometers, nuclear and DNA instruments. We are looking for a:

CHIEF EXECUTIVE

Delhi

Responsibilities include: • Setting up the project within the budgeted cost ahead of schedule • Building an excellent team • Managing the operations effectively to achieve the company's profit objectives • Providing the best customer service in the industry • Establishing the venture as the leader in the Indian analytical instrument business. The position reports to Board of Directors of the joint venture.

We are looking for an achievement oriented manager who can integrate the marketing, manufacturing, service and support functions, lead the team and deliver results. Senior management experience in a high technology industry in a reputed company is essential. Sales and Marketing knowledge of the analytical instrument business is an advantage. The preferred age is around 40 years.

The compensation package is designed to attract top quality talent and includes potential for stock option in the venture. Please apply with a detailed resume and contact telephone number, within ten days to:

The Executive Vice President, Wipro Ltd., Bakhtawar, 229, Nariman Point, BOMBAY-400 021. Tel: 287 0352

THE TITAGHUR JUTE GROUP

This sterling group, in the wake of controlling interest changing hands in the U.K., resulting in major management restructuring and envisaged turnaround of the group having jute mills near Calcutta, have retained our services for assistance in selection of the following senior management personnel:

CHIEF EXECUTIVE: MCS-820
(2 positions)

The incumbents must be high-calibre professionals in the age group of 30-45 years having proven track record of leading a team of managers for achieving corporate goals, with high task orientation and a flair for man-management. They will be entrusted with the overall management of the respective companies reporting to the Group Chairman. While persons from any discipline can apply, preference will be given to incumbents having professional qualifications and/or experience in jute or related industry. The positions will be located at the respective factories.

MILL MANAGER: MCS 821
(2 positions)

They must be proven shopfloor managers in the age group of 35-45 years having 10-15 years relevant experience. Preference will be given to professionally qualified candidates.

Heading the production functions, they will be responsible for ensuring that production targets are met. An aptitude to motivate workmen and supervisors and the ability to effectively co-ordinate with both sales and purchase personnel is a specific requirement.

FINANCIAL CONTROLLER: MCS 822
(2 positions)

Candidates must be mature Chartered/Cost Accountant or MBAs in the age group of 30-40 years having 10-15 years' relevant experience. These positions will be located at the respective factories.

Heading the finance functions, they will be responsible for formulation and implementation of financial planning and management. In addition, they will have to provide sound supportive management systems in the areas of accounting, costing, budgetary control and management information. They should be capable of handling the position requirements independently and will report to the respective chief executives.

The compensation package for the above positions will be commensurate with proven ability and experience and will not be a constraint for deserving incumbents.

Please apply giving full details of age, qualifications, experience, and salary drawn within 10 days, superscribing MCS code to:

LOVELOCK & LEWES

'Everest' 15th Floor
46C, Chowringhee
Calcutta : 700071

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Systems & Procedures • Project Reports • Organised Cost Reduction • Materials Management • Data Processing • Software Packages • Computer Feasibility • Insurance Consultancy • Socio-Economic Studies

LIGHT ENGINEERING INDUSTRY
GENERAL MANAGER
ELECTRICAL PRODUCTS

South India **Excellent Terms**

Our client is a reputed multi-unit, multi-product and professionally managed company manufacturing a range of Electrical products with a turnover of around Rs.150 crores. They are now on the lookout for a high calibre technical professional with general management background to take charge of operations of one of their units with an employee strength of around 700. The growth prospects are excellent for the right individual with possibilities of taking over as **Chief Executive of the unit** in course of time.

The incumbent will report to the Chief Executive and responsibilities will cover production engineering, facilities planning, production planning, design engineering, production, industrial relations, etc. Accent will be on high level of technical inputs and achieving consistently high productivity and production targets through well directed efforts. He will lead, guide and motivate a team of professionals for achieving the results.

Candidates should be Graduate Mechanical/Electrical Engineers preferably with PG qualification in production technology/management with 15-20 years of production experience at senior levels. Sound technology background in machining & die casting and good managerial ability are a must. Design background of rotating machinery would be an added asset. Age Group : 40-45.

The company offers an excellent working environment and an attractive remuneration package which will include substantial retirement benefits. Please write with detailed resume marking envelope & application with job title & code GML/MDS/1525 to M Madhusudan, General Manager. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

ABC CONSULTANTS PRIVATE LIMITED

4, Jagannathan Street, Madras 600 034. Tel.470778

STANDARD BATTERIES

GENERAL MANAGER (PROJECTS)

Bombay/Madras

Rs. 1.25 lakhs
+ Housing
+ Company Car
+ Retirement Benefits

The Standard Batteries Limited is a leading manufacturer of lead acid storage batteries for industrial, automotive, submarine and mining applications, in technical and financial collaboration with Oldham Batteries Ltd., UK. The present turnover is at the level of Rs. 60 crores per annum and is expected to double in the next four years. The company is extensively involved in modernisation of its three factories located in Bombay and Madras, including induction of the latest technology from Oldham France S.A. and The Furukawa Battery Co. Ltd., Japan.

The incumbent will be given independent charge of implementing a new project. Successful completion of the project will lead to profit centre responsibility of a product group or division. This is an outstanding opportunity in general management with excellent growth prospects.

Applicants should be graduates, preferably in Chemical or Electrical Engineering.Postgraduate qualifications in Business Management will be an advantage. The ideal candidate would be around 35-40 years, currently occupying a similar positicn. He should have successful techno-commercial experience including the implementation of new projects. Exposure to the lead acid storage battery industry, particularly in manufacturing, would be a distinct advantage.

All applications will be treated in strict confidence.

Please apply within 15 days enclosing your bio-data to:

The Managing Director,
The Standard Batteries Ltd.,
Vakola, Santacruz (East), Bombay-400 055.

the concept

have been retained by one of their clients to select top notch manufacturing professionals; our clients have one of the largest Chemical Process plants of its kind in the world engaged in international business, competing with the best in the world. The group has crossed a turnover of Rs. 80 crores and is expected to reach Rs. 100 crores this year. This division under the group is doing a turnover of Rs. 6-7 crores in international marketing and is targeting to reach Rs. 15 crores.

The Company is proposing a joint venture with a large U.S. based Fortune 500 company in similar business, to add to and update manufacturing facilities and grow rapidly in size in related/allied product lines.

Product sophistication, quality and customer service, strong reliance on professionalism and individual creativity, human resource development, are the core values stressed by the Company.

G.M.-WORKS/WORKS MANAGER
(Process Industry)

The Job: The Incumbent will be responsible for complete management of the Plant, achieving production targets, quality control, plant maintenance, productivity improvement, pilot plants management, etc. The assignment would call upon special strengths in the area of men-management including Industrial Relations, management of Technology, Diversification and developing new products.

The Candidate: A young and dynamic Manufacturing Professional with M.Tech in Chemical Engineering with 10 to 12 years of experience in chemical process industry preferably in a medium sized company, is the kind of candidate we are looking for. He must be an achiever having proven ability to perform; an M.B.A. would be preferred.

MANAGER — QUALITY ASSURANCE
(Process Industry)

The Job: The selected candidate will take charge of the complete quality assurance function. He will develop, implement and monitor quality assurance systems to ensure quality consistent production matching to customer needs. The job involves developing and leading a group which will set the quality standards, evolve and implement systems and procedures and generate inputs for high level of quality conformance. Inward materials inspection, in process inspection, good manufacturing practices as well as final product quality would be part of the responsibility. This is a senior position and a very crucial responsibility centre.

The Candidate: He should be M.Sc. in Chemistry with aptitude towards making a career out of Quality Assurance and Industrial Engineering. The challenge is to build a group which utilises the best of local talent and the Collaborator's wealth of experience to achieve excellence in Quality Management & set an example for the Industry to follow. Experience in Analytical Instrumentation and methods development, natural products/agro products isolation and Quality development is important.

The Environment: Both the positions are in the Senior management cadre. The organisation offers an environment of challenge and responsibility within a young and professional team. Outstanding performers are assured of rapid growth opportunities. Personality traits like motivation, quick grasping power, mental flexibility, maturity and balance, self confidence, ability to effectively deal with people at all levels would be of value. Total commitment to work is a pre-requisite.

Both positions will report to the Chief Executive of the division.

The Location: Both the positions will be based in an 'A' Class city in South India.

Remuneration: An attractive package will be offered including perks like house, car, club membership, etc. with both the positions.

Applications will be treated in strict confidence. Please write within 7 days along with Telephone contact numbers to:

CHANDER BATHEJA
Chief Executive

THE CONCEPT
Counsel of Management Services,
67, White Hall, 143 August Kranti Marg,
(Next to Hotel Shalimar at Cumballa Hill), BOMBAY-400 036.
Phone nos. 8224422-23/8118319.

Standard Chartered

Standard Chartered Bank
Merchant Banking Division

ACCOUNTS AND ADMINISTRATION MANAGER

(BOMBAY)

An experienced executive is required to be responsible for the financial control and administrative support functions within the successful expanding merchant banking operations of Standard Chartered in India which currently employs about 40 executives and staff.

His responsibilities will include developing and maintaining sophisticated financial and management information and control systems for the merchant banking operations as a whole, as well as for the individual product areas and branches, within the context of the worldwide Group systems. He would also be directly involved in office administration and personnel management functions for the growing operations.

Candidates should have a sound accountancy/financial background and direct relevant experience, including experience of computer-based financial control and information systems. They should ideally have experience of working in, or operating these systems, and in office management, preferably in banking/ service organisation, and of management of people.

Candidates should be about 35-45 years of age. The remuneration package will be commensurate with experience.

Please apply in strict confidence within 10 days to:

A. F. Ferguson Associates
P. O. Box 1786
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked "Ref. MS/5003".

PROJECTS MANAGER

MUSCAT

Rs. 17,000/- per month plus benefits

We have been retained by an established group of companies to select a Projects Manager for one of their companies which represents several leading European manufacturers and suppliers of specialised equipment and services for the petrochemical industry. The products currently traded by the company include valves, actuators, pressure gauges, relay equipment, instrumentation, etc. In addition, operations and maintenance contract service companies are also represented.

The Projects Manager will report to the General Manager and will be responsible for developing these lines of business through expansion of both the product and customer bases within the industry. This will include liaising closely with customers and identifying their specific requirements vis-a-vis existing principals and where necessary, sourcing principals on a global scale. The Projects Manager will also be expected to diversify the activities of the company into trading of non petrochemical related products and services primarily on the basis of tenders floated by the various ministries/departments of the government and sourcing supplies internationally.

Candidates will be qualified engineers preferably with additional qualifications in management and marketing and who have around 7 to 10 years experience in institutional selling of industrial products. Candidates who have relevant product/ industry experience would have a distinct advantage. Maturity, the ability to interact effectively at the highest level in client organisations and self motivation are essential pre-requisites for this position. The preferred age is 30-35 years.

In addition to the tax free salary indicated above, the company will offer an attractive commission scheme based on performance and will provide furnished family accommodation, company maintained car, annual air passage besides medical and end of term benefits.

Please apply in strict confidence within 7 days, depending on your location, to:

A. F. Ferguson & Co.
P. O. Box 1786
Bombay 400 001

or

A. F. Ferguson & Co.
6H, Hansalaya
15, Barakhamba Road, New Delhi 110 001

giving full details of age, qualifications, experience, salaries drawn, passport particulars and passport size photographs alongwith contact telephone numbers. All applications and envelopes must be marked with reference number "MS/5006".

Openings available in an organisation for its new modern factory, very near Delhi, which manufactures an extensive range of electrical grade insulating materials in technical collaboration with GENERAL ELECTRIC CO., U.S.A.

The production units consist of chemical process plants for manufacturing high technology varnishes & various other plants for manufacturing flexible tapes from glass yarn, mica paper & glass cloth.

R & D MANAGER

Qualification : Post graduates or Doctorates in Polymer Science or Chemical Engineer with post-graduate specialisation in Polymer Technology.

Experience : 4 to 6 years in the resins/varnishes/paints industry. Persons with experience in R&D as well as testing & quality control will be preferred. 2 to 3 years experience in managerial capacity will be an added advantage for this position.

PLANT MANAGERS

A) VARNISH/RESIN PLANT

Qualification : Chemical Engineering graduates or post-graduates in chemistry.

Experience : 3-4 years of production experience in resin/varnishes/paints or petrochemical plants. Should be well versed with plant & machinery normally installed in such industries. Persons with some experience in production management would be preferred.

B) FLEXIBLE TAPES PLANT

Qualification : Mechanical Engineers

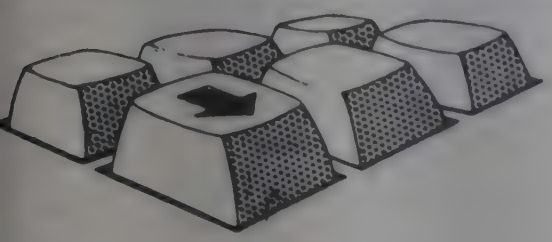
Experience : 3-4 years of production experience in insulating tapes or paper or textile industry. Persons with some experience in project or maintenance in such industries would be an added advantage.

Persons with experience less or more than specified in the above functional areas may also apply for other suitable positions.

Salary will commensurate with experience & qualifications and will not be a constraining factor for the right candidate.

PLEASE APPLY WITH COMPLETE DETAILS WITHIN 10 DAYS TO:

BOX NO. AA 281 IR 4 ***BUSINESS INDIA,*** *59 REGAL BLD., CONNAUGHT CIRCUS, NEW DELHI-110 001.*



The need to look beyond the obvious, to see beyond the possible, has its own special requirements.

The first electronic typewriter company is looking for ...

REGIONAL SALES MANAGERS

at Calcutta and Madras

Above Rs. 80,000 plus subsidised car facilities

The Regional Sales Manager will head and be responsible for a team of dynamic managers and executives. He will be called upon to decide strategy, plan courses of action, and meet sales targets.

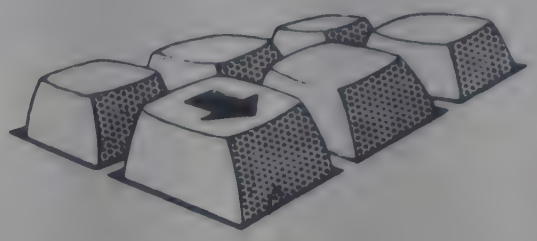
The job calls for a decisive, quick-thinker with exceptional man-management and communication skills, and a brilliant track record.

Applicants should be graduates with 8-10 years of experience, or M.B.A.'s with 6 years experience in sales of consumer durables or office automation products. Of these, at least 4 years should include independently managing district/area offices through sales professionals.

Please apply within 7 days, along with a detailed Bio-Data, superscribing your envelope with 'post applied for', and 'city', to :

The H.R.D. Manager,
Indian Communications Network Limited.
Network House, D-10, Commercial Centre, Poorvi Marg, Vasant Vihar, New Delhi-110057.

NETWORK



The need to look beyond the obvious, to see beyond the possible, has its own special requirements.

The first electronic typewriter company is looking for ...

AREA SALES MANAGERS

Bombay/Baroda

Rs. 60,000/- P.A.

With a high degree of team-building ability, will independently lead ambitious young sales professionals in a dynamic market environment.

Job entails responsibility of target, setting, planning its achievement, motivating and appraising the field force to ensure very high levels of target oriented productivity.

Should be graduates with 6-8 years' experience/MBA's from the IIMS's, XLRI, Bajaj or FMS with 3-4 years experience out of which about 2 years should be of independent team/area handling.

The ASM reports to the Regional Sales Manager.

Please apply within 7 days, alongwith a detailed Bio-Data, superscribing your envelope with 'post applied for', and 'city', to :

The H.R.D. Manager,
Indian Communications Network Limited.
Network House, D-10, Commercial Centre, Poorvi Marg, Vasant Vihar, New Delhi-110057.

NETWORK

U N I T E L C O M M U N

IF YOU'VE MADE YOUR MARK IN COMPUTERS OR ELECTRONIC IT'S TIME TO SET YOUR SIGHTS ON THE FUTURE.

Telecommunications is changing the way the world handles information. Extraordinary developments in the field have made it possible to hook up computers where previously they worked in isolation, transm data and facsimile at high speeds,and even hold video conferences. From merely handling voice traffic telecom has become the spearhead of a revolution that has outpaced even computers in the rapidity of its advances.

In India, the telecom revolution revolves around the amazingly versatile EPABX. Packet switching, tex processing and protocol conversion, data transmission (at speeds as high as 2 megabytes/sec), and Wi Area Networks, have all been made possible by the EPABX. And above all, compatibility with Ethernet a X.25—the global datacom protocol—makes it possible to establish local and trans-continental links at t push of a few buttons.

All these facilities have led to tremendous leaps in demand, and the Indian telecom market is projected to worth Rs. 3100 crores by 1990!

Unitel—ATEA, Belgium: A triumphant new force

Spearheading this revolution is Unitel—a joint venture of the Rs.800-crore United Breweries Group (wh includes companies like Hoechst, McDowell, Carew, Herbertsons, Punjab Breweries, Roussel, Kissan a Phipson) and ELCO. Unitel's collaboration with ATEA of Belgium (a GTE-Siemens venture) has given access to the most contemporary technology available worldwide.

The challenge is on at Unitel

The race is on to usher in the future in telecommunications—today. The effort to introduce state-of-the systems and propel India over the threshold of a new era.

A T I O N S L I M I T E D

To sustain the drive towards automation in voice and data processing, the company wishes to appoint professionals at various levels from the telecommunications and computer industries.

AREA SALES MANAGERS
Rs.80,000/- per annum (gross)
Bangalore, Bhubaneshwar, Calcutta, Madras

Engineers, preferably Electrical or Electronics having 5-7 years sales experience. An MBA degree will be an added advantage.

Incumbent would lead a team of Sales Engineers and be responsible for meeting sales targets for Unitel's OMNI range of EPABX's.

AREA SALES MANAGERS
Rs. 80,000/- per annum (gross)
Bhubaneshwar, Calcutta

Preferably MBAs with 5-7 years of sales experience.

The position involves leading a team of Sales Executives and complete responsibility for meeting sales targets for Unitel's Rhapsody and Symphony systems.

ASST. MANAGERS
Rs. 70,000/- per annum (gross)
Bhubaneshwar, Bombay, Calcutta, Delhi, Madras

Engineers, preferably Electrical or Electronics, with 3-5 years sales experience. MBAs will be preferred.

Incumbents will assist the Area Sales Managers in marketing Unitel's OMNI range of EPABXs.

ASST. MANAGERS
Rs. 70,000/- per annum (gross)
Bhubaneshwar, Bombay, Calcutta, Delhi

Preferably MBAs with 3-5 years of sales experience.

Incumbents will assist the Area Sales Managers in marketing Unitel's Rhapsody and Symphony systems.

ASST. MANAGERS/ SR. EXECUTIVES Dealer Development
Rs. 60,000-70,000/- per annum (gross)
Bangalore, Bombay, Calcutta, Delhi

Engineer/or MBA with 3-5 years sales experience in consumer durables or in marketing of computers through a dealer network.

The incumbents will be in charge of developing a dealer network for Unitel's range of Push Button Telephones, small EPABXs and Key Telephone Systems.

ASST. MANAGER/ PRODUCT EXECUTIVE
Rs. 40,000-70,000/- per annum (gross)
Delhi

Electronics Engineer with an MBA degree, having 1-4 years experience.

Incumbent will assist the Product Manager in providing marketing support services.

SR. SALES EXECUTIVES/ SALES EXECUTIVES
Rs. 40,000-55,000/- per annum (gross)
Bangalore, Bombay, Calcutta, Delhi, Hyderabad, Madras

MBAs or Gradudates having 1-4 years experience in sales.

SR. SALES ENGINEERS/ SALES ENGINEERS
Rs. 40,000-55,000/- per annum (gross)
Bangalore, Bombay, Calcutta, Delhi, Hyderabad, Madras

Electronics or Telecommunication Engineers with 1-4 years experience. Exposure to sales will be an added advantage.

Please apply within 10 days with a detailed bio-data, superscribing the envelope with the post applied for, to **THE GENERAL MANAGER** (Sales & Marketing), at the following address:

UNITEL COMMUNICATIONS LIMITED
5, Community Centre, Saket, New Delhi-110 017.

HTA 6181

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Socio-Economic Studies • Insurance Consultancy • Computer Feasibility • Software Packages

SKOF
ESKAYEF

BANGALORE

Our client, **ESKAYEF LIMITED,** is a leading company manufacturing and marketing pharmaceuticals/ consumer products enjoying an excellent brand image. The present turnover is around Rs.60 crores and with the well directed diversification plans, the company's turnover is expected to touch Rs.100 crores in a few years time. To meet the expansion and diversification needs the company is on the lookout for high calibre professionals for the following positions.

MARKETING MANAGER
CONSUMER PRODUCTS

He will head the Consumer Division and play a key role in formulating business strategies and implementing them for achieving the growth & profitability of the division. Responsibilities will include all aspects of product management including market planning, advertising, pricing, new products launching, sales force planning & training, sales promotion, packaging, distribution, etc. with total accountability for achieving consistently high sales targets in highly competitive markets.

Candidates should be Post-graduates in Management from leading Business Schools with product management as well as selling experience in a reputed consumer products company. Strong conceptual skills and commercial sense coupled with proven track record of about 5 years in the field essential. High degree of initiative, drive and communication skills are a must. Age : 35-40. Code : MME/MDS/1526.

MARKETING RESEARCH MANAGER

He will provide total support to the marketing team through qualitative and quantitative research. His responsibilities will include implementation, analysis and presentation of product potential, consumer response, product features, price sensitivity, effectiveness of product positioning, promotional & advertising campaigns, market penetration trends, etc. Besides organising data collection, analysis and interpretation, he will also actively participate in formulation and implementation of marketing strategies, etc., in conjunction with marketing team and outside Research Agencies.

Candidates should be Post-graduates in Business Management preferably with qualification in Statistics with around 5 years relevant experience in similar capacity. Excellent written and verbal communication skills for presentation of reports are a must. Age : Around 30. Code : MRM/MDS/1527.

In addition to an attractive compensation package, positions offer opportunities for interesting career development.

Apply within ten days with detailed bio-data marking envelope and application with appropriate job title & code. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

Personnel Selection Division

ABC CONSULTANTS PRIVATE LIMITED

4, Jagannathan Street, Madras 600 034. Phone : 470778

Data Processing • Materials Management • Organised Cost Reduction

BRANCH MANAGERS/ FLOOR MANAGERS

48,000+ per annum plus perquisites

- Delhi • Jaipur
- Chandigarh • Lucknow
- Bangalore
- Coimbatore
- Cochin
- Bombay
- Poona

We are a young, professionally managed organization with a mission to become leaders in Retailing. Started by people who launched computer retailing in India, we have already opened five stores and finalised eight more "LITTLE KINGDOM" stores at various locations in the country. Each store is situated at a prime shopping location modelled on similar stores abroad. We plan to have 50 stores by the end of 1990 and do a business of over 50 crores.

The manager would be primarily responsible for achievement of sales targets at the store and efficient administration of the store. To this end he would be required to lead and motivate an enthusiastic shop team, create and execute local promotions, plan reordering of merchandise, and control the commercial and account operations.

Candidates would be Graduates/MBA's with about 2-4 years' experience in managing sales/branch operations. An ability to quickly grasp the dynamics of consumer behaviour and a willingness to put in long hours would be a basic prerequisite.

We offer an attractive compensation package, a professional work environment, and excellent scope for career advancement linked to performance on the job.

Please apply within 10 days to the following address:

Chief Executive
Mothercare India Ltd
'Mothercare House'
58 Residency Road
Bangalore 560 025

Mothercare
India Limited

INDIA'S LARGEST CHILDRENS' STORE CHAIN

Universal Gloves Private Ltd.

EXCELLENT EMPLOYMENT OPPORTUNITIES

(A unit assisted by Kerala State Industrial Development Corporation Ltd)

Universal Gloves Pvt Ltd is a 100% export oriented Latex based multi-line, Disposable Gloves Unit; being set up in the Cochin Export processing Zone, Cochin. The project out lay is Rs.2.25 crores and the turnover is around Rs.3.5 crores p.a. The unit will be importing the entire Plant & Machinery and required technical know-how from the Far East. The Company offers challenging opportunity for dynamic and result oriented personnel for the following posts.

1. PROJECT MANAGER/WORKS MANAGER (1 POST)

The candidate should have a good Degree in Mechnical/Electrical Engineering with a minimum of 12 years experience in a continuous process plant, preferably a Latex Processing/Rubber Based Unit. MBA will be an added qualification. This is a very senior position, reporting to the Managing Director. The selected candidate will be trained in the Collaborator's plant and shall take over as the Works Manager after starting production. Age 35-40 years. Salary Negotiable.

2. SECRETARY CUM FINANCE MANAGER (1 POST)

The selected person will be a CA/ICWA with ACS. Minimum 5 years experience in an industrial undertaking is essential. He will be responsible for accounting, financial control, costing, budgeting and secretarial function. He will have to liaise with Financial Institutions & Banks and shall report to the Managing Director. Age around 30-35 years. SALARY Rs.4,000/- p.m.

3. LATEX TECHNOLOGIST (1 POST)

The candidate should have a good Degree in Rubber Technology and atleast 5 years experience in Latex formulations in a manufacturing concern. Experience in Automatic Dipping Plants desirable. He should ensure proper control over Latex formulation and product quality to meet ASTM standards. The selected candidate will be trained in the Collaborator's Plant. Age around 35 years. Compensation package very attractively designed to attract the best talent.

4. CHIEF CHEMIST (1 POST)

M.Sc. in Chemistry/Degree in Chemical Engineering. Atleast 7 years experience in a Latex Process Industry in Production/ R&D/Quality Control Department. In case of exceptionally good candidates, B.Sc. (Chemistry) with minimum 10 years experience will also be considered. Experience in Automatic Dipping Plants desirable. Age 30-35 years. Salary will be fixed according to Qualification and experience.

5. PLANT ENGINEERS

First Class Degree in Electrical/Mechanical Engineering with minimum 3 years experience in a medium/large scale industry in production/Maintenance Department. Age 25-30 years. Salary will be fixed according to qualifications and experience

Apply within 10 days giving detailed bio-data, present salary and joining time required and also details of passport if held, and enclosing 2 copies of P.P. size Photographs to:

The Managing Director,
Universal Gloves (P) Ltd.,
35/2566, Janatha Road,
Palarivattom, COCHIN - 682 025.

Senior Executives for Particle Board Project Near Delhi

We are part of a growing Industrial Group of Rs. 150 crore turnover and are looking for Senior Executives for a Particle Boards Project under implementation; production begins September, 1989.

WORKS MANAGER :

The incumbent is required to lead the transition from Project to operation. He will be responsible for total management of manufacturing. The candidate should be a Mechanical/Chemical Engineer with a good track record of manufacturing experience preferably in wood-based or particle-board industry.

FINANCIAL CONTROLLER-CUM-COMPANY SECRETARY :

The incumbent will take charge of financial and accounting functions including effective management of loans, legal and secretarial matters and funds management. Candidate should be a qualified Company Secretary, preferably also Chartered Accountant with minimum 5 years experience in senior position.

COMMERCIAL MANAGER :

The incumbent will look after all commercial aspects like product development, marketing and purchase of Stores and Materials. Candidate should be graduate preferably an MBA with a developed commercial talent and minimum 5 year's experience preferably in wood-board and particle board industry.

PRODUCTION ENGINEER :

Incumbent should be a graduate in Mechanical/Electrical/Production Engineering with minimum 5 year's experience in case of graduate and 10 year's experience in case of Diploma holders.

Salary and benefits package to be appropriate and adequate. There would be no constraint for an outstanding candidate. Please apply in strict confidence with a detailed bio-data within 15 days to :

ARUN LOHIA

ALLIANCE BOARDS LIMITED

18, NETAJI SUBHAS ROAD, CALCUTTA-700 001

Vision

digital

Digital Equipment (India) Limited, is a joint venture between Digital Equipment Corporation, USA, the world's largest manufacturer of networked computer systems, and Hinditron Computers. DE(I)L will manufacture and market the popular Micro VAX series of Super Mini computers at its facility in Bangalore, develop software for domestic and world-wide markets and provide need-based computing and networking solutions to match international quality standards.

The Company has an abiding commitment to customers because it believes that nothing testifies to its success better than their satisfaction. To make this success possible, it nurtures employee creativity, initiative and dedication. Honesty, responsibility and excellence are values that are promoted by the company which adopts a managerial approach that is strongly employee-oriented.

We are looking for outstanding professionals to fill the following positions at Bangalore.

NATIONAL SALES MANAGER (Code: SAM/04)

The National Sales Manager will be responsible for formulating and implementing innovative short and long term policies and strategies to achieve sales targets and market share on an all-India basis, besides planned growth and market leadership for both locally manufactured and imported computer systems. We are looking for a result-oriented dynamic self-starter with a high degree of personal motivation. The incumbent will be an Engineer, preferably an MBA having around 15 years of relevant experience, with at least 5 years at a senior level and a successful track record. Ability to provide leadership towards developing a highly motivated and result-oriented sales organisation will be an essential attribute.

Preferred Age: Around 40.

INDUSTRY MANAGERS - 2 FINANCIAL SERVICES & MANUFACTURING SERVICES (Code: CMD/05)

The incumbents would be responsible for identifying the industry needs, assessing market potential and conceptualising, evolving and implementing business strategy to secure and establish market leadership for the company's products and services in their respective industry sectors viz., Financial Services (banking, insurance and capital markets) and Manufacturing Services (automotive, aerospace, electronics, heavy engineering etc.).

For Industry Manager – Financial Services, we are looking for graduates with professional qualifications in banking or finance with a minimum of 7 years experience in the financial services sector. Hands-on experience and intimate knowledge of the functioning and management of the financial services sector, such as a large nationalised bank is desirable.

Thorough understanding of information processing needs of the financial services sector in a computer based environment would be an asset.

Preferred Age: 30-40.

For Industry Manager – Manufacturing Services, we are looking for graduates in Mechanical Engineering with post-graduate qualification in Mechanical/Industrial Engineering/Production Management, with a minimum of 7 years experience in a large engineering organisation with hands-on experience in conceptualising, managing and implementing Computer Aided Design and Computer Aided Manufacturing programs involving multi-disciplinary teams. Professional training in CAD/CAM/MRP applications would be an asset.

Preferred Age: 30-40.

PRODUCT MANAGER (Code: CMD/06)

The incumbent will be responsible for providing product support to sales teams, involving support information on new product releases, product features, relative comparison with competitors' products, besides analysing win/loss situations against the competition and evolving strategies to counter competitors' products and strategies. The right candidate will be a graduate in Engineering with post-graduate qualification in Management with 4-6 years direct sales/product management experience in the computer industry.

Preferred Age: 28-32.

All the positions carry attractive salary and benefits in line with the best in the industry and will not be a limiting factor for the right candidate.

High performers can look forward to rewarding career prospects in a totally professional environment.

Please apply in strict confidence, superscribing the envelope with the appropriate code to:

Corporate Manager – HRD
Digital Equipment (India) Ltd.
33/44A, 8th Main, Rajamahal Vilas Extension,
Bangalore-560 080.

India has Digital now

digital

Digital Equipment (India) Limited, is a joint venture between ***Digital Equipment Corporation, USA,*** *the world's largest manufacturer of networked computer systems, and* ***Hinditron Computers.*** *DE(I)L will manufacture and market the popular Micro VAX series of Super Mini computers at its facility in Bangalore, develop software for domestic and world-wide markets and provide need-based computing and networking solutions to match international quality standards.*

The Company has an abiding commitment to customers because it believes that nothing testifies to its success better than their satisfaction. To make this success possible, it nurtures employee creativity, initiative and dedication. Honesty, responsibility and excellence are values that are promoted by the company which adopts a managerial approach that is strongly employee-oriented.

We are looking for outstanding professionals to fill the following positions.

APPLICATIONS MARKETING MANAGER-FINANCIAL SERVICES (CODE: SMD/09) BANGALORE

The incumbent will be responsible for identifying a portfolio of applications for the Financial Services segment and promoting them through the sales organisation. This will involve studying business needs of the segment, defining performance and functional requirements of applications, assisting selection of third party software, analysing competitive strategies, monitoring customer satisfaction etc. The right candidate will be a CA/ICWA/MBA (Finance) with at least 5 years of experience in software development.

Preferred Age: 28-35

SOFTWARE MARKETING EXECUTIVES (CODE: SMD/10)

BANGALORE, BOMBAY, CALCUTTA & DELHI

They will be responsible for providing marketing support to the Software Sales team to increase the sales of application products and software services. We are looking for Engineers preferably with an MBA and atleast 2 years of software development or relevant marketing experience.

Preferred Age: 24-30

PROJECT LEADERS/SYSTEMS ANALYSTS (CODE MIS/11) ALL INDIA AND OVERSEAS

The incumbents will be responsible for designing, developing and implementing software systems in various functional areas such as Manufacturing, Finance, Sales & Marketing etc., both in-house and in client organisations in India and abroad. We are essentially looking for Engineers/CAs/ICWAs/MBAs with 3-10 years systems design and software development experience in a super-mini/mini computer environment. Project leaders should have 3-4 years experience in leading a team of highly qualified Systems Analysts. Good oral, written and inter-personal skills are essential attributes. Exposure to VAX/VMS & Networking will be a definite asset.

Preferred Age: 25-35

Vacancies exist at our Bangalore, Bombay, Calcutta, Delhi, Madras, Pune & Secunderabad offices.

All the positions carry attractive salary and benefits in line with the best in the industry and will not be a limiting factor for the right candidate.

High performers can look forward to rewarding career prospects in a totally professional environment.

Please apply in strict confidence, superscribing the envelope with the appropriate code to:

Corporate Manager - HRD
Digital Equipment (India) Ltd.,
33/44A, 8th Main, Rajamahal Vilas Extension,
Bangalore-560 080.

India has Digital now

ABC's major specialisations include Corporate Consultancy • SWOT Analysis • MIS • Socio-Economic Studies • Computer Feasibility • Insurance Consultancy • Software Packages

SKOF
ESKAYEF

BANGALORE

Our client, **ESKAYEF LIMITED,** is a leading company manufacturing and marketing pharmaceuticals/consumer products enjoying an excellent brand image. The present turnover is around Rs.60 Crores and with the well directed diversification plans, the company's turnover is expected to touch Rs.100 Crores in a few years time. To meet the expansion and diversification needs the company is on the lookout for high calibre professionals for the following positions.

SENIOR COMMERCIAL MANAGER

The incumbent will be responsible for total Commercial.function including Purchasing, Imports, Exports, Chemical sales and Liaison with State and Central Government agencies.

Candidates should preferably be Post Graduates with Business Management and should have about ten years relevant experience, of which atleast five years should be in a senior position in Materials Management. Experience in modern concepts like value analysis, selective inventory control and government policies and regulations is essential. Age: Around 40 years. Code: SEM/MDS/1528.

PRODUCTION PLANNING AND INVENTORY CONTROL MANAGER

The incumbent will be responsible for planning efficient and optimum production schedules, maintaining economic level of inventory of finished goods, work-in-process and materials. He will provide an efficient support to production, purchasing and marketing to meet the schedule commitments.

Candidates should be graduates with a good academic background, preferably with qualification in Production/Materials Management with minimum five years relevant experience, preferably in a Pharmaceutical Company. Knowledge of industrial engineering techniques will be an advantage. Age: Around 35 years. Code: PPM/MDS/1529.

In addition to an attractive compensation package, positions offer opportunities for interesting career development.

Apply within ten days with detailed bio-data marking envelope and application with appropriate job title & code. ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

Personnel Selection Division
ABC CONSULTANTS PRIVATE LIMITED
4, Jagannathan Street, Madras 600 034. Tel : 470778

Data Processing • Materials Management • Organised Cost Reduction

WHO'S THAT CARRYING A V.I.P.?

Every V.I.P. is created with an accent on style.
Sleek lines. Classy interiors. Exclusive features.
And a choice of muted and metallic shades.
Carry one.
It never goes unnoticed.

V.I.P.

LUGGAGE TO BE SEEN WITH

If we're capable of big things in suga

Anticipation.

The ability to sense changing trends and introduce pioneering products. Like centrifugals for batch and continuous processes, to recently, the 1000 kg per charge centrifugal, the latest bagasse dryers and four roller milling plants. Making Buckau Wolf virtually the benchmark by which competition is assessed. And helping us execute many successful turnkey and expansion projects in India and abroad. Anticipation coupled with consistent quality and the backing of Krupp, West Germany. A few small reasons for our reputed capabilities.

because of one small reason

BUCKAU WOLF

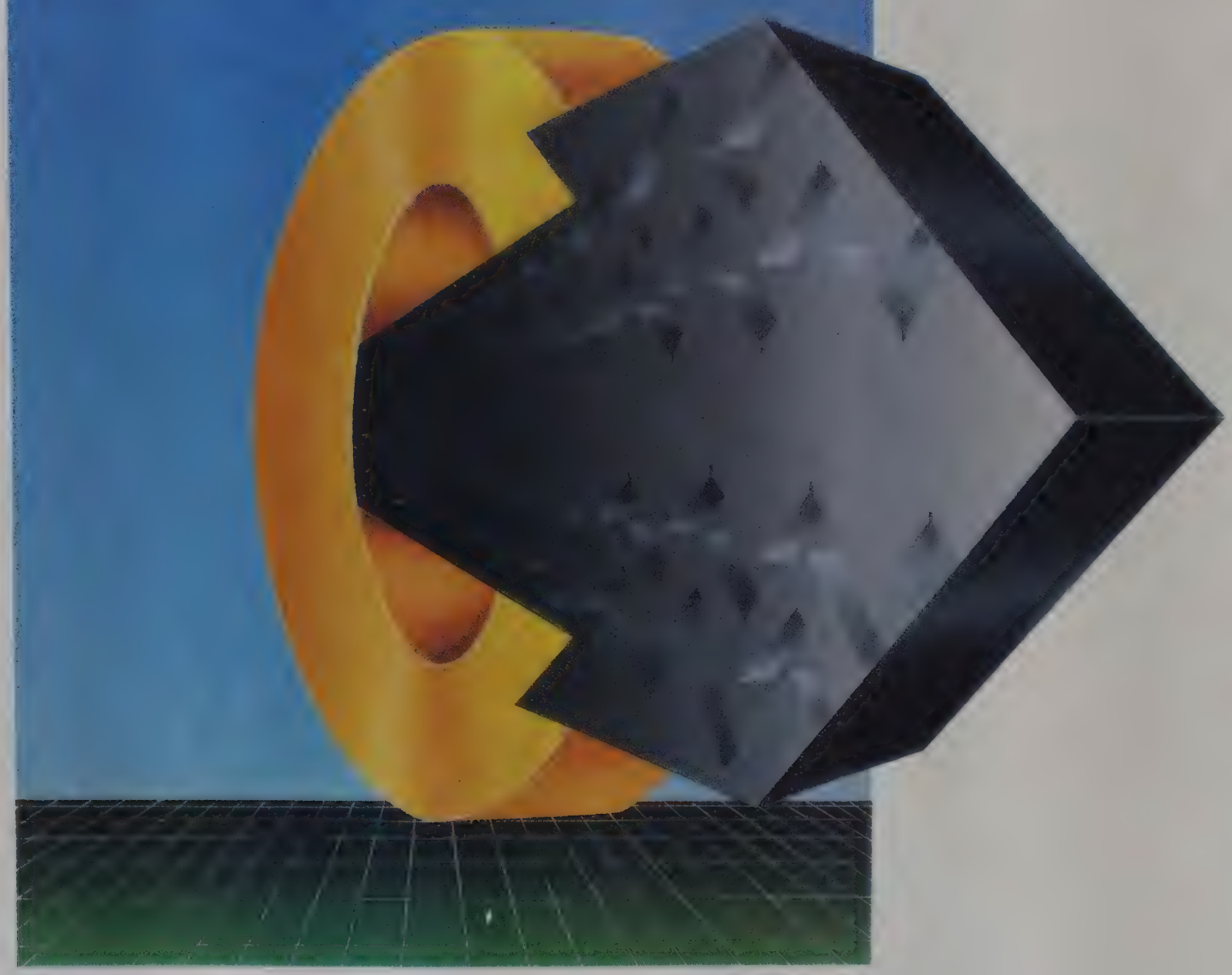
More than engineers. People with a sense of values

KRUPP

Buckau Wolf with Krupp technology

Buckau Wolf India Ltd., Pimpri, Pune 411 018. Tel: 84461. Telex: 146-267.

The country's largest
retreading network
grew out
of this symbol.



And a commitment to make rising tyre costs a thing of the past.

Till five years ago,no one had heard the name. Today Elgitread is the first choice of truck and bus fleet owners, transport operators, truck and LCV's drivers as the retread that has more to offer.

Having pioneered cold precured retreading in India in collaboration with Oliver. USA. Elgitread set about proving its benefits on the road And in the process set a new pace of growth

Today with hundreds of franchisees, and a rapidly multiplying turnover. Elgitread is on the verge of a major line expansion of its products

As a pioneer its our commitment to keep on innovating As a leader,we must continue to lead the way.

ELGI TREAD

Several million tyres ahead.

ELGI TYRE & TREAD LTD.,
2000 Trichy Road Singanallur
Coimbatore India

MAA COMMUNICATIONS ETTL 98

UNITEL COMMUNICATIONS LIMITED

Telecommunications is changing the way the world handles information. Extraordinary developments in the field have led to tremendous leaps in demand, and the Indian telecom market is projected to be worth Rs. 3100 crores by 1990!

UNITEL—Because every revolution needs a leader

Spearheading this revolution is Unitel—a joint venture of the United Breweries Group and ELCO. The Rs. 800 crore United Breweries Group is the undisputed leader in a wide spectrum of industries. It includes companies like Hoechst, McDowell, Carew, Herbertsons, Punjab Breweries, Roussel, Kissan and Phipson. Unitel's collaboration with ATEA of Belgium (a GTE-Siemens venture) has given it access to the most contemporary technology available worldwide.

Unitel is now looking for 2 very special people to take up senior level positions in the organisation.

PERSONNEL MANAGER — Bhubaneshwar

Rs. 1,00,000/- per annum (gross)

The ideal candidate would be in his/her mid 30's, with about 8/10 years of relevant experience in a professional organisation. Post Graduate qualification from a leading institute is desireable.

The incumbent will be in charge of all aspects of human resource management like recruitment, performance appraisal, training and management development.

LIAISON MANAGER — Delhi

Rs. 80,000/- per annum (gross)

The ideal candidate would be in his mid 30's with about 6/8 years of relevant experience in dealing with Govt. bodies like DOE/DGTD for licensing and should be familiar with Import Policy for Electronics. Exposure to Customs formalities will be an added advantage.

Please apply within 10 days with a detailed bio-data and superscribing the envelope with the post applied for, to:

The Managing Director
Unitel Communications Limited
A-163, Sahid Nagar, Bhubaneshwar-751 007.

unitel communications limited
A-163, Sahid Nagar, Bhubaneshwar-751 007.

TANNERY

A LARGE INDUSTRIAL GROUP WITH INTERESTS IN SHOE UPPER EXPORTS WANTS TO SET UP A MODERN STATE OF THE ART TANNERY FOR PRODUCING OVER 30,000 SQUARE FEET/PER DAY OF ALL TYPES OF LEATHER. SITE HAS BEEN PURCHASED, MACHINES HAVE BEEN IDENTIFIED, INDIA'S LEADING CONSULTANT HAS BEEN APPOINTED AND MOST IMPORTANTLY FUNDS HAVE BEEN EAR-MARKED FOR THE PROJECT. WE URGENTLY NOW NEED :—

VICE-PRESIDENT
(LEATHER DIVISION) **200 K + CAR**

THE INCUMBENT WILL BE EXPECTED TO HAVE CONSIDERABLE EXPERIENCE IN ALL ASPECTS OF TANNERY MANAGEMENT. APART FROM BEING A LEADING LEATHER TECHNOLOGIST MUST ALSO ANSWER THE FOLLOWING REQUIREMENT :—

— ABILITY TO SET UP A LARGE MODERN TANNING UNIT FROM SCRATCH
— RUN IT INDEPENDENTLY AS A SEPARATE PROFIT CENTRE
— COMPLETE UNDERSTANDING OF THE 'STATE OF THE ART LEATHER PROCESSING TECHNOLOGY.

APPLY IN CONFIDENCE TO:

Box No. AA 244 BT, 3, **Business India,** 59, Regal Building, Connaught Circus, New Delhi-110001.

OPPORTUNITIES FOR SALES PROFESSIONALS TO PROVE THEIR PROWESS IN INDIA AND U.S.A.

LEADERSHIP
BUILT ON TRUST

HCL LIMITED, the market leader in office automation industry, has carved out a greater market share through innovative marketing combined with impeccable timing. Having achieved distinction of a sound **UNIX**-based organisation, it is well on its way to achieve a turnover of Rs. 250 crores by 1990 from its present turnover of Rs. 100 crores.

Its latest unique enterprise **HCL AMERICA Inc.** has already been launched in the U.S. with Headquarters at **Sunnyvale, California, U.S.A.**

To implement our growth plans, we invite applications from Sales Professionals for our **Computer & CAD/CAM Divisions in India and for our new venture in the U.S.**

The incumbents should preferably be M.Tech./B.Tech. from an institute of repute in India or abroad with 5-7 years' experience, out of which 2-3 years should be in direct selling/product management of **UNIX-based mini/supermini systems.**

Candidates with 8-10 years' experience, including at least 2-3 years' experience in leading a team of sales professionals, will be considered for suitable **higher positions**.

What you earn will be entirely commensurate with your capabilities and the unique challenges before you.

Rush complete details in confidence within **7 days**, along with **contact telephone no.**, to:

HEMANT KUMAR
Corporate Manager – HRD
HCL Limited
Bajaj House, 5th Floor,
97 Nehru Place,
New Delhi – 110019

HCL
LIMITED

HCL 20563

Standard Chartered

Standard Chartered Bank
Merchant Banking Division

requires

for its growing operations at Bombay and New Delhi

Senior Executives – Corporate Finance

As part of its continued expansion, Standard Chartered Merchant Banking Division is seeking senior experienced corporate finance executives to supplement its Corporate Finance team.

The senior executives' prime responsibility will comprise the marketing, developing, executing and supervising assignments in the fields of public issues, structuring and arranging the totality of a project's financial requirements, advising on joint ventures and identification of industrial partners. However, the executives should also have the capability to contribute and move into other areas of merchant banking, such as financial advisory assignments.

Candidates should be about 32-36 years of age, will need to have a very good academic background, and have at least 6-8 years' directly relevant , successful merchant banking/stockbroking experience, including a thorough knowledge of the stock market, new issue regulations and financial institutions' framework.

The remuneration package will be negotiable, and designed to secure the best talent, and will be linked to performance and not structured grades.

Please apply in strict confidence within 10 days to:

Chief Executive,
Merchant Banking Division,
Standard Chartered Bank,
Post Box No. 843,
23-25 Mahatma Gandhi Road,
Bombay 400 023

giving full particulars of age, qualifications, experience and salary drawn.
All applications and envelopes should be marked SE-CF.

TVS SUZUKI

CD TVS

Sundaram-Clayton needs You

Computer & Communication Professionals

Hosur/Madras/ Pondicherry/Tumkur

Attractive compensation package + benefits

Sundaram-Clayton and TVS-Suzuki are members of the TVS group of companies. Together they command a sales turnover of Rs. 270 crores. Sundaram-Clayton manufactures air-assisted automotive braking systems and railway braking and signalling systems. TVS-Suzuki manufactures a range of mopeds and motorcycles. TVS Electronics manufactures a complete range of computer peripherals. TVS Whirlpool, a company promoted by Sundaram-Clayton, will manufacture a range of appliances.

The companies have invested over Rs.5 crores in 9 super micros and over 300 personal computers with modern software productivity tools support. These create an environment of on-line systems, distributed databases, expert systems, CAD/CAM, data communication and networking in a UNIX / MS-DOS environment. The computer applications are designed to cater to all functional areas of the companies.

Manager (Information Systems)

You will be responsible for all activities of inhouse development and maintenance of application systems. Towards this, you will guide and lead a team of computer professionals and accomplish planned goals of computerisation and automation. You will have a computer science/engineering qualification backed by at least **10 years'** relevant experience, of which 3 years will have been in a managerial position.

Computer/Communication Professionals

You will have a basic qualification of a degree, diploma in engineering or in computer science, and will have around **5 years'** relevant experience in one or more of the following areas:

Supermicros or micros
Software applications (UNIX,SQL)
Hardware maintenance
Systems training
Local area networks
Telecommunications

Depending on your qualifications and experience, you will participate at various levels of planning and implementation of our ambitious ideas.

We offer the right candidate an attractive salary and benefits which include PF, Gratuity, Medical etc., a healthy and professionally challenging work environment, with rewards based on merit and contribution, and excellent career development opportunities.

Send in your application on A4-size paper, within 10 days, to :

The Senior Manager (HRD)
Sundaram-Clayton Limited
"Jayalakshmi Estates "
8 Haddows Road
Madras 600 006

TVS Whirlpool

VSE S ELECTRONICS

CHIEF EXECUTIVE

Bombay Attractive salary + liberal perks

A medium sized professionally managed company, in the chemicals industry, which is part of a large group requires a Chief Executive. The company has ambitious expansion and diversification plans.

The Chief Executive will report to the Directors and will assume complete responsibility for the operations and the profitability of the company.

Besides operating matters, he will be involved in the identification and implementation of business opportunities and will lead a team of professionals.

This is a very senior opening and only candidates with excellent track record will be suitable. The position offers excellent growth prospects.

Candidates should be Chemical Engineers/ Post graduates in Organic Chemistry preferably with management qualifications from institutions of repute. Candidates should have at least 5 years relevant experience at a similar level. Preferred age: 40—45 years.

A very attractive compensation package commensurate with qualifications and experience will be negotiated, and remuneration should not be a constraint for the right candidate.

Please apply within 10 days to

Box No. AA/281/LB/1,
Business India
Wadia Building, 17/19 Dalal Street,
Bombay 400 001

giving full details of age, qualifications, experience and salaries drawn

Vam Organic Chemicals Ltd

New Delhi **Attracti Salary + Per**

Vam Organic Chemicals Limited, a growth oriented high technology company, has promoted **INSILCO LIMITED** in financial collaboration with Degussa AG of West Germany to implement a Rs.40 crore proje for the manufacture of spray dried silica. F this new company, we require a

VICE PRESIDENT - FINANC

The incumbent should be a qualified Chartered Accountant aged around 40 yea possessing 20 years of relevant work experience in project finance, accounting systems and taxation of a large organisatio A candidate having experience of working a multinational company would be preferr Company Secretary's qualification, though desirable, is not an essential prerequisite o the job. The selected candidate shall head Finance and Accounts function and shall report to the Managing Director.

Interested candidates should apply in confidence within 10 days giving full detai to :

The Manager Corporate Personn
VAM - HRD Centre, 2, Western Aven
Maharani Bagh, New Delhi-110 065.

BHOR

We are an established multi product Company dealing in products with plastic base which are put to various uses such as packing, furnishing, soft luggage, etc. Our products have a good name in the market. The Company has ambitious plans for fast expansion aiming to double its present turnover of Rs.55 crores. We require at our Corporate Office:

VICE PRESIDENT — Manufacturing

The Vice President — Manufacturing would be totally responsible for manufacturing operations of the Company and the Plant Managers at various locations would report to him. The ideal individual would be around 45 years with indepth experience in various aspects of Manufacturing Management including Administration. He should have a good track record, having held Senior Management positions for a period of at least 5 years with proven results. Technological background may be an added advantage but is not a must. Good organizational ability and general management abilities to achieve results through Senior Managers is a must.

Those who can take up this challenging assignment may write, in strict confidence, with full details within 10 days to:

Group Personnel Manager
BHOR INDUSTRIES LIMITED
392, Veer Savarkar Marg,
Bombay 400 025.

Please superscribe on the envelope "VP-M"

Baroda Productivity Council
Needs
Deputy Executive Director

The Position : The Deputy Executive Director will report to the Executive Director, who is the executive head of the Council. The Council provides an environment whereby the person will blossom to his full potential as he achieves results. The environment is essentially suitable for self-motivated, autonomous people.

The Job : The Deputy Executive Director will be responsible for the Consultancy, the EDP and Finance & Administration Divisions of the Council. His prime responsibility will be to keep up the growth of the Council (which has grown 6 times in the last 9 years).

Qualifications, experience and other requirements : A degree in Engineering from a recognised university/IIT with higher qualifications in General Management (preferably EKS) or Industrial Engineering. Exposure to EDP and Finance & Administration is desirable.

A minimum experience of 10 years in industry in General Management, Industrial Engineering or EDP/Systems is a must. We are looking for a person who is endowed with an overall perspective of and grip over business as a whole. He should have an innate ability to locate bottlenecks in whatever functions and areas they may lie (in a variety of industrial/business situations) and be able to get the solutions to these bottlenecks to implementation. Obviously, clarity of concepts, the ability to communicate them clearly and effectively and the ability to get along with people is a must.

Uncompromising dedication to Customer Services - to which the Council stands committed - is an essential requirement.

Age : Not exceeding 45 years.

The Compensation : The package is negotiable; the right candidate will find it challenging.

Please apply within 15 days to :

The Executive Director,
Baroda Productivity Council, Productivity House,
Productivity Road, Baroda-390 005

COMPLETE SHOES

SHOE UPPERS

FINISHED LEATHER

LEATHER GARMENTS

SPORTS SHOE FABRIC

IMPORTED TIMBER

WASAN GROUP

MANAGERIAL VACANCIES

We were Pioneers in the field of shoe upper exports — now a Dynamic Group growing at a very rapid pace and developing into a multi-product group, with an annual production of about Rs. 50 crores.

To strengthen our management team we require the following personnel :

GENERAL MANAGER— FRANKFURT

Reporting to the Chief Executive, the ideal candidate should be a post-graduate in management preferably with a marketing background. His age should be between 30-35, experience in — international Trading Leather/Upper/Shoe Trade would be desirable. Preference would be given to German speaking candidates.

The Job will involve administration of the Frankfurt office together with liaison and marketing in both Europe and U.S.A.

GENERAL MANAGER— AGRA

Reporting to the Chief Executive, the Ideal candidate should have a technical background with a management degree. Important attributes should be sound management and administrative abilities. Experience in tanneries/shoe upper/full shoe units is desirable, but,not essential. The candidate should be between 35-40.

The job will involve managing all our tanneries, upper and complete shoe units.

Growth prospects are excellent and remuneration will be amply rewarding. Please apply in confidence within 10 days to :-

THE CHIEF EXECUTIVE

WASAN GROUP OF COMPANIES

BODLA : AGRA

HOTELS ELECTRONICS

ENFIELD

requires

REGIONAL MANAGER (WEST)

for its Two Wheeler Marketing Division

Location : Bombay/Pune

Will be

— responsible for achieving increased sales volume through Dealers and Institutional Sales in the States of Maharashtra/Goa/Gujarat and Madhya Pradesh.

— sustaining and improving network of dealers.

— managing and motivating field sales force and providing an accurate feedback of products.

The Candidate should be a Graduate with a minimum of 10 years of related experience of which 2 years should be preferably at a similar position. Graduate Engineer with MBA preferred. Ability to lead a team in a highly competitive, cost and quality conscious buyers market is a pre-requisite.

AREA MANAGERS

Location : Indore & Lucknow

Will be

— responsible for achieving increased sales volume in the State of Madhya Pradesh/Uttar Pradesh respectively besides sustaining and improving network of dealers.

The Candidates should be Graduates with a minimum of 8 years of related experience of which at least 2 years should be at a similar level.

Salary and benefits will be in line with the best in the Industry.

Please apply within 10 days giving full particulars to

CORPORATE MANAGER — PERSONNEL
THE ENFIELD INDIA LIMITED
'Enfield House'
115, Anna Salai
MADRAS 600 015

HERO HONDA

requires
for its Dharuhera (Haryana) Plant :

DIVISIONAL MANAGER/ MANAGER - PERSONNEL & GENERAL ADMINISTRATION

The incumbent should be a matured professional with strong I.R. base, good in inter-personal skills and be able to lead a large aspiring work-force. As head of the department, he will be responsible for the entire gamut of Personnel Management affairs of the factory operations in which he will be supported by young functional executives.

Professionally qualified persons with 10-14 years of related work experience from light engineering industry known for its progressive personnel policies will find preference. Preferred Age 32-38 years.

The Company offers attractive compensation package with opportunity for advancement in the growing work environment.

Interested persons are requested to mail their resume within 10 days to :

ASST. GENERAL MANAGER — PERSONNEL & GEN. ADMN.
HERO HONDA MOTORS LIMITED
34, Community Centre,
Basant Lok, Vasant Vihar,
New Delhi - 110 057.

Sobhagya/255/88

PROJECT MANAGER
FOR ALUMINIUM EXTRUSION PROJECT

We are a professionally managed industrial group with an enviable track record. We are now setting up an Aluminium Extrusion Plant in Andhra Pradesh and are looking for a dynamic PROJECT MANAGER. The incumbent will take up detailed study of the project proposal, successfully execute the project and take over responsibility of the unit including its growth and profitability in line with targetted plans of the Company.

The applicant will be a technocrat and will be required to effectively liaise with the Government agencies and co-ordinate with management for setting up the project expeditiously.

The position is in the highest echelon of the organisation. Persons holding management qualifications from reputed institutions and having over 10 years experience at senior levels in organisation of repute would be best suited.

The remuneration package would be attractive and progress would be merit based.

Please apply enclosing recent pass-port size photograph in strict confidence giving details of qualification, age, present and previous employments, years of experience, salary drawn and expected and joining time required to:

The Advertiser,
Box No. AA/281/LR/2
Business India
B-2, Ashiana Apts
Old Lancer Lines
Sarojini Devi Road,
Secunderabad-500 025.

Nagarjuna Finance Limited

Location : Bombay **Age : upto 35 years**

Nagarjuna Finance Limited, one of the largest finance companies in the country with a gross asset portfolio of over Rs. 45 crores, belonging to the dynamic, well-diversified Nagarjuna Group, wishes to recruit a high calibre **Assistant Manager/Deputy Manager** to spearhead the Company's thrust in the area of TRADE FINANCING.

The position calls for atleast 5 years of hands-on experience in the area of Imports and LC transactions. Knowledge of Import-Export procedures, banking aspects of overseas and inland LCs is essential. He would be required to develop the TRADE FINANCING activity from scratch and generate sizeable business volumes in keeping with the Company's plans. Specifically, the job responsibilities would be to :

i) Identify and develop a client-base amongst importers;
and
ii) Identify and promote related services.

A professional qualification in Business Management or Accountancy is desirable but not essential. The position is in the Management cadre and offers excellent growth prospects. A high degree of initiative, integrity, commitment to tasks, a sincere determination to accomplish ambitious targets, sound commercial acumen and negotiating skills are essential attributes of this position. In addition to an attractive compensation package, the Company provides a professional work environment and ample scope for demonstrating individual merit. Housing will however, not be provided.

Please apply in strict confidence, within 10 days to :

The Manager - HRD
Nagarjuna Finance Limited
Nagarjuna Hills
Hyderabad - 500 482

giving full details of qualifications, experience, age, salary and atleast two references.

CITIBANK N.A. CONSUMER SERVICES GROUP REQUIRES A DIRECT MARKETING PROFESSIONAL

Citibank's Consumer Services Group has been marketing financial services to individuals in India and to Non-Resident Indians since 1985. Results have been excellent and future plans envisage deepening relationships with existing customers and sourcing new customers.

Our target candidates for this new and important position are outstanding marketing professionals, strong in statistical analysis and systems development. Relevant experience in reputed organisations would be desirable.

This is a Bombay based position. The compensation package is excellent and includes the full range of allowances and perquisites. The work environment is supporting and rewarding, but demands high energy levels.

Absolute confidence is assured. Please write to:

Mr. Joe Mascarenhas
Vice President & Human Resources Director
Citibank N.A.,
Consumer Services Group
P.O. Box No. 11678
Bombay 400 021.

CITIBANK
Consumer Services Group

THE INSTITUTE OF COST AND WORKS ACCOUNTANTS OF INDIA

Invites Applications
for the posts of :

(I) **SECRETARY** (Rs.5,900-200-7300) plus Perks

ASSIGNMENT : He will be administrative head of the Institute. He will supervise the activities of the Senior Executives (Directors) of various Departments like Administration and Finance, Studies, Examination, Professional Development, Research etc. He will be responsible to the elected Central Council headed by the President of the Institute. In addition to organising the activities of the Institute the job involves a great deal of inter-action with Government, Industries, Educational and Professional Institutions.
QUALIFICATION : He must have achieved high academic attainments. Preference will be given to Fellow Member of the Institute.
EXPERIENCE : At least 15 years experience in Senior Management levels in Government/Industry/Professional Body.
AGE : 45/50 years.
EMOLUMENTS : The total yearly emoluments at the minimum of the Scale will be around Rs.1,10,000 which will include D.A. H.R.A., Festival Allowance and limited reimbursement of car expenses as per the Rules of the Institute. P.F., L.T.C. and Gratuity benefits on confirmation.

(II) **DIRECTORS** (Rs.4,500-150-5700) plus Perks

ASSIGNMENT : He will be in-charge of any one of the Directorates of the Institute. He will be responsible for the activities of the Directorate. He will work under the supervision of Secretary.
QUALIFICATIONS : He must have high academic attainments and should be a Member of the Institute.
EXPERIENCE : At least 10 years experience in Senior management levels in Government/Industry/Professional Body.
AGE : 40/45 years.
EMOLUMENTS : The total yearly emoluments at the minimum of the Scale will be around Rs.85,000 which will include D.A., H.R.A., Festival Allowance and limited reimbursement of car expenses as per the Rules of the Institute, P.F., L.T.C. and Gratuity benefits on confirmation.

GENERAL : The posts are transferable any where in India. Initial posting may be at Delhi or Calcutta.
The application should reach within 15 days to :-

President,
The Institute of Cost and Works Accountants of India
Cost Accountants' Hall
12, Sudder Street
Calcutta - 700 016.

Name of the post applied for should be marked at the top of the envelope.

MANAGEMENT TRAINEES

We are the leading General Sales Agency in India representing several International Airlines. We have offices all over India with more than 600 personnel.

As a part of our growth plan we are looking for young aspirants interested in a career in the Aviation Industry.

Qualifications: MBAs from reputed Institutes with a consistently high academic and extra-curricular record. Candidates should be result oriented, self-propelling individuals possessing good personalities. Credit will be given to applicants with relevant experience.

Age: Below 30 years.

Remuneration: Rs. 3,000/- per month during training. On confirmation, candidates will be absorbed in an appropriate Management grade with attractive perks.

Selected candidates will undergo intensive training in all departments of the Company, after which they shall be placed in Managerial positions in our various offices.

Please apply before 15th January, 1989, with bio-data and a short handwritten essay (300 words or less) titled "My Career Plans", to:

Box No. AA/281/LJ/5.
Business India .Wadia Building,
17/19 Dalal Street,
Bombay 400 001.

2484 A8 A

LEASING COMPANY

A large leasing Co. with
capital of Rs. 2 crores
wishes to appoint a **Chief Executive**
to be based in
Madras or **Bangalore**
for developing leasing and
hire purchase business.
Will suit experienced banker.
Very attractive terms.

Apply Box No. AA/281/OM/3, **Business India**, 59 Regal Building,
Connaught Circus, New Delhi 110 001.

AREA SALES MANAGERS
SALES EXECUTIVES

Delhi, Bombay, Calcutta, Madras, Hyderabad, Bangalore and Pune.

Insoft is engaged in marketing international & indigenous Software Products. Insoft is looking for dynamic achievement-oriented AREA SALES MANAGERS and SALES EXECUTIVES at Delhi, Bombay, Madras, Calcutta, Hyderabad, Bangalore and Pune.

All you need to have is a graduate degree with 2-5 years' experience, with a pleasing personality with plenty of dash and persuasion. In addition, you should have a proven track record in selling. For Area Sales Managers, experience in managing a sales team desirable.

The offer includes an excellent remuneration package commensurate with your credentials.

Please send complete resumé and application with photograph within 10 days, superscribing the envelope with the position applied for and preferred location to: Manager, Human Resources Insoft B 4/144 Safdarjung Enclave New Delhi 110 029

insoft

If you're looking for a growing career
come join us
and build the team

THE PHOENIX ELECTRONICS TEAM

In keeping with its aggressive growth policies Phoenix is diversifying into allied hi-growth areas like **computers**. For this purpose we have made an ultra modern plant at NOIDA (U.P.)

WE NEED

1. **Production Manager**
2. **Quality Assurance Manager**
3. **Asstt. Manager—Assembly**
4. **Asstt. Manager—Production**
5. **Production Engineers**
6. **Quality Assurance Engineers**
7. **Technical Assistants**

Qualification

For post 1 to 6 Degree in Electronics/Electrical Engineering with 2-6 years experience or Diploma in Electronics with 8-10 years experience in relevant field of Assembly, production, quality assurance in an Electronics manufacturing organisation. For Technical Assistants Diploma in Electronics with 2 years of experience will be desirable

Salary will be above industry norms and an attractive package is available and negotiable for the right candidate.

Please apply in STRICT CONFIDENCE superscribing on the envelope the post applied for within 15 days to :

PHOENIX®

The General Manager (HRD)
PHOENIX ELECTRONICS LIMITED
3rd/4th FLOOR, GOPALA TOWER, 25, RAJENDRA PLACE
NEW DELHI-110 008.

MARKETING MANAGER

ALLEPPEY,
Kerala

Excellent Salary + Family Accommodation + Car

We are a leading manufacturer of ayurvedic medicines with a wide network of sales outlets including 23 branches. We are implementing a new project for manufacture and mass distribution of non-prescription ayurvedic and herbal preparations. We need a MARKETING MANAGER who will independently build up and operate an entirely new marketing set up including organising, training and motivating an excellent sales team. He will directly report to the Chief Executive. We are looking for a top flight marketing professional with a proven track record. He should be 40-45 years of age and have a post-graduate qualification in Management, with specialisation in Marketing, from a reputed business school and around 15 years' experience in marketing of consumer products, of which around 7/8 years should be in an independent capacity. Knowledge of the Kerala market is essential.

Please apply within
15 days enclosing
a detailed resume
highlighting your
past achievements to:

SDഫാർമസി 49 സേവനത്തിന്റെ 49-ാം വർഷം

The General Manager
S D Pharmacy
Post Box No: 4204
ALLEPPEY - 688 004

PRODUCTION MANAGER

Chemical Process Industry

Calcutta **Excellent remuneration package**

A well-known, large and diversified Business House headquartered in Calcutta has entrusted us with the selection of the Production Manager for one of its Public Limited Companies which manufactures high valued industrial chemicals.

The company is looking for an outstanding Chemical Engineer, between 35 and 40, with around 10 years production experience in a Continuous Chemical Process Plant. Apart from technical knowledge he must have strong **leadership** qualities to lead and enthuse a team of professional Engineers. The position offers excellent growth prospects.

The remuneration package will be negotiated depending upon the innate capabilities of the candidate and will not be a constraint for the right man. Please write in strict confidence with detailed curriculum vitae and superscribe the envelope with the position title.

QUEST CONSULTANTS & ENGINEERS PVT LTD

8/1 Chapel Road Calcutta 700 022

PRODUCT MANAGER
—POLYMERS

Bombay **Rs. 1.25 lakhs p.a.**
Age : Around 35 years **(gross)**

One of the best known corporations in the world with interests in a wide range of chemicals and petrochemicals is looking for a Product Manager to handle its polymers business in India.

Reporting to the Chief Executive, the selected candidate will look after a group of polymer products. His main responsibilities will be identifying opportunities and developing applications for the company's products, providing technical information and service to customers, conducting market studies and training and motivating the distributors.

Extensive travel in India and abroad, would be necessary. Career prospects are excellent.

Candidates should be graduates/post graduates in Applied Chemistry with specialisation in Polymer Science/Technology with around 7-10 years sales/ technical services/market development experience in the rubber or plastic industry. A thorough knowledge of the rubber and plastics industry is essential. Knowledge of and experience in speciality polymer products such as speciality synthetic rubber and synthetic resins would be desirable.

It is envisaged that the emoluments would be negotiated around the figure indicated above but would not be a constraint. However, housing will not be provided.

Please apply in strict confidence within 7 days to

A F Ferguson Associates
Hansalaya, Barakhamba Road
New Delhi 110 001

[illegible] details of age, qualifications, experience, salaries drawn and contact telephone numbers. Please mark the application and envelope with **'MS/4825'**

ABC's major specialisations include Corporate Consultancy

DESIGN ENGINEERS/MANAGERS

Beautiful Industrial City

We have been retained by **a large & progressive Engineering Company** to select several senior & middle management cadre design personnel to pursue design work in the fields :

a) Machine Tools (including CNC Type)

b) Automation Systems on Machine Tools

c) Meterial Handling Equipments

They will have Post Graduate Engineering Degree and a minimum of 6 years design experience in a reputed organisation. Upper age limit will be 45 years. Salary & perquisites will be in the range of **Rs 50,000/-** to **Rs 100,000/-** commensurate with qualification & experience. Company will provide housing & good medical facilities for self & family.

Please write within 15 days to **B P Agrawal, Chairman** and mark the envelope & enclosures with job title & code DEM/CAL/2505.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones 47 3688 (5 Lines)

Operations Research • Industrial Engineering

Data Processing • Computer Software Packages • Materials Management

---

A professionally managed **Computer manufacturing company** with estimated sales exceeding Rs. 10 crores and promoted by renowned multi-nationals needs the following personnel at **Bangalore** to keep pace with its growth:

MANUFACTURING MANAGER

To take over all responsibility of production, quality assurance and technology absorption.

Electronics Engineers with 7-10 years' experience – 5 years at a senior level in production. Familiarity with in-circuit testers (ATE) desirable.

HARDWARE ENGINEERS

(for In-circuit test equipment/ATE)

Electronics Engineers conversant with ATEs - Generad, Factron, etc. With 2 years' experience in hardware design using microprocessors and software tools.

PRODUCTION ENGINEERS

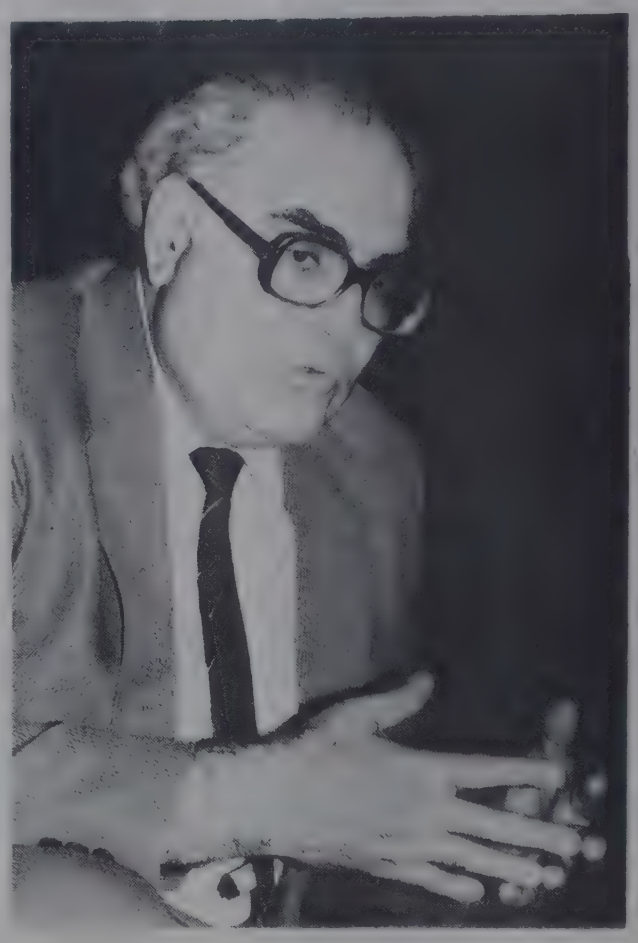
Electronics Engineers/Diploma holders with 3 to 4 years' experience.

All the above posts carry attractive remuneration in line with the industry standards.

Please apply in strict confidence within 10 days to:

Post Box No. 5201,
Bangalore.

Food technologies for changing times



With the rapid induction of foreign technology in food processing, the role of pioneering institutes like the Central Food Technology Research Institute (CFTRI) needs to be reviewed. In view of near self-sufficiency in the food processing sector, what has prompted the government to go in for foreign know how? Saroj Pandit spoke to **Dr. B.L. Amla,** *director, CFTRI on behalf of* Business India *to find out about the swadeshi response to foreign knowhow and the challenges ahead*

What has been the CFTRI's contribution to the development of indigenous technologies?
We have had something to do with almost all the indigenous processed foods available in the market. We have either been involved in developing the recipe or designing the package or the processing. We have been striving to build technologies appropriate to the changing times. Women are going out to work, the joint family is disintegrating and the institution of servants has almost died out; it has become imperative to provide foods which reduce the cooking time to the minimum. Besides, there is a need to conserve fuel. Food processing technology is unique in the sense that it is a social transformation.

What challenges do you foresee?
In the past, our attempt used to be to provide food which could satisfy the consumer psychologically. For instance, wheat had a high quantity of bran which could appease hunger because of its bulk. Today, however, there is surplus food so the shortage psychosis is no longer relevant. Our concern now is to process as much food as possible so that it can be held in the trade channel. This is because it is more difficult to hold the food in its raw form. Processing renders the food more stable and it is, therefore, easier and less expensive to store.

Do you have any thrust areas?
In the Indian context, cereals have a distinct edge over other foods for the simple reason that they constitute 85 to 90 per cent of the food consumed. Our thrust area in the coming years will, therefore, be the processing of grains. The concentration will be on how to make cereal products which will ease the drudgery of cooking. Another area will be legumes.

What about processing of fruits and vegetables?
A majority of the people do not get to eat fruit and vegetables regularly. They also do not form a integral part of the rural diet. And, in any case, it is best to consume them fresh, which works out to be the cheapest as well. Our weather conditions are such that we have some fruits or vegetables throughout the year. So where is the need to preserve them?

How would the latest thrust by t government in food processing a the ordinary consumer?
It should not have a significant in because we grow far more than is processed. In any case, advantag processing should be passed on t consumers.

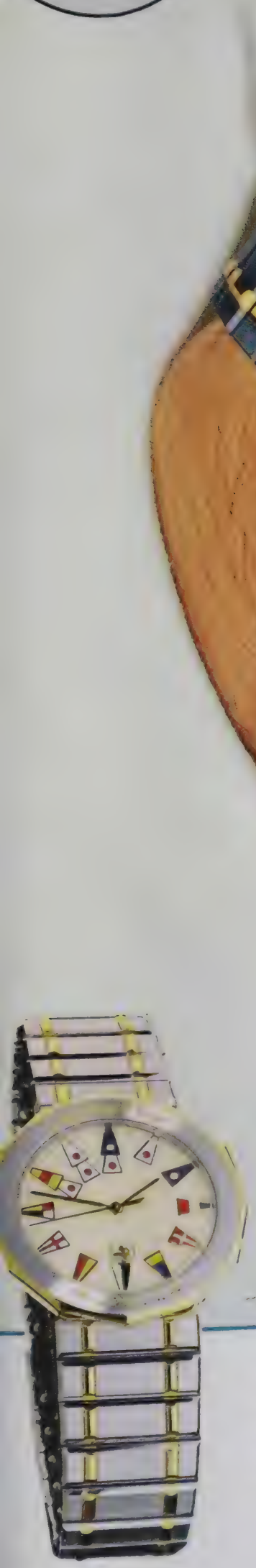
How do you feel about the recei influx of foreign technologies?
We are doing a fairly good job of processing. Perhaps the governme feels that companies like Pepsico an edge over us in some areas. Bu then again, in the Pepsi case it wa giant Indian concerns — the Tata Punjab agro which wanted to brin the multinational. I have a feeling it was not because of the technol that Pepsi has but because of the marketing advantage the tie-up is bound to give them to compete w the established brands in the cou

Foreign technology will have or limited impact in the country bec it will be restricted only to periph situations. Cereals and legumes r the mainstay of our diet. Nobody tell us how to make instant idlis dosas or chappatis. This technolo only be developed indigenously.

Gokul Patnaik, managing direct Punjab Agro, has stated that CF technology was inadequate and Pepsico had to be called in.
Patnaik has been inducted to the management of Punjab Agro only recently and may be as ill-inform many others on this issue. Anywa have asked him about his statem

What role do you foresee for th domestic food processing indus
It will play an extremely importa the moment we reorganise our ta excise structure to give advantag the taxed products. The governm has now realised that by taxing i heavily it is preventing this indus from growing. So the tax structur being revised. I have a feeling tha will give a boost to the food proc industry. Unfortunately, small sc industries are facing the handica not being able to compete with t established companies which hav resources to advertise their prod Steps should therefore be taken t that these small industries are n crushed

CORUM



Men and women of distinction always have something rare in common, like a Corum watch on their wrists. For instance the luxury Admiral's Cup model in solid gold, with enamelled nautical pennants marking the hours. Admiral's Cup, quartz, water-resistant. Also steel and gold and in ladies' versions. Registered model.

CORUM
SUISSE

Corum watches are on view at the finest jewellers in the world.

address inquiries to
Corum, 2300 La Chaux-de-Fonds, Switzerland

RN 35850/78

REG. No.
SO

Winning nine times cannot be sheer chance.

At Sholapur, Ahmedabad, Karavali, Jaipur, Chandigarh, Mysore, Nagpur and Dhrangadhra. And the Earth to Sky Himalayan Expedition.

Effortlessly, the Narmada 150 Prince won. Over nine different terrains.

Narmada 150 Prince. Powerful 150 cc engine. That delivers sheer power and dependable toughness. 42 kms. per litre fuel efficiency under city riding conditions. And a safe 1200 mm wid wheelbase.

Narmada 150 Prince. Powerful, economical, stable and dependable.

Gujarat Narmada Auto Limited
GNAL
(A wholly owned subsidiary of GNFC)
Narmadanagar 392 015 Dist Bharuch Gujarat

Mudra:A GNAL 4448

Narmada 150 PRINCE

Tough! So you can depend on it.

C.F.T.R.I.

Business India

agazine of the corporate world December 26, 1988 to January 8, 1989 Rs. 6

Businessman of the year 1988

SUMANT MOOLGAOKAR of TELCO

"Technocrat par excellence – a role model for the future"

INSIDE

GLINDIA VENTURES OUT

IOC's DIVERSIFICATION PANGS

WINTER VISITORS

ALSO IMAGES OF 1988

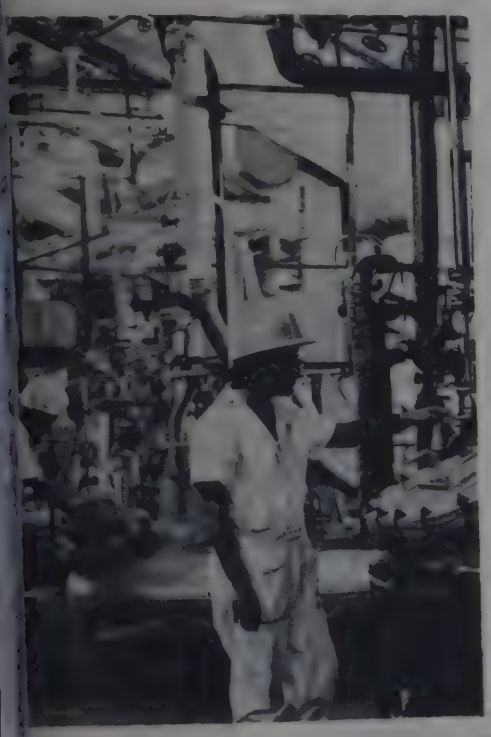
NOW A
WHOLE
FLOOR
FOR MI
UPSTAI
Benzer?
of course
ONLY AT BHULABHAI DESAI ROAD, BOMBAY
WE HAVE SURPRISE AFTER SURPRISE IN STORE FOR YOU
INDIA'S BIGGEST
SHIRT SHOP
AND THE BEST!
BENZER

CFTRI, MYSORE

IMAGES OF 1988

COVER FEATURE

50 **Businessman of the Year 1988**
S. Moolgaokar of Telco
The chief architect of Telco, Moolgaokar is widely recognised as the man who's laid the foundation of the Indian automotive and engineering industries. Unfortunately, poor health has forced Moolgaokar to retire just when Telco seems poised for further growth
NAAZNEEN KARMALI & DILIP CHERIAN



CORPORATE REPORTS

60 **GLINDIA**
Back in the fast lane
Glindia Ltd seems to have put the years of jerky growth firmly behind it.
DILIP MAITRA & N. RADHAKRISHNAN

69 **IOC**
Opting for the beaten track
KEYA SARKAR

73 **SOLIDAIRE**
A picture of growth
DHARANI K. PANI

77 **SAKTHI FINANCE**
Responsive again
SUSHILA RAVINDRANATH

SPECIAL REPORTS

80 **WINTER VISITORS**
Merry weather for business
International business travellers are thronging hotel business centres and resorts
SHANKAR P.

89 **LIQUOR LEVIES**
Cauldron of corruption
Manufacturers and consumers scream about arbitrary liquor taxes, and the politicians are laughing all the way to the bank
SHEKHAR GHOSH

170 **Business Images '88**
As 1988 draws to a close, a look-back at the people and events that shaped business

23 BUSINESS NOTES
NFDC films are enjoying unprecedented popularity and profitability
Coca-Cola is riding piggy-back to India with Pepsi
The Petrochemicals Data Service has taken off
Computers are making horse racing racier
The Tea Board's two regional executives have got more power

35 ECONOMY
The economy is in need of macro-management, says
A.N. KHUSRO

41 CENTRE
Cold comfort
Coke's no joke
The call for cash
DILIP CHERIAN

95 COLUMN
The Eximscrip concept is tailored to Indian export priorities, says
PRAKASH HEBALKAR

101 STATES
West Bengal
The once-militant unions in Bengal are biting the dust
MADHUMITA BOSE

116 LABOUR
A strange coalition is emerging in segments of the public sector between top management and unions, says
E.A. RAMASWAMY

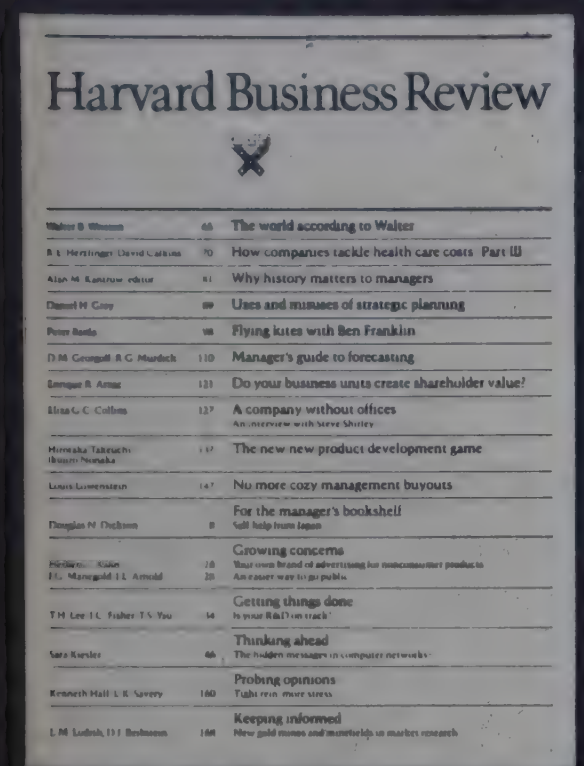
121 MARKETING
HCL has mounted a no holds barred attack against Modi Xerox
SANTANU GURU

169 INTERNATIONAL
Indo-China trade is on a slow boat
SHIV TANEJA & COONOOR KRIPALANI

18 Businessmen in the News
28 Business Notes
41 Centre
95 Column
143 Corporate Monitor
60 Corporate Reports
123 Computers
50 Cover Feature
159 Debentures
151 Diary of a Merchant Banker
31 Economic Indices
33 Economic Outlook
35 Economy
179 Executive Ladder
6 For Your Information
224 Interview
169 International
160 Investor Contest
170 Images '88
116 Labour
3 Letter from the Publisher
5 Letters to the Editor
11 Listening Post
108 Management
153 Market News
121 Marketing
12 News and Events
178 People
164 Professional Profile
182 Reader Service
101 States
80 Special Reports
156 Stockmarkets
129 World Paper

Published and printed by A.H. Advani of BUSINESS INDIA Wadia Building 17/19 Dalal Street, Bombay 400 001, at the Tata Press Limited, Bombay 400 025 & Phototypeset by Business India Photosetters.

Subscribe To Excellence


Harvard Business Review

Walter B Wriston	65	The world according to Walter
B L Hertzinger David Carlton	70	How companies tackle health care costs Part III
Alan M Kantrow editor	81	Why history matters to managers
Daniel H Gray	89	Uses and misuses of strategic planning
Peter Reda	98	Flying kites with Ben Franklin
D M Georgoff R G Murdick	110	Manager's guide to forecasting
Enrique R Arnau	131	Do your business units create shareholder value?
Ilene G C Collins	137	A company without offices An interview with Steve Shirley
Hirotaka Takeuchi Ikujiro Nonaka	147	The new new product development game
Louis Lowenstein	147	No more cozy management buyouts
Douglas N Dickson	8	For the manager's bookshelf Self help from Japan
Herbert Koshi	28	Growing concerns Your own brand of advertising for noncommodity products
H L Mangold J L Arnold	28	An easier way to go public
T H Lee J C Fisher T S Yu	34	Getting things done Is your R&D on track?
Sara Kiesler	46	Thinking ahead The hidden messages in computer networks
Kenneth Hall L R Savery	160	Probing opinions Tight rein, more stress
L M Ludwin D I Beckmann	166	Keeping informed New gold mines and masterfields in market research

A magazine written for decision makers worldwide. Published by Harvard Business School.

50 Recent Articles from the Harvard Business Review...

Read them and consider: a single article—if it's the right article—could make all the difference in your business and your career!

CORPORATE STRATEGY

Get Leverage from Logistics
Line Staff Is Obsolete
Management in The 1980s
The Risky Business of Diversification
Task Teams for Rapid Growth
How to Acquire a Company
Management of Objectives

GENERAL MANAGEMENT

Patterns of Delegation
Making Sense of Management Theory
Power and the Ambitious Executive
The Effective Decision
Problems of a New Executive
How to Meet the Press
Thriving in a Recession

PRODUCTION & OPERATIONS

Simple Truths of Japanese Manufacturing
Every Factory Has a Life Cycle
Sweeping Changes in Distribution
Demand Better Results—And Get Them
Guides to Inventory Pricing
Productivity Management
What Happens When Our Oil and Gas Run Out?

FINANCE

New Balance Sheet for Managing Liquidity and Growth
The Folly of Stock Market Timing
Cashing in on the Checkless Society
The Psychology of Pricing
Using Your Hidden Cash Resources
Investment Policies That Pay Off
Using Credit for Profit Making

MARKETING & SALES

After the Sale Is Over...
Get More Out of Your Trade Shows
How to Segment Industrial Markets
Making Your Marketing Strategy Work
Squeezing the Waste Out of Advertising
Clues for Advertising Strategists
What Makes Advertising Effective?
Making the Major Sale

PLANNING & CONTROL

How to Get a Better Forecast
Making Cost Controls Work
Steps in Long Range Planning
Zero Base Budgeting
Sharpen Your Number Sense
Improve Your Profits Day by Day
Make Overhead Cuts That Last

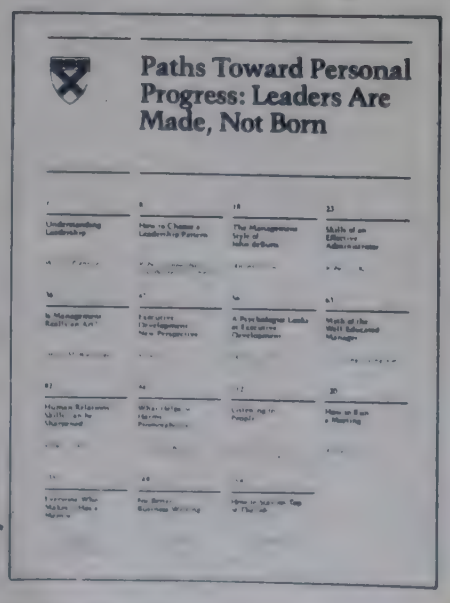
INTERNATIONAL

You're the Best Judge of Foreign Risks
Be Prepared for Political Changes Abroad
Doorstep for Free Trade
Succeeding in Saudi Arabia
Negotiating with 3rd World Governments
Critical Factors in Worldwide Purchasing
Managing the Risks of International Exchange

...And Receive A Free Gift!

PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN is yours free as soon as your subscription order is received!

Skills of an Effective Administrator
Is Management Really an Art?
Myth of the Well-Educated Manager
What Helps or Harms Promotability
Listening to People
How to Run a Meeting
Everyone Who Makes it Has a Mentor
For Better Business Writing
How to Stay on Top of The Job
A Psychologist Looks at Executive Development


Paths Toward Personal Progress: Leaders Are Made, Not Born

SUBSCRIPTION INVITATION

Send my free copy of PATHS TOWARD PERSONAL PROGRESS: LEADERS ARE MADE, NOT BORN, start my 1-year subscription (6 issues) to Harvard Business Review and bill me for only Rs. 1,350/-

(Please add Rs. 15.00 for outstation cheques)

Harvard Business Review YES

NAME _____
POSITION _____
COMPANY _____
STREET _____
CITY _____ PIN _____

ADVANCED MANAGEMENT SERVICES
410, Jolly Bhavan No. 1
New Marine Lines, Bombay 400 020
Tel: 252998
Telex: 11 5132 HRVD IN

Business India

Publisher	Ashok H. Advani
Associate Publisher	Malvika Singh
Editor	Rusi Engineer
Deputy Editors	Dilip Cherian (Delhi) Mukarram Bhagat (Bombay)
Assistant Editors	Basudev Dass (Bombay) Aspi Contractor (Bombay) Sushila Ravindranath (Madras)
Senior Correspondents	Anoop Saxena (Delhi) N. Radhakrishnan (Bombay) Shankar P. (Bombay) Eapen Thomas (Bombay) Keya Sarkar (Bombay) Dilip Maitra (Bombay)
Correspondents	K. G. Kumar (Trivandrum) Dharani K. Pani (Madras)
Staff Writer	Madhumita Bose (Calcutta)
Chief Sub-editor *Senior Sub-editor* *Sub-editor*	F. S. Pinto, Gouri Dange Tushar K. Das
Executive Director	Atul Deshmukh
Marketing Director	Pheroza Bilimoria 2024422/2024424
Advertising Manager	Roopina Cama 2041974/2253
Asst. Advt. Manager (Madras)	Vimal Shivdasani 474964/860714
Sr. Advt. Executives *(Bombay)* *(Calcutta)* *(Hyderabad)*	 Ferzine Esmail 2041974/2253 P. L. Baluja 448455 Minal Jagtiani
Advt. Executives *(Bombay)* *(Delhi)* *(Madras)* *(Bangalore)*	Elizabeth Jason, Urmila S. Kumar 2041974/2253 Prabha Nair, Archana Pillai 350135/350253 Annapurna Vancheswaran 474964/860714 Purnima Shah 74149
Marketing Manager *Sales & Planning*	Pheroza Sutaria 2041974/2253
Subscription Manager	Anita Mehta 274161
Regional Sales Representatives *(Bombay)* *(Delhi)* *(Madras)* *(Hyderabad)* *(Bangalore)*	 S. Ravi N. Iyer 274161 Sumati Bedi 350135/350253 S.S. Kannan 474964, 860714 Minal Jagtiani Purnima Shah 74149
Design	Trilokesh Mukherjee
Layout *Artists*	Raphael Fonseca, Bertie D'Souza, Mukesh Pandya, Andrew Gonsalves
Production Manager	Henry Serrao
Distribution	India Book House
Registered Office	Wadia Building, 17/19 Dalal Street, Fort, Bombay 400 001. Tel: 274161, 271558
Editorial, Marketing, Advertising & Administration Office	Nirmal, 18th floor, Nariman Point, Bombay 400 021 Tel: 204 6236/202 4422/202 4424 Telex: 11 3557 BZIN IN
Delhi Office	59, Regal Building, Connaught Circus, New Delhi 110 001 Tel: 350135, 350253 Telex: 031-61359 NFW IN
Madras Office	Flat No 5-B-1 JP Tower 5th Floor 7/2 Nungambakkam High Road Madras 600 034. Tel: 474964/860714 Telex: 041 7118 BZIN IN
Calcutta Office	Krishna Villa, 100 Park Street, Calcutta 700 017. Tel: 448455

Subscription rates
INDIA: ANNUAL SUBSCRIPTION Rs. 125
Plus Rs. 5 for cheques not drawn on a Bombay bank.

OVERSEAS (One year only)
Airmail only to Pakistan, Bangla Desh, Sri Lanka, Afghanistan and Burma Rs. 700 or US$58,
West Asia, Asia, Europe, Africa & Australia Rs. 1,250 or US$105. North and South America Rs. 1,300 or US$110

Cheques to be drawn in favour of Business India
Rates include airmail charges.

Unsolicited manuscripts cannot be returned unless accompanied by postage

LETTER FROM THE PUBLISHER

Business India is proud to announce Sumant Moolgaokar as Businessman of the Year 1988.

In accordance with our tradition, V. Krishnamurthy, last year's Businessman of the Year, chaired the panel to select his successor. The other distinguished members of the panel were P.R.S. (Biky) Oberoi, Aditya Kashyap, Kalyan Banerjee, Madhu Patwardhan and Shiv Nadar. Given the different backgrounds of the panel members and the wide choice of candidates, it is surprising that on every occasion the selection, in the end, is unanimous.

When the panel met at the end of November, while we knew that Sumant Moolgaokar had been a little unwell, we had no idea that he would step down as chairman. It is thus only fitting that he was selected Businessman of the Year at the end of his long and very successful career.

Considering his achievement, Moolgaokar, who has a very low profile, is little known to the general public. Of course he is very well known and highly regarded in business and government circles.

Moolgaokar is universely acknowledged as the chief architect and builder of Telco, the automotive and engineering giant occupying the pride of place in the Tata empire. The scale of Moolgaokar's achievement can be judged from the fact that Telco is India's second largest company. It is amazing to think that one person backed by J.R.D. Tata and the board could create this giant institution.

It is equally important to remember that Telco has been built painstakingly over a period of 40 years. During this time our industrial growth was slow, particularly since we started with a very small industrial base after independence. It was also a time when purchasing power was low and markets were small; and above all because of the general economic conditions, it was an era of rigid government regulations. Yet, in spite of all these handicaps, Moolgaokar built Telco into an engineering giant which produced a product, the Tata truck, that the country could be proud of.

The firm tenets of Moolgaokar's success are seemingly simple. Training workers before buying machines; investment in high-technology; production first but no production at the cost of quality; growth; self reliance; and there's more to life than making money.

It is these qualities that have made Telco his Rs.1,400 crore baby. We are indeed proud to have Sumant Moolgaokar as our Businessman of the Year 1988.

Ashok H. Advani

OUR AIR-CONDITIONING IS SILENT.
OUR SERVICE IS SILENT.
NEED OUR ADVERTISING MAKE A NOISE?

Silence is the language of efficiency. Observe any of our central air-conditioning plants, packaged air-conditioning units or humidification systems.

Silence is also the hallmark of dedication. Meet any of our 150 committed engineers.

And finally, silence is also the sign of satisfaction. Even a single dissatisfied customer can make more noise than the collective smiles of our 500 satisfied customers in India and abroad.

No wonder, we'd like it more if instead of the trumpet, you heard the pin.

For further details, contact: **Batliboi & Company Limited**, Apeejay House,Dr. V.B. Gandhi Marg. Fort. Bombay-400 001. Telex: 011-2284/4852. Fax No: (91-22) 2871558. Offices: ☐ Ahmedabad ☐ Baroda ☐ Bangalore ☐ Calcutta ☐ Coimbatore ☐ Delhi ☐ Ernakulam ☐ Indore ☐ Jaipur ☐ Jamshedpur ☐ Lucknow ☐ Ludhiana ☐ Madras ☐ New Delhi ☐ Patna ☐ Pune ☐ Secunderabad ☐ Vijayawada. Manufacturing Division: Udhna (Surat).

AIR-CONDITIONING &
REFRIGERATION DIVISION

BATLIBOI

For a century,
the engineers' engineers

Vayudoot probe?

he ministry of civil aviation has equested the government of Gujarat to tart a judicial enquiry into the ccidents to the Indian Airlines Boeing 37 aircraft by a high court judge. urprisingly, the ministry has not rdered such an enquiry into the fatal ccident of the Vayudoot aircraft at uwahati on 19 October. Why this iscrimination?

AVI RAJNISH
alcutta

• All for the job ads

Read your feature on the celebrations of *The Times of India* (28 November).

Interestingly, we in Kanpur opt for he Bombay edition, though it reaches us two days late. When a publisher reats you every morning with three full ages of appointment offers, why vouldn't you patronise him?

HANKAR D.
anpur

• Unholy alliance

our 17 October cover story on Reliance nd L&T was interesting. Yet, with all he talk of professional management, he fact remains that N.M. Desai could ot train a successor. Now the rest is in he hands of a service mechanic and a hild from Reliance. It is a shame that he government, itself a major hareholder was a party to the akeover.

RINIVASA MURTHY
amanchili

Convenient reform

our piece "Can we reform?" (Labour, 8 November) made good reading. here was the political will to bring an anti-defection law. We have the political will for election reforms. If only the Centre exhibits the political will to bring about labour reforms, then, and only then, will the labour scene change.

C.P. CHANDRA DAS
Coimbatore

• Rice claims

With reference to the letter of K. Vellaichamy (28 November) I would like to react to two points, viz, introduction of IR 50 and popularity of the "J" 13 rice variety in Madurai district.

IR 50 was introduced in Tamil Nadu in 1981 by the "J" Farm in a specially organised function and was a well reported event.

Vellaichamy says that farmers in Madurai district have rejected "J" 13 variety. In fact with prospects for rice cultivation in the second crop season (November-February) in Madurai district brightening, farmers have taken to "J" 13 cultivation. Quite a number of farmers are asking for the supply of the variety because of its short-term nature as also due to the fact that it is cold tolerant and blast resistant.

S.S. NAGARAJAN
Chief Agricultural Economist
TAFE
Madras

• The marketing man

I do not agree with Anita Ramachandran's comment that marketing people have always been paid more than their counterparts (Jobwatch, 28 November). In fact, a marketing man gets nothing extra for the lonesome nights spent far away from his family. I am also surprised that she asks: "What is the future of a sales rep after 15 years?" A sales representative would certainly become sales manager if he religiously performs during these 15 years. In marketing, personal growth is maximum. And transfers and travel are an essential part of the job which a marketing man takes on right from the beginning.

ARVIND KHARE
Jabalpur

• Informed activism please

"How Fruity are they anyway?" (Business Notes, 31 October) was very informative. The consumer needs protection. Fair enough. But who is to blame when the food products legislation in the country is archaic and has not caught up with imperatives of the modern perception of human health?

Tetrapacks are a boon to this country in terms of hygiene and shelf life but their marketers have to fight hard to enter the market against the well entrenched bottlers. Any move on the part of consumer bodies against tetrapack brands should therefore be balanced by a sound understanding of technology today.

H.K. SRIVATS
Bombay

• Erratum

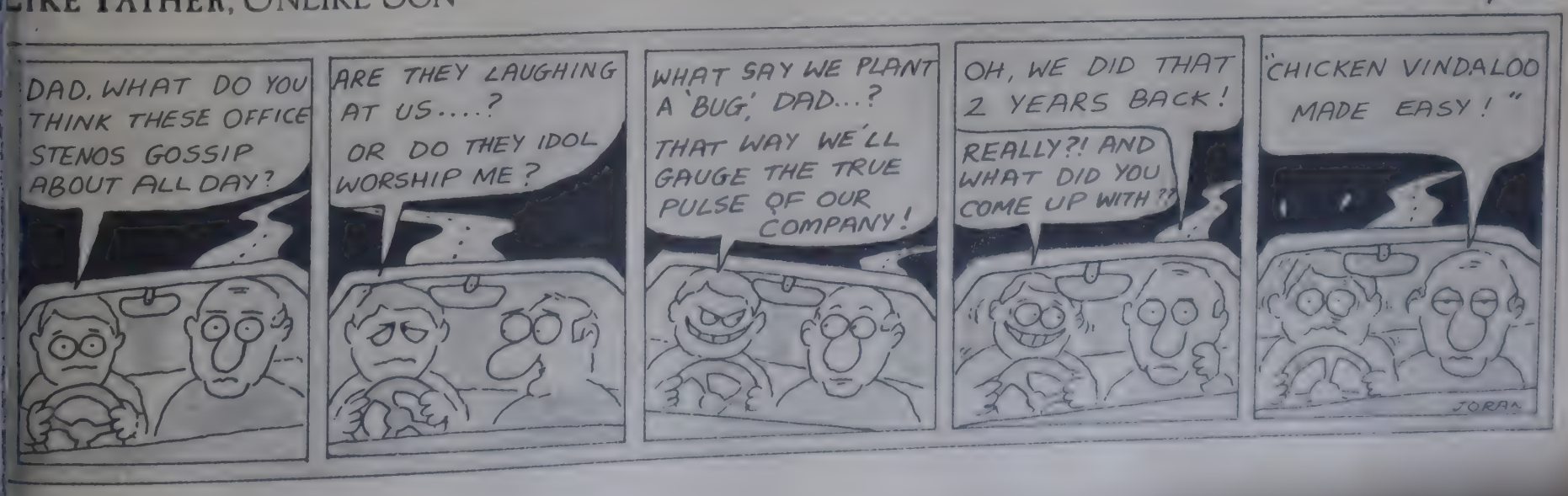
Dr. G.K. Suri (Interview, 28 November) is the director general of the National Productivity Council and not its chairman.

TEJ B. KUMAR
Director (Information)
National Productivity Council

We regret the error. Ed

LIKE FATHER, UNLIKE SON

by Joran


DAD, WHAT DO YOU THINK THESE OFFICE STENOS GOSSIP ABOUT ALL DAY?
ARE THEY LAUGHING AT US....? OR DO THEY IDOL WORSHIP ME?
WHAT SAY WE PLANT A 'BUG,' DAD...? THAT WAY WE'LL GAUGE THE TRUE PULSE OF OUR COMPANY!
OH, WE DID THAT 2 YEARS BACK!
REALLY?! AND WHAT DID YOU COME UP WITH??
"CHICKEN VINDALOO MADE EASY!"
JORAN

The technical hitch

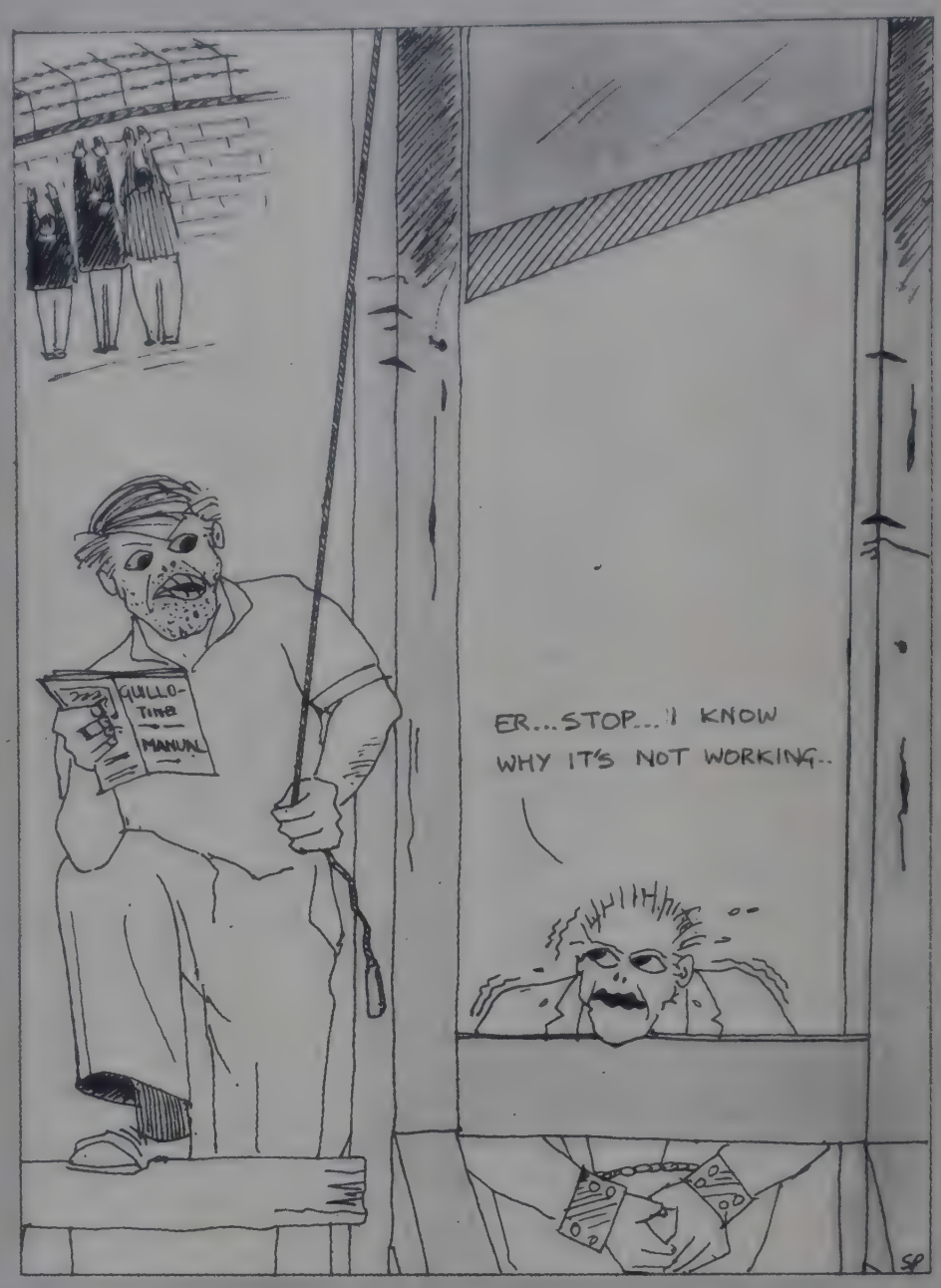
That the technical mind is trained to see the trees rather than woods is amply evident from the following:

In some far off newly independent country the government had decided to nationalise all foreign-owned industry and to execute the top executives for anti-national activity. But in fairness, the government announced that if the blade of the guillotine failed to fall the particular executive concerned would be set free.

Scores of foreign executives lost their heads. But one, keeping his head, so to speak, bribed the executioner to save himself, and the finance and technical directors.

The 'miracle' for which he had paid was duly performed. For both himself and his finance director, the blade failed to fall.

Fearfully, the technical director put his head on the block. Then, looking up at the mechanism, he suddenly cried "Stop, I see why it is not working."



On the cards

Greeting cards are lucrative business today. But the response to the first commercial greeting card was lukewarm. In 1843, Sir Henry Cole, the founder of Victoria and Albert Museum, commissioned artist John Calcott Horsley to design a card so he could send it to his family and friends and also offer it for sale.

A thousand copies were printed by lithography on stiff card and hand-painted depicting a convivial scene of men and maids quaffing ale with the legend: "A merry Christmas and a happy new year to you." The cards were put out for sale at a shilling each. Puritans denounced it and Cole did not repeat the experiment.

The following year, W.A. Dobson, an artist of the Royal Academy, sent out hand-coloured cards. In 1849, William M. Edgley, son of a painter of miniatures, also published a card. Thus progressing slowly, it was only in 1860s that the Christmas card became a viable proposition. Sizes grew and new designs were introduced.

In 1860s and 70s new colour printing process improved the cards and lowered the cost. In 1880 prizes were offered to the original designs and contemporary artists had their works reproduced on Christmas cards. Above all in 1880 the Post Master General appealed to the public with the call: "Post early for Christmas."

Logical conclusion

A copywriter was once asked to prepare a detailed report on fleas so that an ad-campaign for a particular brand of flea killer could be created. He took a flea home.

First he plucked out two of the flea's legs and said, "hup"! And the flea jumped right over his finger. He then proceeded to remove another two of the flea's legs and again said, "hup"! Again the flea jumped over his finger. Finally the copywriter removed all six of the flea's legs and said "hup"! Alas, the poor flea, minus his legs, could not jump.

The copywriter nodded his head sagely and wrote in his report, "When a flea loses all six of its legs, it turns deaf"!

PATRICK B. D'SOUZA
Bombay

LIC's self insurance!

Recently advertisements w released in leading newspapers by the Life Insurance Corporation (LI of India, inviting applications from its polic holders for the outright purchase of houses built b the corporation in a posh locality in Bangalore. The minimum policy amount w only Rs.10,000 and the ad said that LIC would even arrange for the housing lo New policies could also be taken for the purpose of taking advantage of the scheme, subject to the minimum specified.

Policy holders, including many who took new polici lined up in a big queue in the hope of getting a dece shelter, and paid Rs.25 ea for the relevant applicatio forms, only to find out aft the prices, which were not the ad, were skyhigh and way out their reach. The houses were priced at Rs.4 5 lakhs each — beyond th purchasing powers of even people drawing salaries ov Rs.5,000 per month.

The corporation, in the process, made a handsom packet in application mon and added many new poli holders to its fold. Now that's a smart way to insu the life of LIC.

M.H. PRASAD
Bangalore

Business India invites readers to send origina unpublished contributions to this page. The snippets can be humorous, insightfu outrageous or simply, informative. Each snippet must carry this coupon.

Rs.50 paid for each published contribution

For a safer environment

Some people or — groups of them — just don't know when to stop. One of these groups is the Loss Prevention Association of India Ltd (LPA). And by golly, we should be glad they don't.

We Indians, as a nation, are probably the least safety-conscious in the world. Look around you! If the sheer carelessness and callousness in every walk of life — from unsafe work environment to unruly children to rash (and worse still drunk) drivers to lack of civic sense — don't bother you, then you too are guilty of ignorance about safety.

THE NEW COMMANDMENTS

Most of you are familiar with The Ten Commandments. Well, here we have a new set of edicts — The Ten Commandments of Safety Management. These are not meant to replace Moses' version. But if your company believes and follows the new commandments, you will certainly help create a safer environment for us to work and live in.

1. Thou shalt have safety graven in thy management philosophy.
2. Thou shalt not relegate safety to the bottom rung of thy priorities.
3. Thou shalt not dismiss accidents as Acts of God.
4. Remember that thou propagate safety every day and not just on National Safety Day.
5. Honour thy commitment to the safety of thy employees.
6. Thou shalt not pollute the environment with damaging effluents from thy plant.
7. Thou shalt not hesitate in giving due importance to thy safety professional and his profession.
8. Thou shalt not flout the safety laws of thy land.
9. Thou shalt not shirk thy responsibility towards society for thy own parochial gain.
10. Obey the real Ten Commandments.

Amen. ▲

For a decade now, the LPA has been at the forefront of the effort to promote safety and loss control. It has dedicated itself to the tasks of "creaing a safer environment to live and work in". It has been publishing a journal, *Loss Prevention News*, with a regular feature on safety.

On its tenth anniversary, the LPA has released a tidy little handbook titled Some Safety Thoughts. Get yourself a copy, for home or workplace. Even if you learn one, only one, lesson from it you will find your environment improving for yourself, your family, your colleagues and the rest of us.

You can get in touch with LPA at Warden House, Sir P.M. Road, Bombay 400 001.

Mahabharatha's boon

B.R. Chopra's *Mahabharatha* has come as a boon not only to the toy manufacturers who market bows and arrows but also to the Tamil vernacular press. Tamil newspapers and magazines are vying with one another to publish the dialogues of the forthcoming episodes of *Mahabharatha* in Tamil, complete with stills and interpretation of each episode by experts.

Newspapers and magazines as varied as the daily *Malai Murasu*, which is known for its sensationalism, to *Tuglak*, the political fortnightly of the Janata party veteran Cho, are all in the race, and through banners announce the presence of *Mahabharatha's* Tamil dialogues in the edition.

Newspaper agents say that people are lapping it up and that newspapers which do not carry these dialogues on Sunday mornings do not move. Critics of Hindi and atheists of the Dravidian parties have not commented on this phenomenon, lest they hurt the sentiments of the *Mahabharatha*-crazy Hindu populace, especially with elections round the corner.

M.S. ASHOK
Tiruchirapalli

A TV education?

The other day I had asked my wife to sign a paper (a bill to be precise). I was in a hurry and my nine-year old daughter volunteered to get it signed by my wife, who was busy in the kitchen. While she was signing it, the little one questioned her, "what does this signing remind you of?" My wife drew a blank, not having a clue as to what the little one had in mind. After a while, my daughter said, "Doesn't this remind you of signing divorce papers, like in those TV serials?"

Good grief!

B.S.H. SUBRAMANIAN
Calcutta

Jasmines in the co-operative sector

Early in the morning everyday, in the Shankarpura, Shiva and Mudarangadi belt in Dakshina Kannada district, large numbers of men, women and children can be seen plucking jasmine flowers.

They then sit around heaps of flowers and tie them with banana stem threads into bundles. By noon, the bundled jasmines are collected and despatched to airport by agents, for functions in the evening and next day, via a network very similar to newspaper distribution.

This fetches families in the area a monthly income of Rs.1,500 during the season — is now a seasonal profession which does not disturb their regular occupation and agriculture. Rates are decided daily, depending on the market and returns are handsome.

FRANCIS D'SOUZA
Cochin

Sweatiest decade

If you think the weather is getting hotter and sweatier year after year, you're in good company — the whole world seems to think so too! Scientists say the world is passing through the hottest decade of the century. Never has the weather been as warm in the past 127 years as in the eighties with 1987 being the hottest year recorded. The southern hemisphere, in general, is warmer.

But why are things warming up? Experts point to increased concentration of carbon dioxide, methane, nitrous oxide and other gases in the atmosphere. These absorb the earth's thermal radiation, preventing its escape into space. This "greenhouse effect" warms the lower atmosphere. Atmospheric scientists fear that this global warming will increase.

Ah, well, add this one too to the list of the costs of industrial 'progress'.

KGK
Trivandrum

Come on, miss, I haven't got all day...don't you have a copier?

Should panic buttons and frayed tempers be normal routine?

If your answer is 'No', call Team Xerox

You have to send out a tender urgently. Since you don't want your secrets leaking out, you can't trust the local jobber. And carbon copies can easily be smudged or misread, so your secretary is typing out original after original.

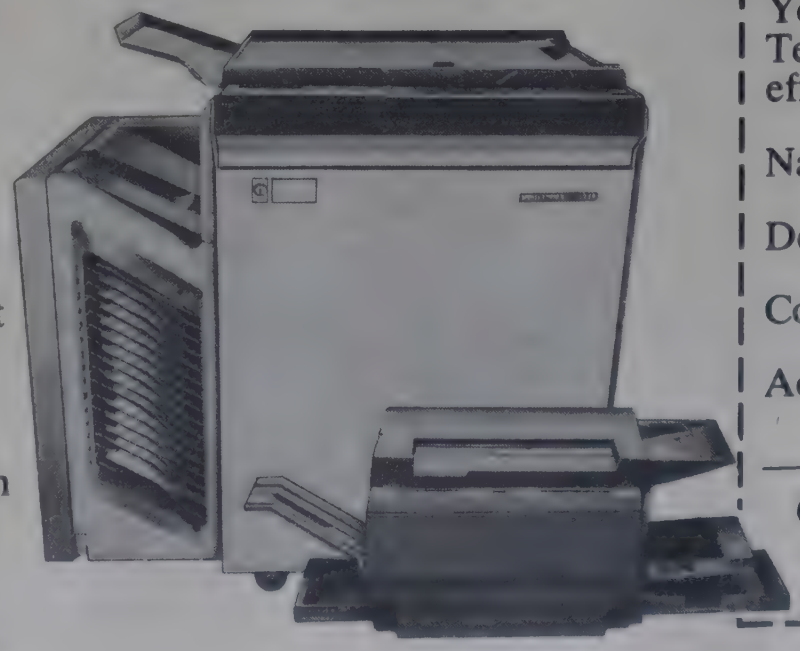
The risk of mistakes multiplies with each retyping, but you don't have time for more than a cursory glance at each copy. The courier is pacing impatiently while you're tearing your hair out with the tension. Missing the despatch could cost you the contract... and couriers are not known for waiting.

Now pause a while and consider. When things have to be done very fast, panic and raised tempers rear their ugly heads. Errors ensue. And if all this becomes routine, you won't function efficiently and your organisation will start slipping.

Speedy communication is vital for efficiency in today's high pressure world. And that's where a Modi Xerox photocopier comes in. Within minutes of finalising your tender quote, you can despatch all the copies you need to.

With a Modi Xerox copier you don't have to check copies repeatedly. You don't lose one iota in clarity. And information can be communicated rapidly which means more effective decisions, faster action and the end of panic.

Calculate what a Modi Xerox copier can do for you and your organisation's efficiency. And the way your organisation is perceived.



So call Team Xerox. From manufacturing to after-sales support, we provide cost-effective solutions to communication problems.

You'll bid goodbye to last-minute panic and chaos.

Fill in the coupon and post it today to :

Modi Xerox Limited
Marketing Division
33 Community Centre
New Friends Colony
New Delhi-110 065

Yes. I want to know how Team Xerox can improve the efficiency of my office

Name _____

Designation _____

Company _____

Address _____

_____

Call Team Xerox today!

Modi Xerox

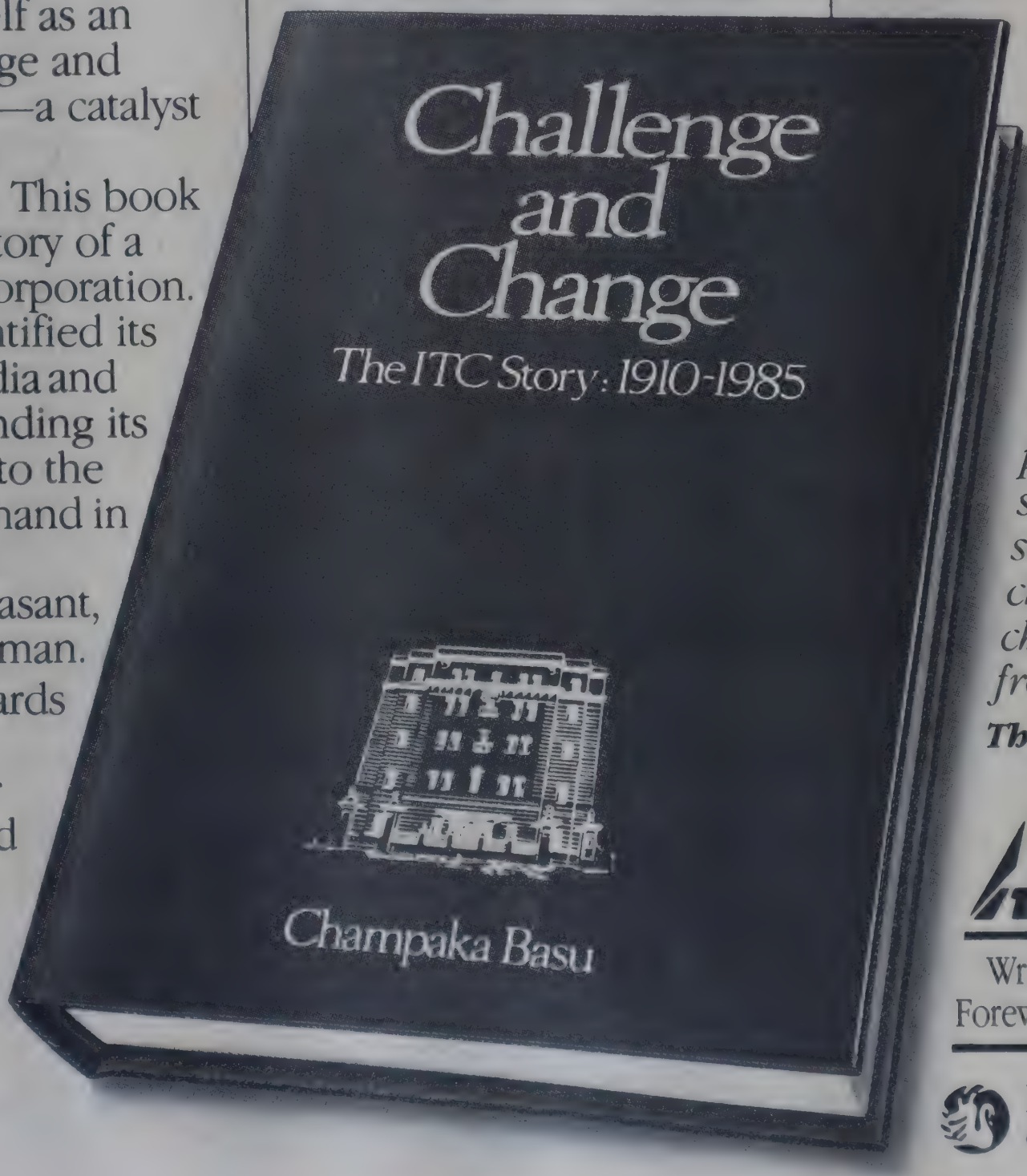
Setting the standards for others to copy!

Xerox is a registered trademark of Rank Xerox Limited, U.K., and Xerox Corporation, U.S.A.

A compulsively readable book for all those in management or interested in management.

Even in the pioneering years, well before Independence came to India, ITC perceived itself as an agent of change and acted as such—a catalyst in a changing subcontinent. This book traces the history of a remarkable corporation. One that identified its cause with India and its people, sending its roots deep into the soil. Working hand in hand with the farmer, the peasant, the common man. Working towards growth and prosperity for the nation and its people as much as for itself.

A fascinating study of an enterprise and the part it has played in the economy of a nation.



"Business history is a newly burgeoning subject in India and ITC's 75 year history is by any standards a valuable contribution in building a foundation for growth of this subject. As might have been expected from ITC, the production standard is superb. So is the choice of the chronicler judging from the results."

The Statesman

Written by Champaka B
Foreword by Prakash Tand

Published by
Orient Longman

Challenge and Change
The ITC Story: 1910-1985

Hardcover Rs 150/- Paperback Rs 80/- Available at all leading Booksho

The DCM syndrome again

The Hindustan Development Corporation is understood to be one of the companies that may come up with the cash to acquire the entire troubled DCM empire. While market sources speak of a prominent Bombay-based giant being interested, so far HDC seems to be the only one with whom negotiations of any kind can be said to have taken place.

Nobody quite believes that the warring members of the Shri Ram family will cut their collective noses to spite their face. But the way the battle lines are drawn up at the moment, it seems that the entire company may also be offered to a buyer with enough cash. What this will do to the financial institutions as well as to other plans of trifurcation is anybody's guess.

Storm brewing

The board meeting of Indian Airlines expected to be held on 26 December is likely to be a stormy one. The troubled airline, which has a high-flying board, will be asked to review customer service probably for the first time.

The board, which consists of several eminent public sector managers, has been on the verge of resigning on several occasions in the last few weeks. Only the personal intervention of the prime minister's office has staved off a mass resignation.

On several occasions in the past, the Indian Airlines board has found itself saddled with rather pointless minor decisions. Going by reports in the capital, this time's board meeting may well have fireworks that could possibly yield results.

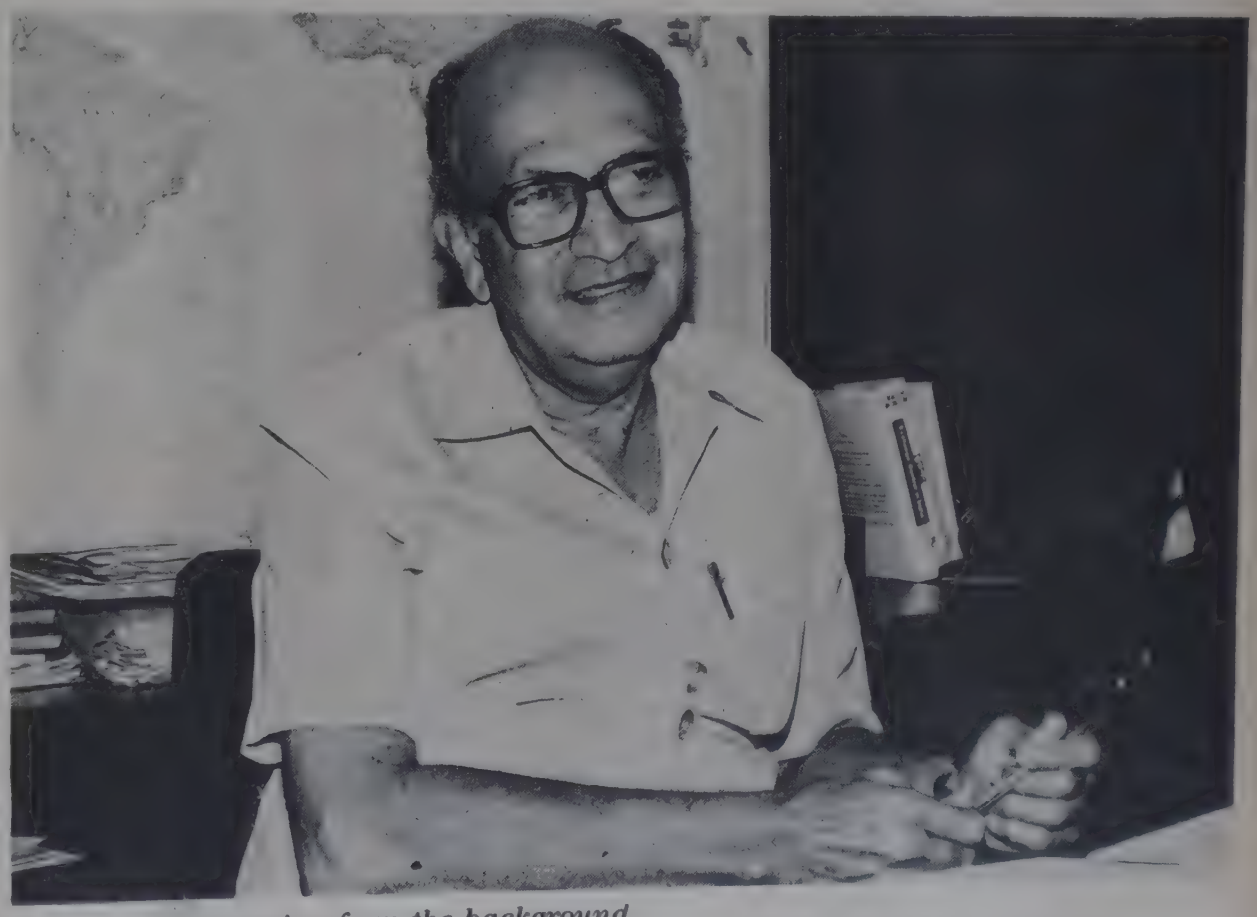
Banking musical chairs

With a CBI enquiry against M.V. Kini, executive director of Union Bank, the chances of his succeeding chairman and managing director J.S. Bhatnagar, whose term ends on 31 December, are slim. While Kini has stationed himself in Delhi to plead his case personally, Bhatnagar is reported to be pushing his own candidate - the current CMD of Allahabad Bank, S.L. Wadhwa for the post. The other likely contender is T.K. Sinha, deputy managing director of State Bank of India, now on deputation as CMD of State Bank of Bikaner and Jaipur.

SBI might lose yet another senior officer to Bank of Baroda (BoB). Premjit Singh, the BoB chairman, finishes his term in March 1989, and rumours are doing the rounds that a deputy managing director from the State Bank might be asked to take over. With the BoB executive director, A.C. Shah, also retiring in two more months, the possibility of an outsider taking up the reins is indeed high.

The new helmsman

Vasant Sheth has traditionally played the leading role, particularly in the public eye, at the Great Eastern Shipping Co. His cousin Kanu Sheth has stayed more in the background, immersed in operations. This might change soon.



Kanu Sheth: emerging from the background

Reportedly, with Vasant due to retire in a few years, Kanu will begin to shoulder greater responsibilities in the company.

Apparently, he may also acquire a part of Vasant's shareholdings.

Another Indian promoted

Hindustan Lever continues to provide talent for the top echelons of its parent company, Unilever, the giant Anglo-Dutch multinational. It already has one Indian, T. Thomas, on its board. Now, another Indian is also tipped for a top post.

Reportedly, Mathew Panikar, presently a top executive on the management committee of Hindustan Lever, is likely to move to the parent company as treasurer.

Clearly, the main Uniliver board seems to fully appreciate Indian talent.

Tata-Honda?

One of the unintended fallouts of the "reorganisation" in the Shri Ram family is that Shri Ram Honda, may be up for sale.

Launched with much fanfare only recently, the Shri Ram family reportedly feels that it might be best to sell off their stake, particularly in the context of the sluggish market for portable gensets.

Who are the likely buyers? According to reliable sources, it is Telco. Negotiations are at an advanced stage and an MOU is likely to be signed shortly. As is well known, Telco and Honda had agreed to manufacture Honda Accord cars in India. But the government withheld approval. So by taking over an existing company, which is a joint venture with Honda, the Tatas hope to consolidate business relations with the Japanese auto maker, say corporate watchers. There is also talk that other group companies (Tisco, Tata Chemicals) may chip in.

Once the deal is wrapped up, Shri Ram Honda is expected to be rechristened Tata Honda

IFCI raises 20 bn yen loan

The Industrial Finance Corporation of India (IFCI) has raised a 20 billion yen loan to meet its requirements for the rapidly increasing foreign currency operations. This loan has been arranged through a consortium of foreign banks — ANZ Merchant Bank, Bank of Tokyo group, Dresdner Ltd, Security Pacific, Hoare Govett Asia — with Sogan Asia as lead manager.

The loan has been availed of with an interest rate swap in dollars which has been arranged by Merril Lynch Capital Services Inc. DSP Financial Consultants, Bombay have been appointed advisor to Merril Lynch.

The loan has a maturity period of seven years with bullet repayment terms and is guaranteed by the union government. The main loan carries an interest rate 0.25 per cent above yen libor, but after arranging interest rate swap, IFCI has to pay a very fine sub-libor rate of interest in dollars.

Levy sugar to cost more

The price of levy sugar in the public distribution system will go up by 15 paise a kg from Rs.5.10 to Rs.5.25 from 1 January 1989. This hike comes in the wake of an increase in statutory minimum price for sugarcane. The statutory minimum price of sugarcane for the 1988-89 season was raised to Rs.19.50 per quintal — an increase of Re.1 per quintal over the price fixed for last year.

The ratio of levy to free-sale sugar for the 1988-89 sugar year, has been changed from 50:50 to 45:55.

Thermal power station for Kerala cleared

Kerala state government has received a formal communication from the Planning Commission giving investment clearance for the 2400 MV superthermal power station. This power station is to be set up at Kayamkulam in Kerala.

All projects (except the long awaited Pooyankutti hydroelectric project), had been cleared. Clearance from the government's forest department is awaited.

Fresh steel licensing norms

On 4 February this year, the industry ministry announced certain guidelines for the steel industry. Subsequently, detailed norms for ferrous metallurgical industries and general instructions were issued by the department of steel. The union government has now announced a new procedure for availing of the facilities extended to industrial undertakings in the steel and metallurgical sector.

Under these fresh licensing norms, steel making units and cold rolled (CR) strip manufacturing units are allowed to enhance their capacities up to the maximum limit. The wire-drawing industry was delicensed for non-MRTP and non-FERA companies.

The main objective of the new norms are to keep pace with the technological advancement in the industry, so that the units' economic viability will improve, reducing specific power consumption at the same time.

New norms

A costlier spoonful

National Software Centre opened

The National Software Centre (NSC) of the department of electronics (DoE) has been set up to promote consortiums a other organisational structu to meet specific software quirements of sophisticat market segments.

K.P.P. Nambiar, secreta DoE, said that the idea was enable development of softw systems for atomic ener space and defence segments, enable India to become an portant world leader for pa lel computing architectures.

Apart from offering a vari of latest hardware and ope ing systems to the ministry testing their programmes packages, the Centre would a provide complete documen tion of Indian softw packages.

C-Dac to fund software developing

The Centre for Development Advance Computing (C-Da which is developing the pr

pe super computer based on arallel processing technology, ill fund both private and pub- c sector organisations to take p production of hardware and oftware for its requirements.

About 70 per cent of its total udget of Rs.37.5 crores, spread ver the next 3 years would be pent on developing software.

Go slow on NRIs

peaking at a one-day seminar rganised by the Indo-NRI hamber of Commerce and Cul- ure in Delhi recently, S.B. havan, the union finance min- ter, suggested a cautious ap- roach towards NRI vestments. He said that while heir role was important it hould not be over estimated.

While the inflow of funds un- er various NRI schemes have eached Rs.3,000 crores, most of hese funds, were in the form of ank deposits. There was con- derable scope for direct and ortfolio investment by NRIs. owever NRIs had already been ven lots of concessions and here was a growing feeling mong domestic investors that heir needs were being eglected.

Business network to be set-up

The business subscriber net- ork has finally been cleared by he government and will be aunched in mid-89. The project ill be completed in three hases the first being establish- g communication links bet- een head offices and remote stallations. According to ources, some subscribers have lready registered.

The services will include deotext, and electronic mail.

Cement export decanalised

The government has decided to decanalise the export of cement nd put it under open general cense. A public notice to this ffect was issued by the chief controller of imports and exports on 7 December 1988. The government had earlier cleared the export of 40,000 tonnes of cement on an experimental basis.

A pile up of stocks

R&D outlay inadequate

The total research and development expenditure in the industrial sector, at 19 per cent of national R&D expenditure, is inadequate and has not made any significant contribution in raising the level of productivity in the industrial sector.

A Federation of Indian Chambers of Commerce and Industry (FICCI), says that productivity increases have come mainly as a result of technology upgradation through imports of machinery and equipment.

Subsidies for garment export

The government has announced schemes to subsidise airfreight and the provision of samples to prospective buyers. Under the airfreight subsidy scheme a freight subsidy of 25 per cent of freight cost will be allowed for export of garments to Latin America.

The sample subsidy scheme permits a sample subsidy to the extent of the cost of such samples. But there will be a ceiling of Rs.5,000 per consignment of samples and an overall limit of one per cent of the annual FOB value of exports.

New crop insurance plan

The government hopes to introduce a modified crop insurance scheme in the next season, which could cover all crops including cotton and sugarcane.

A cotton area of 327,000 hectares had been adversely af-

Samples subsidised

AN ELECTRONIC TYPEWRITER SO ADVANCED, IT CAN EVEN CHECK YOUR SPELLINGS

ACN. INDIA'S ONLY ELECTRONIC TYPEWRITER WITH THE SPELL CHECK.

Buy an ACN Electronic Typewriter with Spell Check and you will never make a spelling mistake again. Because the moment you do, the ACN Spell Check will stop you. Then refer to its mammoth, over 80,000 word dictionary and, before you know it, correct the mistake.

Now imagine how it can improve the efficiency of your office. Give you clean, crisp, flawlessly typed documents. Even when you're rushed for time.

After all, it's technology from Nakajima All, Japan. The world's largest electronic typewriter manufacturer. The technology behind the success of best-sellers like Triumph Adler, Smith Corona, Sears, Olympia and now ACN.

ACN
FROM
NAKAJIMA ALL, JAPAN.

ARMUTRON

INTERNATIONALLY, THE BEST.

For further information, contact: Auto Controls Pvt. Ltd , 414 , New Delhi House, 27, Barakhamba Road, **New Delhi** – 110 001. Tel: 331 0137, 331 6464, 683 6001 ☐ Branch Office: No. 12, 10th Floor, Embassy Centre, Nariman Point, **Bombay** – 400 021. Tel: 23 3629, 23 4424. ☐ Sales Office: 114, Ist Floor, A2 Building, Shah & Nahar Industrial Estate, Lower Parel, **Bombay** – 400 013. Tel: 492 0297, 492 7125. ☐ S-1, Stephen Court, Park Street, **Calcutta** – 700 016. Tel: 29 1755 ☐ 4, Parsan Menere, 602, Anna Salai, **Madras** – 600 006. Tel: 47 6723. ☐ Natraj Complex, 9, Residency Road, **Bangalore** – 560 025. Tel: 57 8846. ☐ 1108, Sector 33C, **Chandigarh** – 160 031.

Enterprise/D/ACL/1(

ected by floods or heavy rains n Andhra Pradesh, Haryana nd Punjab. Pest attacks on cotton have also been reported rom Andhra Pradesh, Gujarat nd Punjab. The government as decided to reschedule the oans given to cotton farmers. In ddition the government has anctioned an input subsidy of s.7.3 crores to help combat the est attack and has also alowed the import of effective esticides like triazophoo and anate to Andhra Pradesh.

Fund raising for housing

The National Housing Bank has plans to open a new scheme called the home loan account to mobilise resources from the public for the construction of one million housing units a year. Under the scheme, any individual either major or minor could contract to save as much as he could in multiples of Rs.50 subject a ceiling of Rs.2,000 per month, for a minimum of 5 years. The saving would earn an annual interest of 11 per cent.

At the end of five years or any time thereafter, the member would be entitled to a loan upto Rs.3 lakhs. The interest ranges from 11.5 to 13 per cent for loans of Rs.50,000 onwards. The scheme still has to receive final clearance.

Safeguards for plantation workers

A bill for ensuring the safety of workers was introduced in the Lok Sabha on 16 December, 1988 by the labour minister Bineshwari Dubey. According to the statement of objects and reasons of the bill, the Plantations Labour Act, does not contain any specific provisions dealing with the safety of plantation workers.

One of the major hazards workers face is the growing use of chemicals, especially fungicides, insecticides and herbicides. Amendments in the present bill would provide safeguards in the use and handling of such substances by workers.

IAAI makes profit

The International Airports Authority of India (IAAI) has made a pre-tax profits of Rs.82.75 crores during 1987-88, 43 per cent of its contribution to the exchequer during the last 16 years. IAAI has generated gross international resources of approximately Rs.72 crores at the four international airports; it has handled 19.5 million passengers, 1.4 million more than last year.

AmEx encourages TC acceptance

American Express has launched a unique programme to encourage wider acceptance of travellers cheques and provide better customer service to foreign visitors.

As many as 1.08 million foreigners came to India in 1986 alone, spending nearly $ 1.4 billion (Rs.1800 crore) in foreign exchange, mainly in the form of travellers cheques. American Express's new Acceptor's Reference Guide aims at making it easier for Indian banks to encash these travellers cheques.

The guide explains that TCs are easy to encash — all it takes is for an alert teller to watch the customer countersign them, and compare the signatures with the original.

Various safety procedures, as well as methods of handling different kinds of encashers and unusual situations, are also explained. The guide also points out common methods of forgery,

new loan scheme to come

ORG launches readership survey

Operations Research Group has launched a three-phase media survey. The first phase, NIRS-ORG 89, is a survey of the Hindi belt, which includes the entire north zone and Bihar and Madhya Pradesh. Rural areas will be included in the coverage.

Stake in Berger Paints reduced

The stake of the UK-based Consolidated Paints in Berger Paints will be reduced to less than 30 per cent following Consolidated's decision to renounce the rights to the equity shares that Berger Paints will be issuing shortly. The decision is believed to be prompted by the high premium rate of 350 per cent at which the issue is to be subscribed.

Even the financial institutions who hold about 22 per cent of the Berger Paints equity are said to be raising questions about the high premium. The Rs.27.2 lakh equity will be used to generate funds for a Rs.3 crores project at its Howrah factory.

Reliance taken to court

A writ petition over the failure of the government to take action against Reliance Industries Ltd (RIL) for its alleged fraud involving over Rs.100 crores has been filed in the Bombay high court by Anil Gote and Pandurang Rajaram Kinare.

The respondents in the petition are the Union Government and the Central Bureau of Investigation (CBI), CBI director general Mohan Katre, former additional director general Radhakrishnan Nair, RIL and the state of Maharashtra.

The petitioners have charged some executives of RIL of having entered into a criminal conspiracy with officials of a bank and forged letters of credit for a total value of $ 100 million and for a quantity of 114,000 tonnes of purified teriphalic acid (PTA) to circumvent the ban on imports.

Maruti 1000 cc to be indigenised

Suzuki Motor Company of Japan has agreed to indigenise within two years 70 per cent of the new three-box 1,000 cc capacity Maruti cars slated for production from the second half of 1990. The same model is being introduced in Japan in 1989.

The initial production would be around 1,000 vehicles per month for the first six months. Thereafter, it would be gradually increased to peak 35,000 annually

Escorts tie-up with Claas

Escorts has promoted a joint venture with Claas of West Germany, world renowned harvester combines manufacturer. The German equity participation in the venture will be less than Rs.3 crores. The collaboration, initiated in 1982, will set up a company in Rajasthan to manufacture harvester combines whose requirement would reach 7,000 units by the end of the century.

Centre clears IOCL projects

Under the broadbanding scheme, the Union government has cleared two proposals of Indian Organic Chemicals Ltd (IOCL) for a change in the description of its industrial licences. The company wanted to diversify into the manufacture of aromatic and alcohol-based chemicals in Maharashtra.

While the government has allowed IOCL to produce 1,150 tonnes of benzyl acetate, benzyl alcohol, benzaldehyde, and cinnamyl alcohol, the permission to manufacture benzo trichloride, benzyl benzoate and benzyl chloride was refused. The other proposal of IOCL that was granted was for the change in industrial licence for making acetic acid, acetic anhydride and ethyl acetate.

Anti-viral drug to be made in India

For the first time in the Indian market, Wockardt Ltd, a leading drug company, will be introducing immunovir, an anti-viral drug which is believed to be highly effective against broncholitis, acute viral hepatitis and all other viral respiratory infections.

The drug is already being marketed in 80 countries around the world. Wockhardt has made an application to the Drug Controller of India for the necessary permission for the manufacture of the drug in the country. The basic drug is to be imported.

Siemens promotes new company

Apart from promoting a joint venture with ATEA of Belgium, a cent per cent subsidiary of Siemens AG, and Delton Cables of Delhi for the manufacture of EPABXs, Siemens Ltd is jointly promoting a company with t West Bengal government.

This joint venture company expected to commence produ tion of electronic teleprinters March 1989. The venture, We Telematik Ltd, has already r ceived orders for 1,000 ele tronic teleprinters fro Maharashtra Telephone Nig Ltd (MTNL).

• Awards

For the second year in succe sion, Zuari Agro Chemicals L has bagged the Fertiliser Ass ciation of India (FAI) award f best production performance nitrogenous fertilisers in 198

The FAI award is in recog tion of Zuari's outstanding pacity utilisation, operatio efficiency, energy conservati safety and pollution cont efforts.

DIAR

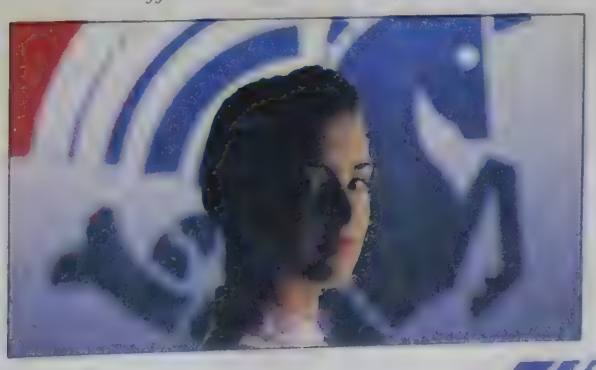
Dates	Subject	Organiser	Venue
27-28 December	**Managing Your Sales Force**	Creative Communication and Management Centre, 2nd Floor, Raja Bahadur Mansion, 8 Ambalal Doshi Marg, Bombay 400 023 (Tel: 273006)	Hotel Park Sheraton, Madras
29-30 December	**Corporate Mega-trends — A Manager's Dilemma**	Faculty of Management Studies, University of Delhi, Delhi-7 (Tel: 236877/2518183)	Hotel Taj Palace, New Delhi
2-7 January '89	**Programme on Sales Management**	Administrative Staff College of India, Bella Vista, Hyderabad 500 049 (Tel: 36952/36956)	Bella Vista, Hyderabad
3-5 January '89	**Maintenance Management and Systems**	National Productivity Council, Novelty Chambers, Grant Road, Bombay 400 007 (Tel: 371322/371323)	Bombay
3-6 January	**Quantitative Techniques for Decision Making**	National Productivity Council, 40, Monterth Road, Egmore, Madras-600 008 (Tel: 89414/87914)	Madras
5-7 January	**Strategic Marketing**	Bharatiya Vidya Bhavan's S.P. Jain Institute of Management & Research, Munshi Nagar, Andheri (W), Bombay 400 058 (Tel: 6287454/6280396)	The Taj Mahal Hotel, Bomb
6-7 January	**National Conference on Value Management**	Society of Indian Value Management, Kanala Mansion, 3rd Floor, 143, Infantry Road, Bangalore 560 001 (Tel: 564056)	West End Hotel, Bangalore
8 January	**Turnaround Strategies**	Chetana's Ramprasad Khandelwal Inst. of Management and Research, Survey No. 341, Bandra (E) Bombay 400 051	Hotel President, Bombay
9-11 January	**Management of Industrial Security**	Centre for Organisational and Professional Excellence, H 108/8 Seventh Avenue, Besant Nagar, Madras 600 090 (Tel: 415107)	Hotel Park Sheraton, Madra

THE FINE ART OF FLYING

by Pavlos.

"The Magic Table." Devoted as we are to the Fine Art of Flying, we commissioned the Greek artist Pavlos to make his own interpretation of our concept. Dividing his time between Athens and Paris, Pavlos has gained an international reputation for his beautifully sensual paper sculptures. And his magic table is the perfect evocation of how it feels to be flying in the lap of luxury: Air France.

Coffee, tea or champagne?



THE FINE ART OF FLYING

AIR FRANCE

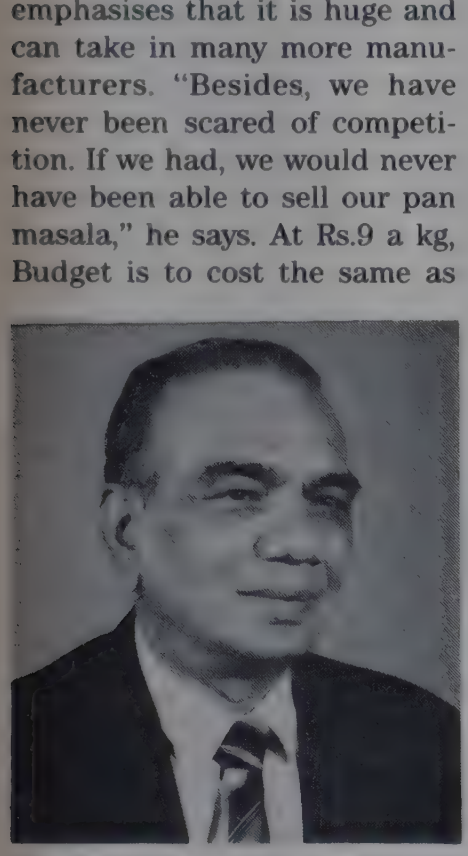
6, Scindia House. Janpath. New Delhi 110 001 Phone: 3312853

Maker Chamber VI. First Floor. 220. Nariman Point. Bombay 400 021 Phone: 2024818

M.M. KOTHARI

"Marketing has been and is our forte. We can sell any consumer product at a much lesser cost than the multinationals," says M.M. Kothari, the manufacturer of Pan Parag. His company (turnover: Rs.40 crores) is now gearing up to manufacture Budget, a synthetic detergent powder, in its first effort at diversification.

The detergent market is very competitive, agrees Kothari, but emphasises that it is huge and can take in many more manufacturers. "Besides, we have never been scared of competition. If we had, we would never have been able to sell our pan masala," he says. At Rs.9 a kg, Budget is to cost the same as



Nirma.

"We believe in working with lower overheads and with our own money. And we also feel that taking up intense marketing before the product has been accepted by the consumer is pointless." So the launch has been a low key one. Advertising is limited to a few handbills and advertisements in newspapers.

"In due course," says Kothari, "we expect turnover from Budget to outstrip that from Pan Parag.

VICTOR ALBUQUERQUE

The Alcon Resort Holdings (P) Ltd. Goa, has launched its 'rent-a-villa plan' to enable tourists to book accommodation in Goa

for 15 years.

Explaining the scheme, which is to be commissioned by 1991 Victor Albuquerque, the director of the Alcon Group, says, "The provisions are flexible. A week booked in one season, can be exchanged in another without prior notice. Membership can be shared, gifted, bequeathed or transferred." Spread over 25 acres of land at Cavelossim, Goa, Resort Dona Sylvia will comprise 120 villas constructed in the true Goan architectural style. The project is expected to cost Rs.10.50 crores, 50 per cent of which is being financed by Industrial Finance Corporation of India (IFCI). The rest will be generated by deposits from customers.

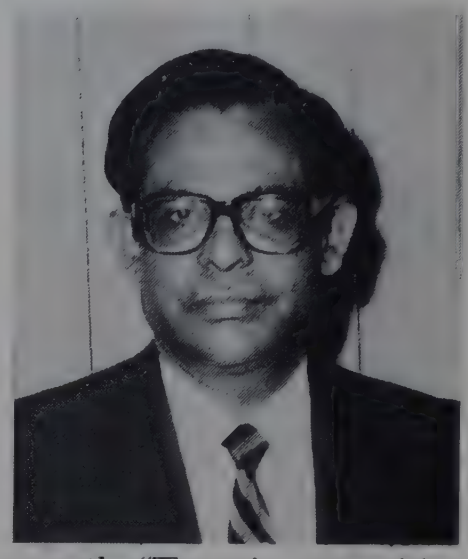
A civil engineer by profession, Victor Albuquerque started the Alcon group in partnership with Anil Counto in 1973. Today the group has grown into a civil construction firm that has executed projects worth Rs.50 crores in Goa, and Rs.25 crores in the Middle East.

K. SIVARAMAN

"The south Indian air cargo market has a high potential," says K. Sivaraman, Air-India's manager for Tamil Nadu, "especially after the growth in leather and garment exports." To exploit this market, Air-India has introduced a direct 747 freighter flight between Madras and New York, with a capacity of 90 tonnes. Plans are also afoot to operate two shuttle services between Madras and Bombay in order to offer connections with the various 747 Combi aircraft operating from Bombay.

The air cargo traffic from Madras increased steadily from 12,952 tonnes in 1985-86, to 16,731 tonnes in 1986-87 and 20,048 tonnes in 1987-88. It now accounts for 40 per cent of the total cargo traffic from Madras. Air-India earns a revenue of Rs.20 crores a year.

But the going is not totally



smooth. "There is competition from scheduled and unscheduled airlines," says Sivaraman. The government of India has also announced an open skies policy from 1 January 1989, whereby any airline can operate flights to lift cargo from Indian airports during the peak season from January to May. Sivaraman is unfazed though. He says, "The policy is not likely to affect our business since any airline which operates a freighter flight will ask for a surchage on the existing rate to make it commercially viable."

PRATAP REDDY

Pratap Reddy, chairman of the Apollo Hospitals group, has ambitious plans. Reddy opened his first hospital in Madras in 1983. Over the next three years, he wants to construct 20 more corporate hospitals in various parts of the country, each to be set up as a separate corporate entity. The company will be coming to the market in February 1989 to finance the Rs.26.5 crores Apollo Hospitals, Hyderabad, which is already com-

plete.

There are five other Apo hospitals under construction present, to be modelled on t first one in Madras. The hosp tals have a substantial NRI i vestment as well as N physicians working there.

"We are often accused of b ing five star but we are not a more expensive than a go quality private hospital," Redd emphasises. And the quality service is comparable with t best in the world, he adds.

ATUL NISHAR

Apple Leasing and Industri Ltd has done well since it we public in 1986. "Our turnov for the year ending Septemb 1988 has practically double from Rs.4.18 crores to Rs.7.3 crores; our profit before tax up two and a half times Rs.2.24 crores," says At Nishar, managing director the company. And the cred goes to the growth of the co puter division which has mo than doubled its income fro

Rs.1.4 crores in 1986-87 to Rs.3 crores in 1987-88, thereby accounting for 41 per cent of total turnover.

The company has a tie-up with National Centre for Information Technology UK, to run computer courses. There are plans to expand the coverage of these courses from the current eight major cities in India to ten more. "Our expansion plans also include setting up a separate division for software exports, marketing of training packages for corporations, publishing of computer books, and computer consultancy," says Nishar.

On the leasing front Apple intends to start financing consumer durables for corporate employees and to finance the acquisition of automobiles.

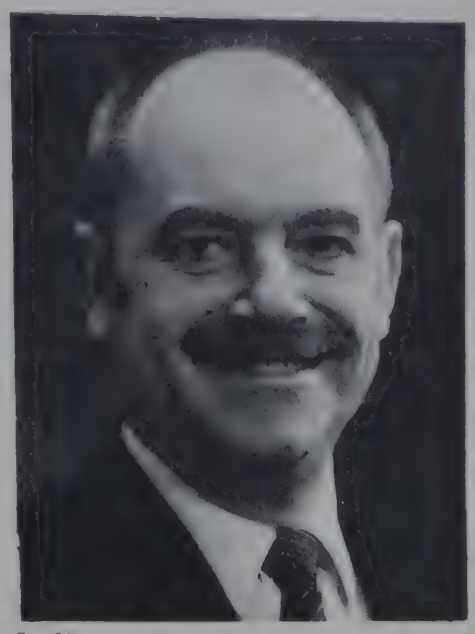
To finance these plans, Apple will raise Rs.8.75 crores through a rights issue of 500,000 debentures of Rs.100 each, and a rights cum public issue of 250,000 secured convertible debentures of Rs.150 each for cash at par.

FRIEDHELM N. SARTORIS

"The last time we were here, me and my wife had entire hotels to ourselves," says Friedhelm N. Sartoris, executive director of Cologne International Trade Fairs. The Sartorises were here then as tourists and Mrs.Gandhi had just been assassinated.

Sartoris is here now to sell the Cologne Fairs to Indian companies. An office boy who's risen to head one of the world's largest trade fairs, Sartoris has a wide variety of exhibitions to offer. The Cologne Trade Fair covers an area roughly equivalent to the size of 35 football fields and has an annual turnover of over Rs.250 crores; 38 different fairs are held here every year — the largest ones for food products, furnitures, motorcycles, photography and men's fashion.

The fashion fair is high on the agenda for Sartoris's visit this time, "After all 60 per cent of all



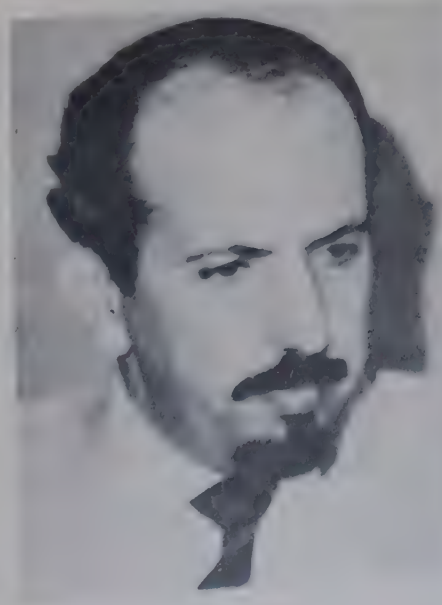
Indian exports in 1987 involved articles of clothing and leather. And participating in our fairs could give them huge exposure," he says.

ABDULLAH NOJAIDI

"My visit is in response to an invitation of the petroleum secretary, government of India, who was in Saudi Arabia with a delegation in March," said Abdullah Nojaidi, president Sabic Marketing Ltd, who was in Bombay and Delhi last fortnight heading a five-member delegation.

Sabic sells petrochemicals and fertilisers (LDPE, HDPE, Styrene, etc) to about 60 customers in India. The list includes Reliance, Indian Petrochemicals, Orkay, VIP, STC, RCF.

Total sales to Indian buyers in 1988 were around US $ 150 million. "Sabic has always adhered to stable prices and does not take advantage of shortages," asserts Nojaidi. "In 1988, the prices of our products were lower than the prices charged by other producers in the world. The mono ethyl glycol that we sold was cheaper by US $ 60 per tonne on an average," he says.



According to Nojaidi, a chemical engineer from the University of Colorado, there is a case for lowering duties on Saudi petrochemical products — in line with duties on similar products from other countries. "For India Saudi products are more expensive by an average of US $ 100 per tonne," he says. "We feel there is a case for incentives to Indian customers and Saudi suppliers for continued supplies to India."

WILLIAM K. WONG

William K. Wong uses the word "technology" at the drop of a hat. Director, international marketing, the Intel Corporation of the US — the technology driven pioneer of the IC and the chip — Wong was in India recently to open a liaison office. The choice, naturally, was Bangalore, "the hi-tech hub of this country".

Wong hopes that the office will help Intel service Indian customers better and explore "exciting market opportunities", for, according to Wong, after the US and Pacific rim, India is the next market heading for explosive growth

Intel's beginnings in India are modest, with a small office staffed by five. But then, as Wong says, "Intel began humbly in the US to eventually become a $ 2 billion giant." Hi-tech apparently, is the magic recipe.

MASARU GOTOH

Indigenisation may be Indian industry's password to the good books of the government, but it means trouble on the sales charts of foreign suppliers of technology. "In each country where we have operations, indigenisation affects our sales," says Masaru Gotoh, general manager, sales (Middle East, Africa, and Southwest Asia), of Japan's Honda Motor Co Ltd.

Gotoh, who was in India last fortnight on a visit to his company's Indian collaborator, Kinetic Honda Ltd, however, accepts indigenisation as a logical step after technology transfer.

In fact Gotoh, whose portfolio includes Honda's passenger car, motorcycle and scooter operations in 70 countries worldwide, feels that India is high on the agenda of Honda's plans. "India is one of the biggest markets in the world," he says, "and I have great expectations here."

He does feel, however, that further Japanese investment in Indian industry may be inhibited by infrastructural problems and cumbersome government regulations. The Telco-Honda proposal to make the Honda Accord is gathering dust in New Delhi — Gotoh does not see any decision being made before 1990

GUARANTEED TECHNOLOGY

Roto Twin Screw Pumps are manufactured to the time tested design of the World Leader

Stothert & Pitt

Stothert & Pitt Ltd., U.K.. The patented double profile of screw flank leads to higher volumetric efficiencies.

GUARANTEED PERFORMANCE

Roto Twin Screw Pumps guarantee a superior, proven, internationally accepted solution to bulk pumping of Fuel Oil. Reflecting

ACCEPTANCE

the international trend, installations in India are switching over from the conventional Gear Pumps to Roto Twin Screw Pumps. In India, Roto's performance is well established and recognised in industries like Power, Refineries, Steel, Fertilizer etc.. Roto Twin Screw Pumps conform to International Standards of API 676, VDMA 24284 Class VII or any other equivalent.

GUARANTEED LONG LIFE

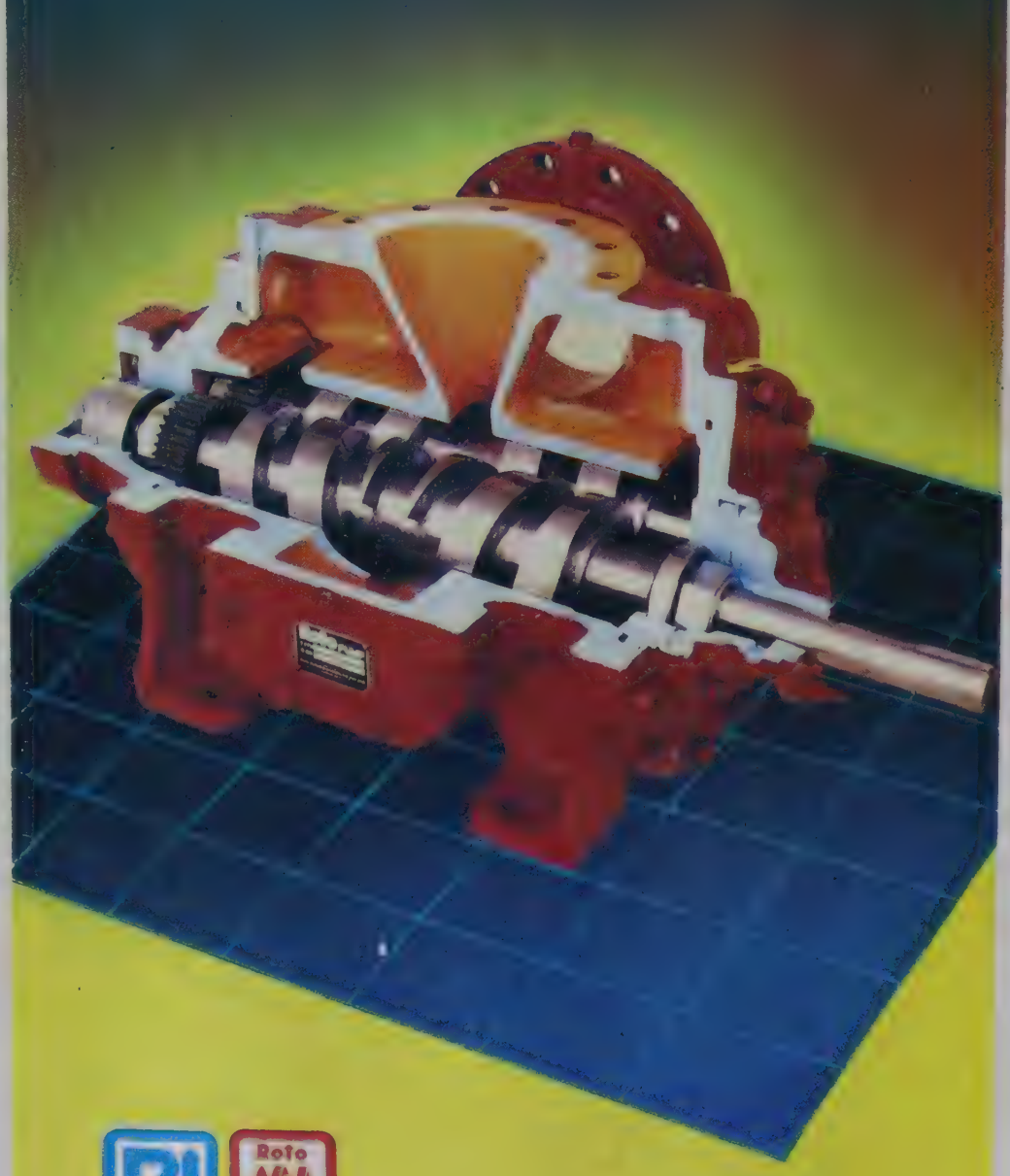
The total elimination of any physical contact between the screws, and between screws and the casing, ensure substantially longer life of the pumping

Fit & Forget

elements and the casing. The Stothert & Pitt pioneered dual flow design advantage eliminates axial thrust, thereby increasing the life of the bearings considerably. These combined features have earned Roto Twin Screw Pumps the reputation of 'FIT AND FORGET' pumps.

OIL TRANSFER DUTY? L.S.H.S. PUMPING PROBLEMS?

NOW Roto's GUARANTEED SOLUTION



Roto PUMP

Roto TWIN SCREW PUMPS GUARANTEED SOLUTION

ROTO PUMPS & HYDRAULICS PVT. LTD.

Mktg. H.Q. NEW DELHI 308, Osian Building, 12, Nehru Place, New Delhi-110 019
Tel 6418513, 6435339 Cbl ROTOSALES Tlx 031-61817
Bombay: 54, Ajay Deep, 240, Perin Nariman Street, Fort Bombay-400 001
Tel 264604 Cbl ROTOSALES Tlx. 73946
Calcutta: 310, Shantiniketan, 8 Camac Street, Calcutta-700 017
Tel 431943 Cbl ROTOPUMPS Tlx. 4379
Bangalore: 385/11, 1st N Block, Rajajinagar, Bangalore-560 010
Tel 353887 Cbl ROTOSALES
Baroda: 312, Sriram Chambers, Opp Circuit House, Alkapuri, R.C. Dutt Road, Baroda-390 005 Tel 328058

GUARANTEED QUALITY CONTRO

Manufactured in one of the modern plants in India extensive testing facilities,

pump passes through testing. Roto Twin Screw Pu can be tested to conform wit Quality Assurance Plans of BHEL/NTPC/PDIL etc.

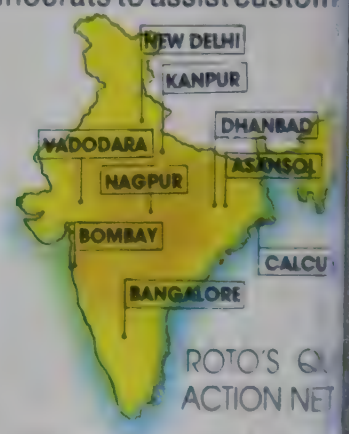
GUARANTEED CHOICE OF RANGE

Roto Twin Screw Pumps available in both internal external bearing desig Horizontal or Vertical confi tion. The pump can be s jacketed or electrically trace

handling fluids at ele temperatures. Due to the abs of metallic contact, a wide c of material selection is ava to suit the fluid being han Sealing arrangement is eithe gland packing or mechanica

GUARANTEED SERVICE

Roto's wide marketing & se network spans the co through 9 strategic locations manned by trained and comp technocrats to assist custom



ROTO'S
ACTION NET

not only selection of the pump for the application bu ensure its proper install commissioning & performar

RPH.M 8812

*CFB CIRCULATING FLUID BED BOILERS

In Technical Collaboration with and under Licence from

A. AHLSTRÖM CORPORATION FINLAND

The World Leader in *CFB Technology

The operating principle of conventional bubbling fluidized bed combustion (FBC) has been known for several decades, but only since the 1970's has this technology been recognised for its potential to provide economical and environmentally acceptable combustion systems. The SECOND GENERATION *Circulating Fluidized Bed (CFB) Boilers are characterised by a circulating bed. They utilise higher air/gas velocities to extensively entrain the bed particles which are recycled to the combustor.

The *Circulating Fluidized Bed (CFB) Boilers developed by A. Ahlstrom Corporation is known as AHLSTRÖM PYROFLOW.

By the end of the 1970's the first two commercial Ahlstrom Pyroflow boilers were put into operation. The successful operation of numerous Ahlstrom Pyroflow Boilers has led to the acceptance of the technique the world over. Since 1979, some 66 Ahlstrom Pyroflow Boilers have been sold to electric power stations, process industries, district heating stations, for generation of electricity, cogeneration and process heating applications. Over 30 boilers are in operation, some for several years.

Major advantages of the **AHLSTROM PYROFLOW *CFB** system are :

1/ **Good fuel mixing, long residence time, recycling and high heat capacities of circulating material**

2/ **Environmental protection against SO_2/NOx emissions**

3/ **Erosion and corrosion of heat transfer surface is avoided**

4/ **Low consumption of bed materials and high heat recovery from bed materials**

5/ **Simplified Fuel Feed System**

6/ **Natural Circulation, no EHE**

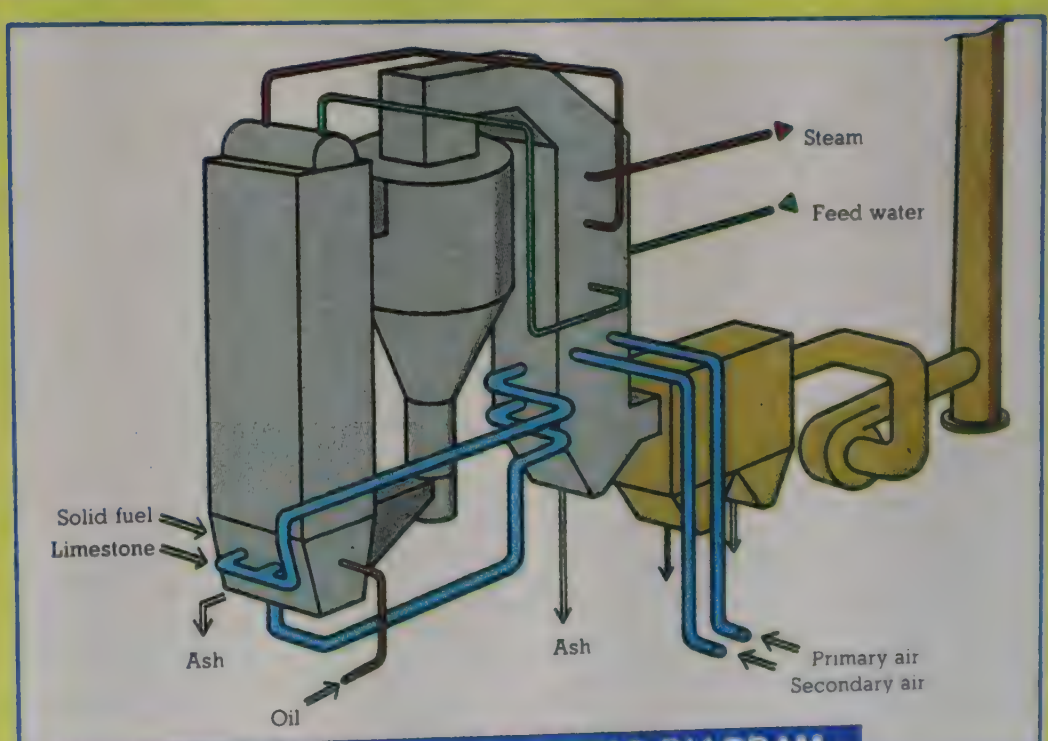
7/ **Multi-fuel capability**

8/ **Adaptability to conversions and retrofits**

A. AHLSTROM Corporation's world-wide Licensees, Co-operation partners and Associate Companies rank as the major boiler-makers in many countries, namely:

- ★ A. Ahlstrom Corporation, FINLAND
- ★ Pyropower Corporation, USA/CANADA
- ★ EVT, W. Germany
- ★ Waagner-Biro AUSTRIA
- ★ CNIM FRANCE
- ★ Hyundai Heavy Industries, S. KOREA
- ★ Snam Progetti ITALY
- ★ Stork Boilers HOLLAND
- ★ Yuen Foon Yu TAIWAN
- ★ Shinko Pyropower Ltd. JAPAN &
- ★ Isgec John Thompson INDIA

AHLSTROM PYROFLOW



AHLSTRÖM PYROFLOW PROCESS DIAGRAM

All pressure parts and critical items are manufactured at ISGEC's modern and extensive facilities installed at Yamunanagar, Dist. Ambala, Haryana—which is one of the very few fabrication facilities in the country bearing the coveted "LLOYD'S" approved standard

For details and enquiries write to or contact :

ISGEC JOHN THOMPSON

(Division of The Saraswati Industrial Syndicate Ltd., Yamunanagar, Haryana.)
33A Jawaharlal Nehru Road Calcutta 700071
Telephone : 29-5220/5282/8220/8499 Telex : CALCUTTA 7777
Gram : "WATERTUBE" BRANCHES : *Bombay *Delhi *Madras

React/IJT/053/88

COMPACT OVERHEAD PROJECTOR FOR GRAPHIC COMMUNICATION MANAGEMENT

FILL IN THE COMMUNICATION GAP ...

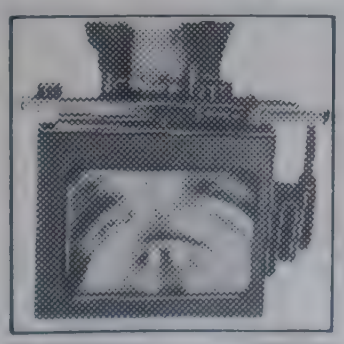
At Sales Conferences, Training Programmes or Human Resource Development Sessions, much has to be conveyed than said within a limited time. Here's an Overhead Projector by which multi coloured visuals speak louder than words. Transparencies of typed or xeroxed documents can be projected on a large screen. Matches International Standards and has features:

- Rotating Head for Vertical or Horizontal Presentations
- Advanced Optics – High Resolution, Bright Picture
- Low cost Halogen lamp easily available, economical in the long run.

CAP: COMPUTER AIDED PRESENTATION
Project Computer Text, Graphics with the help of LIQUID CRYSTAL DISPLAY PLATE (an Electronic Transparency) connected to P.C and placed on Overhead Projector. Large screen presentation can be offered even in room light for group viewing.

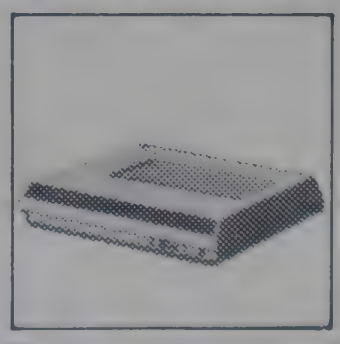
With appropriate Software, programmes run like a Slide Show featuring, Animation and Special effects in a predetermined time and sequence for Visual impact.

...WITH A REVOLUTIONARY CAP !



PORTABLE

GETS READY FOR USE POSITION WITHIN A MINUTE



LCD PLATE

Manufactured & Marketed by -

GE GENERAL ENGINEERING & SPARES

Plot A 5, Cross Road B,
MIDC Industrial Area,
Andheri (E), Bombay-400 093.

Tel • 634 00 04 • 634 1120 • 632 8818
Grams: "GESPLICER" Bombay 400 093.
Telex: GPTA-IN 011-71146

Please send us more information

Name .....

Address .....

Phone .....

BM

FDC

More exposure, more money, more films

The National Film Development Corporation has been enjoying a particularly good year abroad. *Salaam Bombay*, Mira Nair's film set among Bombay's street urchins, has been having a spectacular run throughout the world. Not only has it been the toast of film festivals, it is also turning out to be one of the top money spinners of the year. According to the US film weekly *Variety*, the film earned Rs.70 lakhs in the US alone in its first six weeks. And NFDC has a Rs.10 lakh stake in the film, for which it is to receive a 25 per cent share in the profits.

Rights sold. The ever bankable Satyajit Ray might never be able to capture an audience as wide as Nair's, with his punctilious classics. But his first film in four years, *Ganashatru*, whose shooting has got under way in Calcutta, might prove to be another good money earner for NFDC. The corporation is producing the film at the cost of roughly Rs.25 lakhs. Even before the clapper board was sounded, the British rights for the film had been sold for a minimum guarantee amount of Rs.5.5 lakhs. The overflow will be shared on a 50:50 basis by the producers and the British company. A similar offer by a Paris film company to buy the rights for France was rejected by the corporation because as Malati Tambay Vaidya, its managing director, puts it, "We are sure of getting a better offer from someone else." In fact NFDC is hoping to recoup the entire production cost before the film is ready in April 1989.

Ray's popularity in Europe and the American continent can be gauged from the fact that his 1950s classic, the Apu trilogy, proved to be a runaway success after NFDC started marketing the films abroad two years ago. To date, the three films, *Pather Panchali*, *Aparajito* and *Apur Sansar* have grossed over Rs.10 lakhs in foreign exchange.

Even the films of the lesser known of the Indian film geniuses, Ritwick Ghatak, are making more money a decade after his death, than when he was alive. His classic, *Meghe Dhaka Tara*, was recently sold to a British television company for over Rs.2.5 lakhs. And five years after it was made, Richard Attenborough's *Gandhi*, continues to rake it in for the NFDC, which was one of the producers of the film. During 1987-88 it earned Rs.12.87 lakhs in foreign exchange from *Gandhi*, and to date the film has generated a profit of Rs.2.45 crores for the corporation after full recoupment of investment and interest.

Better budgets. NFDC's total foreign exchange earnings in the last two years has been over Rs.6 crores. This might not seem a big figure in today's corporate terms, but what is more important is that this trend of selling Indian films to buyers in Europe and America augurs well for the so- called "serious film makers" in the country. Thus directors like Mani Kaul and Arvindam, who make films on shoestring budgets, but are not able to recoup their spending through domestic release, now have the opportunity not only to recover their investment, but also to make profits.

This benefits NFDC also in a big way. The corporation itself produces a large number of films, and also provides generous loans to independent producers. In the past, because the films were only released domestically, they invariably bombed on the box office, resulting in a loss for both the film maker and NFDC.

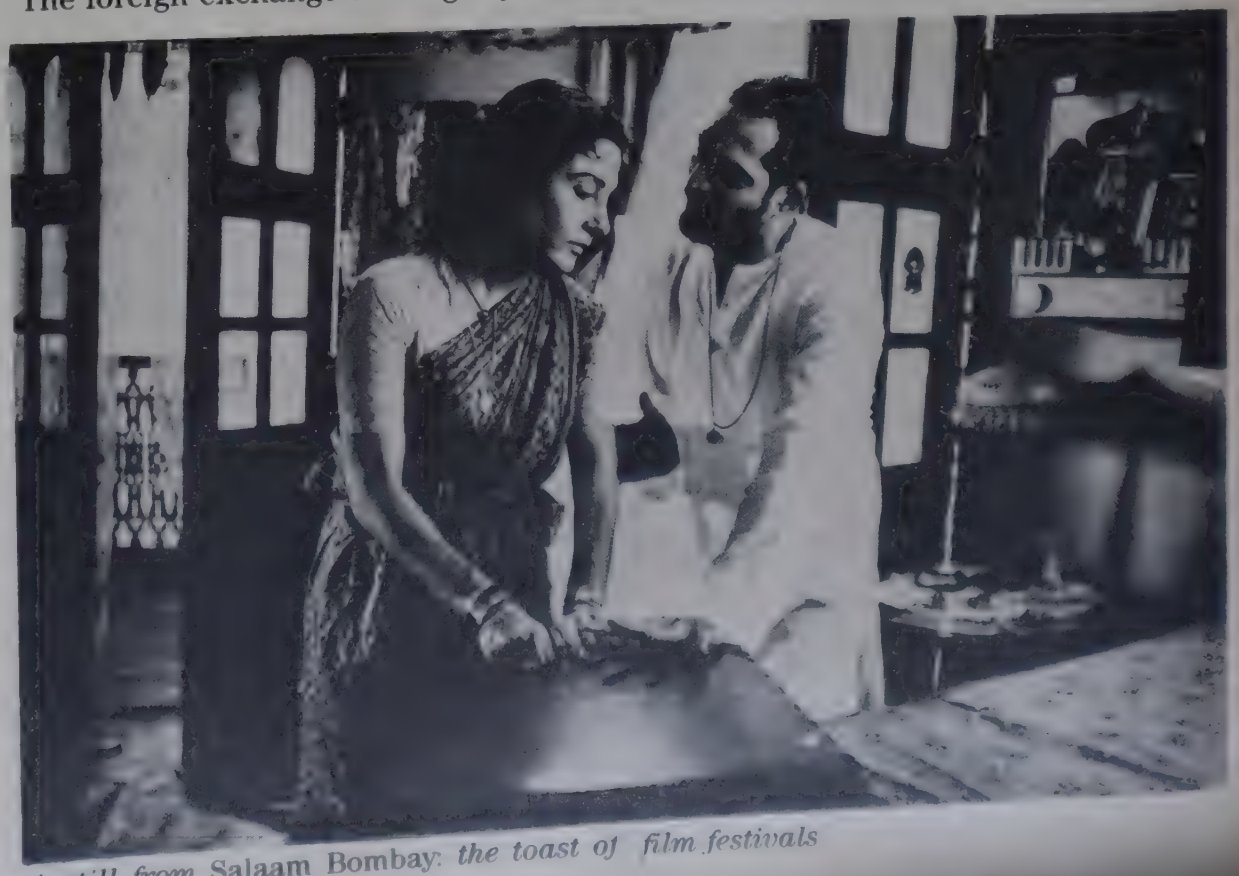
Now with the opening up of a new market, things have changed dramatically. In the last seven years, though the amount of loans disbursed to film makers more than doubled to Rs.53 lakhs in 1987-88, the bad debt written off came down from Rs.49 lakhs in 1980-81 to Rs.3.6 lakhs last year. Says Tambe Vaidya, "The foreign exchange earnings by these films have provided a measure of financial stability for the corporation."

Ironically, in a sense it has been the mainstream of the popular cinema that is responsible for opening newer markets for the serious films. All films exported from India, including the popular ones, have to be canalised through the NFDC. Till about 1980, the market for these films were restricted to what is termed as the traditional countries — North Africa, the UK, the Middle East, the Caribbeans etc, which have a large Indian population. But after peaking at around Rs.15 crores in 1980-81, the export of these films fell drastically in the following years on account of video piracy.

That is when NFDC started looking at the non-traditional markets to sell Indian films, particularly continental Europe. But unlike audiences elsewhere, Europeans were more interested in cinema of the Ray and Ghatak kind than the song-and-dance Manmohan Desai thrillers. And as a result, while NFDC's export of serious movies rose from Rs.41 lakhs worth in 1980-81 to Rs.1.51 crores last year, the figure for the popular films fell from Rs.15.07 crores to Rs.9.07 crores.

Chance to recoup. Says Nitin Keni, deputy general manager of NFDC, "An entirely new market is gradually opening up for Indian film makers, and I think we are moving towards a stage where at least the smaller film makers will be able to recoup their entire expenditure from export earnings alone."

Among the people who benefited the most from this development were the re-



A still from Salaam Bombay: *the toast of film festivals*

bajaj group

When time stops for a little sweetness...

We are there to share those moments with you.

Bajaj Hindusthan brings you the finest sugar crystals manufactured from sun-kissed sugarcane.

With an expertise perfected over 50 years from one of India's foremost sugar manufacturing units, has enabled Bajaj Hindusthan to crush 12 lakh tonnes of sugarcane annually by working in close harmony with 60,000 farmers.

Keeping you in close touch with the best things in life everyday in everyway!

bajaj hindusthan ltd.

Sweetening an entire generation.

ional film makers. In the past, an Oriya ilm maker's market would have been estricted to his state. But since for Euro-ean audiences it doesn't make a differ-nce if the film is in Pushtu or Bhojpuri, s long as it is subtitled in their native anguage, these regional film makers are inding a ready audience abroad. Jahnu Barua's Assamese film, *Halodhia Choraye Baodhan Khai*, which for exam-ple, went virtually unnoticed in India, is currently doing well on the European circuit.

The net effect of this development is that the NFDC is able to finance films with more confidence of being able to recover its money. Thus, at the moment it has a record 15 films on the floor. Every major Indian film director ranging from Ray to Mrinal Sen, from Aparna Sen to Mani Kaul and Saeed Mirza to Kumar Shahni is now working on an NFDC-financed film. So things might finally be looking up for India's serious film makers after the rough and tumble days of the early eighties.

N. RADHAKRISHNAN

COCA-COLA

Piggy-back with Pepsi?

Now that PepsiCo has made a successful entry into India, Coca-Cola, the world's largest soft drink manufacturer, is also making a bid to regain a foothold in the country's fast-growing soft drinks market. During 1977, Coca-Cola left India because of the Janata government's insistence that it dilute its equity from 100 to 40 per cent and make the secret Cola concentrate locally.

Not that Coca-Cola has now decided to agree to that. Instead, it's trying to make the best of both worlds by taking advantage of the new government policy on export processing zones (EPZs). Last March, the government decided to allow up to 25 per cent of the production of EPZ firms to be sold in the domestic market provided the value addition is at least 30 per cent. Cent per cent foreign equity holding was always permitted in EPZ units. "We have always maintained a strong interest in resuming our links with India," says Stuart Eastwood, director business development for Coca-Cola in South Asia, Middle East and Africa.

Chauhan: if you can't beat 'em join 'em

Will things go better with Coke?

Quick work. Coca-Cola moved fast. By September, even before PepsiCo had got the go-ahead, the company was in touch with the new ministry for food processing and had offered to set up an export oriented unit. The ministry asked for a formal proposal which was submitted on 16 November.

Under the proposal, the company's first priority will be to set up a 100 per cent owned unit at the Noida EPZ to manufacture the Coca-Cola concentrate. This plant will cost $ 2 million (Rs.3.3 crores) to be invested in hard currency by Coca-Cola. Approximately 90 per cent of this investment will be sourced in India. Three-fourths of its output will be exported to Coca-Cola's concentrate manufacturing plants in Europe and elsewhere. In the tenth year, the company expects to export Rs.70 crores worth of product.

By then, it can sell Rs.23-odd crores worth of concentrate, and hence roughly Rs.200 crores worth of Coke in the Indian market. "Our domestic sales will not exceed 10 per cent of the soft drink market," says Eastwood. "We believe our proposal not only benefits our business but also meets the Indian priority of long-term exports to hard currency areas."

So far so good — Coca-Cola has 100 per cent equity and it makes sensitive proprietary ingredients under its control. But the major consideration of locating this plant in India (a hot and populous country in Cola's view) is obviously to get a big swig of the local soft drinks market. This is what the policy change of March now permits: up to 25 per cent of the EPZ unit's output can be sold in the Indian market.

Search for a partner. So Coca-Cola is now on the look-out for an Indian partner to set up a local concentrate plant which will supply the cola formula to scores of bottlers all over the country. This plant will buy the key ingredients from the Noida unit, make the balance ingredients (reportedly a flavouring agent and caramel) and combine them into the complete concentrate.

Almost every major soft drink baron is believed to have approached Coca-Cola for the local franchise: Ramesh Chauhan of Parle, Charanjit Singh of Campa-Cola (he was earlier Coke's local partner) Vijay Mallya of United Breweries, and Adi Godrej of Noble Soya. Whether Coca-Cola will have any foreign equity is yet to be seen. But clearly it would not mind having a minority stake in this venture, unlike in the Noida plant.

Unlike the fizzy three-year controversy over PepsiCo's proposal, largely whipped up by domestic soft drink interests, Coca-Cola's proposal is sailing smooth. Going by their keenness to join hands with Coke, the local soft drink bosses seem to

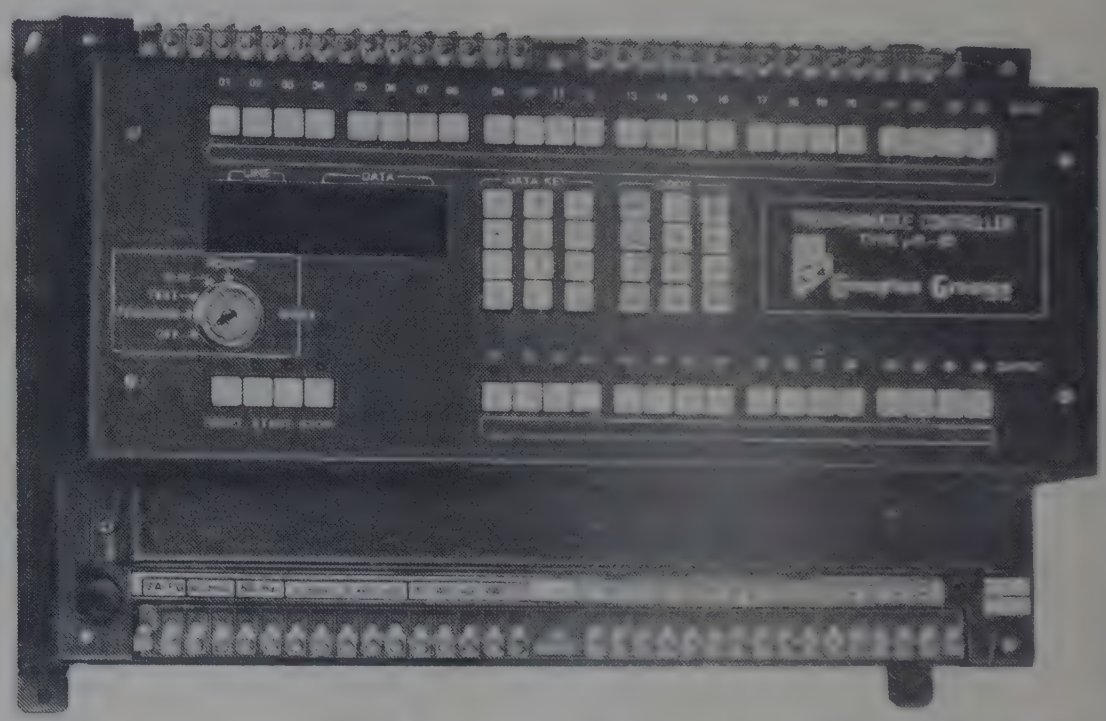
Some comparisons

Item	PepsiCo	(Rs crores) Coca-Cola
Project cost	21.50	3.30
of which: a) Soft drink plant	5.50	3.30
b) Term loan	10.75	
Foreign investment	3.69	3.30
Projected exports (in tenth year)	190.00	70.00
Net value added (%)	N.A.	68.00
Cost of technology, fees etc.	1.40	

Crompton Greaves

If your process demands high quality output with minimum downtime

Let Crompton Greaves Programmable Controllers take over!



Crompton Greaves introduces Programmable Controllers to co-ordinate all pre-timed, logical and sequential operations. With a wide range of input-output devices and a dedicated programming module that enables you to reconfigure your system to suit changing process requirements.

The power of Programmable Controllers

A single, compact Programmable Controller, the size of a suitcase, can replace upto 50 relays and its intelligent hardware understands user-friendly ladder diagrams.

Now you can time your production process to optimise efficiency and productivity.

Programmable Controllers reduce maintenance effort and save on power and space. They are expandable and programmable for a wide range of applications like process industries, sugar, cement, steel, packaging, machine tools, fertilizers and more.

However complex your process requirements, there is one to suit your need — from stand-alone 40 input-output units to modular systems upto 2048 input-outputs.

To offer prompt and effective service to our industrial clients, we would like to appoint value added system houses or technocrats, all over India. Interested parties please contact us immediately.

Mail this coupon to our address given below.

Crompton Greaves Limited
Industrial Electronics Division
58, MIDC, Satpur, Nasik 422 007
Tel: (0253) 30394 Telex: 0752-246

I need further information on Programmabl Controllers

Name _____

Designation : _____

Address _____

_____

Crompton Greaves

The leaders in electricals, now into electronics.

The Thapar Group

ULKA-CG-PL

have accepted the inevitability of international competition. The bosses seem to reckon that if you are going to have one multinational, you might as well have two.

Under the EPZ policy, the government must clear project proposals in 90 days' time. By mid-February, the suspense will be over. And a green signal means an immediate selection of a local partner. Until then, Coca-Cola will keep its fingers crossed and hope for the best.

■ MUKARRAM BHAGAT

TEA BOARD

More power for regional execs

The union commerce ministry has decided to strengthen the Calcutta-based Tea Board's regional offices at Guwahati in Assam and Coonoor in Tamil Nadu by delegating comprehensive financial and administrative powers to its two chief regional executives (CREs).

Undermine board's role. The proposal has met with stiff resistance from Tea Board officials in Calcutta, who fear that the board's powers will be severely curtailed. The proposal, says Pramode Chatterjee, vice-president of the Tea Board Employees Association, will undermine the Tea Board's role in developing the industry, since it implies slashing the chairman's powers by nearly 75 per cent. However, P.K. Tripathy, chairman of the board, considers the reorganisation a routine issue. There is no conflict between the board and the commerce ministry, he says.

The West Bengal government appears to be one too happy about the scheme since it could mean losses in revenue for the state. The feeling is that the move is intended largely to placate the Assam and Tamil Nadu governments, and especially the former since it has been vociferously demanding that the headquarters of tea companies which have gardens in Assam be shifted to Guwahati.

For companies based in the south and Assam, the commerce ministry's decision is good news. They hope that the delays in sanctioning loans and implementing schemes will be reduced as will be the need for periodic trips to Calcutta. Since the proposal involves considerable decentralisation, their expectations are likely to fulfilled. The reviewing and monitoring of all schemes, liaison with state governments, and marketing and research will henceforth be under the jurisdiction of the CREs. The chairman of the Tea Board, though, will continue to lay down strict financial guidelines.

Commerce ministry officials say that the decision to delegate powers to the regions is part of a drive to enhance productivity. R.K. Sivaraman, joint secretary in the ministry, said in a note to Tripathy, "With the utmost stress being laid on increasing production and productivity, delegation of powers to the CREs would enable the Tea Board to have better extension and developmental facilities. The CREs are very senior IAS officers and should be used as effective instruments for this purpose. If they are retained without adequate delegation of powers then their retention as CREs would not be justified."

Tea Board officials are not too happy about the 'balkanisation'. The board, with a promotional budget of Rs.9 crores, and an employee strength of 950, has since its formation in 1953 been a strong, centralised body exercising total financial and administrative control over the industry.

Officials also feel that the practical difficulties in strenghthening the CREs are going to be endless. A majority of the tea companies with gardens in Darjeeling and in Assam have their headquarters in Calcutta; for them the new move will mean either shifting the headquarters to Guwahati or much to-ing and fro-ing between Calcutta and Guwahati.

Strong centralised body. Tea Board officials question the need to have IAS personnel as zonal heads in the first place. The issue was raised earlier also by the Public Accounts Committee. According to observers, the Tea Board already has two IAS officers — the chairman and the deputy chairman. At the regional level what is needed is professional or technical people with field expertise. Instead, the commerce ministry has now created what will virtually be "mini Tea Boards" in the regions, it is felt.

The country has a production target of 1,100 million kg by 2000 AD and a foreign exchange earning target of Rs.1,000 crores. Will the fresh powers given to the chief regional executives help in achieving this?

■ MADHUMITA BOSE

HORSE RACING

Computers make it racier

Even on a week day, when the rest of Bombay city is humming with activity, there is a group of people who take the afternoon off as a matter of course — at the green turf of the Mahalaxmi race course. Gambling is serious business: clear class differences between the well-heeled in the members' enclosure at the Royal Western India Turf Club and the less wealthy in the general enclosure notwithstanding, it is the willingness of both that provides the money to keep the race track going.

Substantial income. The Turf Club, which conducts the races in Bombay and Pune, accepted bets which were worth Rs.8.88 crores in 1987-88: its revenue in that year, net of all taxes on bets placed on it for races conducted both in Bombay and Pune and on intervenue betting, was Rs.2.43 crores. The club earns substantially more from bookies who operate on the club's own premises; but its own betting income is nothing to be sneezed at.

In November this year, the club became the second in the country to computerise its operations. Both hardware and software for the exercise were provided by ORG Systems, the computer division of Sarabhai Electronics Ltd.

"The idea was to improve the quality of service to racegoers," says Ajit Gulanikar, an independent consultant who assisted the club. The club's betting operations, unlike those of the individual bookie, are fairly complex. A bookie typically offers a bettor fixed odds, based on his own evaluation of a horse's ability to win. The club on the other hand does not offer any fixed odds.

What the Turf Club does is, it offers a series of betting pools, concurrently in Bombay and Pune. A punter could choose to place a bet on a horse winning in a particular race (called a win pool), or on the second horse in a race (second horse pool) or on the winners of five races (jackpot), on predicting the first, second and third horse in a particular race.

As the name 'pool' suggests, a winner's dividend depends on the amount that he and his fellow racegoers have been willing to invest in a particular pool. From the gross amount invested taxes and the club's commission are deducted, and the balance is divided among the winning

A betting terminal: info at their fingertips

tickets.

Laborious process. When the club operated betting manually, keeping track of bets, especially in pools where a variety of combinations is possible, was a laborious process. Declaring a final dividend could take anything from half an hour to one and half hours. Now the same results can be declared in a matter of minutes.

At the heart of the whole system are four Super-Max super mini-computers manufactured by ORG Systems. Two of these are installed in Bombay and two in Pune. At each place, one of the computers stands as a fallback in case the primary system fails. "We can't afford to have any breakdowns," say Sanjiv Mittal, marketing manager of ORG Systems. A breakdown could lead to a total disruption of betting and hordes of angry racegoers.

To avoid this, the four computers run diagnostic programmes on each other and the secondary system can declare the primary system 'down' if it detects an error in its operation.

The computers are linked to 200 betting terminals in Bombay and 50 in Pune. The terminals have been specially designed by ORG for betting operations so as to simplify the job of accepting bets. For instance, the terminals, have keys with which the kind of pool in which the bettors want to participate can be registered by punching one key. The terminals also have built-in printers which automatically print out tickets once the bets are placed. All information from the terminals is fed to the computers which process the information and display it on closed circuit TV.

As of now, all information is processed separately in Bombay and Pune and then amalgamated, but there is hope that the two systems will be linked by a dedicated line in a short time

It is too early to say whether the system will function effectively in encouraging more betting; all that M.R. Surti, deputy general manager of the club, is willing to say is that it has speeded up the whole process. Now, the club also has the ability to conduct more pools, which means more money for it and better service for racegoers.

■ EAPEN THOMAS

PETROCHEMICALS

PDS gets off to a shaky start

The Petrochemicals Data Service (PDS), inaugurated on 30 November 1988, performs the useful function of collecting and collating data on petrochemicals. Summing up the need for such a data bank, IPCL chairman and managing director Hasmukh Shah said, "We used to operate on gut feelings. But the industry has grown rapidly and become much more complex. We need readily available, organised data."

The information PDS will supply includes capacity, production, domestic and international prices, availability and commitment of feedstock, excise and customs duty, import and export figures and general trends in the industry, published in the form of a weekly and a quarterly magazine.

Reliable data. The PDS will not only help manufacturers and entrepreneurs in their marketing, export or expansion plans but also provide reliable data to financial institutions for their project appraisals. According to Lalit Doshi, joint secretary in the department of chemicals and petrochemicals, the PDS will also help the government to formulate their excise and import/export policies by providing authentic, comprehensive data on local and foreign markets and the demand-supply situation.

A data bank was first recommended by the Kapoor committee on perspective planning for petrochemicals. IPCL was considered the most appropriate agency to set up the service as it already had an economic analysis group which compiled data relating to IPCL products. On 1 April 1988, the group formally became the PDS team.

The scheme has received whole hearted support from IPCL. The PDS team is not only paid by IPCL, it works on IPCL land and with IPCL funds. And yet, not everyone is happy with the PDS. Certain members of the industry feel that confidential information filed with the PDS will soon make its way into the hands of competitors. After all, they say, the PDS is a government-controlled body and everyone knows that the government has its favourites.

Some of them question the significance of the PDS in view of the fact that relevant information on certain segments of the industry is already being published by the concerned associations. For instance, the Association of Synthetic Fibre Industry publishes data on synthetic fibre production, consumption etc. In fact, the PDS itself gets its information from the ASFI.

Serious hurdle. The PDS team is finding the resistance from the industry a serious hurdle. Out of 110 manufacturers making 80 products all over the country, only 20 have volunteered information. "Given the fact that we are IPCL employees, it is only natural that they are suspicious of our motives for asking information," says V.R Mehta of the PDS team.

The PDS has encountered problems in verification of data too. The validity of the information it has gathered cannot be checked because reliable alternative sources are very few. The team hopes to be allowed access to the Directorate General of Technical Development and the customs and excise departments, but their request appears to be lost in bureaucratic quagmire.

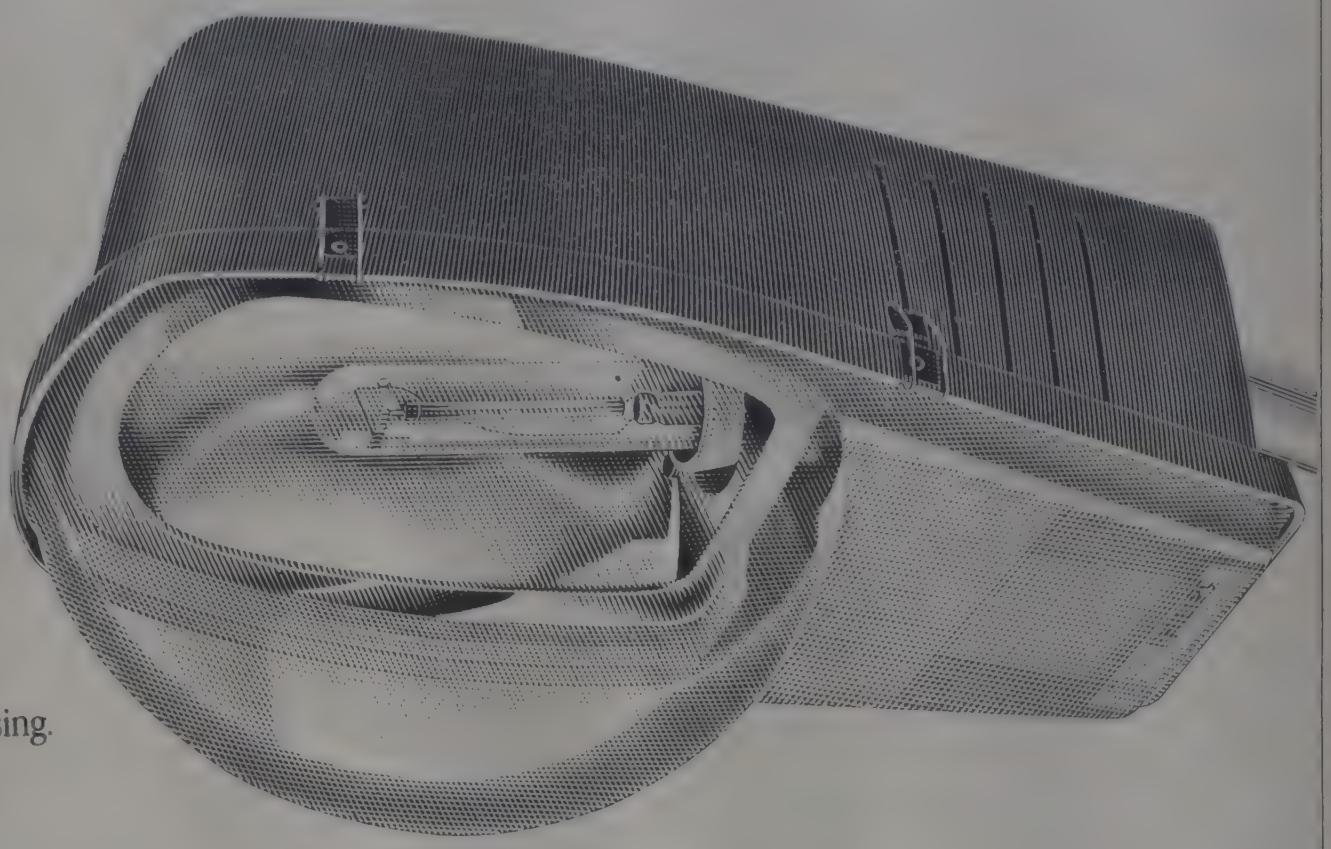
In spite of its teething troubles, the PDS team is working out the details for expansion of its services. An annual issue is on the drawing board — the contents will include major product and company profiles. Other plans include organising studies and project appraisals to be sponsored by companies and building up an in-house panel of experts for evaluation and analysis of data. Shah feels that the PDS may also be able to fulfil the third world's long felt need for comprehensive data on international markets.

Before the PDS can start contributing to the petrochemicals industry, the organisational details have to be hammered out. The fund has to be set up, membership arranged and the industry's resistance overcome. All this will take time. Another three or four years are likely to pass before the PDS is ready to take off.

■ GAYATRI BHANDARKAR

PHILIPS

A Breakthrough In Streetlighting



The Superstar— another first from Philips

1 Sturdy lightweight die cast aluminium housing.

2 Clear weatherproof acrylic cover.

3 An optical system to give more efficient optical control than conventional luminaires. Enabling higher mounting heights and larger spacings between luminaires.

4 A lampholder system allowing a wide choice of positions depending on different road situations.

For the first time in India, a new optical system specially designed for more efficient streetlighting, with tubular sodium vapour lamps. Superstar, the luminaire that brings the benefits of better streetlighting right to your doorstep.

The Superstar is lightweight, weatherproof and easy to install and maintain. In addition, it cuts down on the number of luminaires used and thereby on system cost.

It is innovations like the Superstar that have made Philips the leaders in lighting worldwide.

I would like to know more about the Superstar. Please send me further details.

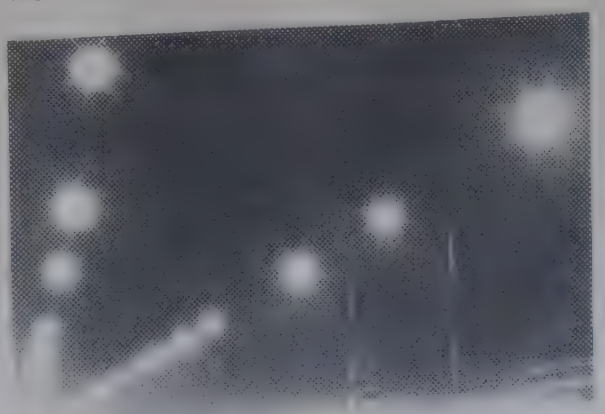
NAME .....

ADDRESS .....

.....

DESIGNATION .....

Philips India
Central Lighting Design and Engineering Centre
P-65 Taratolla Road, Calcutta 700 088



HTA 3470 R

When it's Philips you're sure

Nailed

First of its kind in India!

The New Aquarius Wall-mounted Water Cooler

In restaurants, showrooms, offices or banks

Wall-mounted or table-top convenience

Single-handed operation

15-litre storage/cooling capacity

Provides up to 150 glasses of ice-cold water in an hour

Direct connection to water supply or fill manually

Light-weight (39 Kg) & elegant

Nationwide, reliable service

Sophisticated manufacturing process ensures high product quality

Just a few reasons to nail you down. To a sure hit.

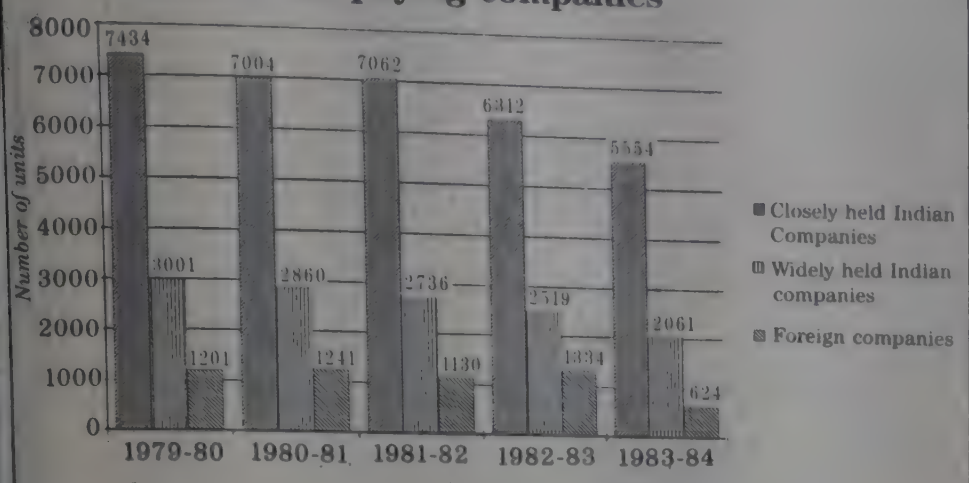
Aquarius
WATER COOLERS

BLUE STAR **The only guarantee you'll ever need.**

FSA BSL W8

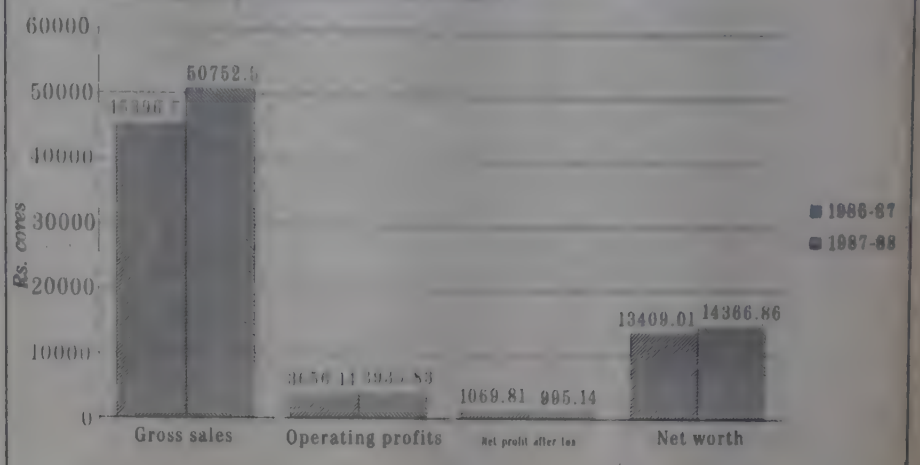
For more information, please contact Blue Star Limited, Appliances Division:
Bombay; New Delhi; Calcutta; Madras; Ahmedabad; Vadodara; Pune; Nagpur; Bhopal; Chandigarh; Kanpur; Jaipur; Lucknow; Jamshedpur; Guwahati; Bhubaneshwar; Patna; Bangalore; Secunderabad; Cochin; Visakhapatnam; Vijayawada.

Profile of tax paying companies



Over recent years the number of units in terms of taxable profits has been dropping. The number of foreign companies has more than halved at 624 units (1334 units in 1982-83) in 1983-84. The total number of Indian and foreign companies with taxable profits of Rs.1662.8 crores was 8239 units. The widely held companies, accounted for over four-fifths of the total corporate taxable income even though in number of units they were only one-sixth of the total. Corporate profits accounted for 2.4 per cent of national income during 1984-85, up from 1.1 per cent in 1983-84.

Company finance trends



Growth rate of gross sales in the corporate sector during 1987-88 has been maintained at 11.8 per cent. Operating profits increased by 7.6 per cent to Rs.3935.83 crores (Rs.3656.14 crores), whereas net profit after tax has declined by 7 per cent to Rs.995.14 crores (Rs.1069.81 crores). Although the net profits retained has fallen to Rs.417.59 crores (Rs.578.35 crores), the net worth has moved up by 7.1 per cent to Rs.14366.86 crores (Rs.13,409.01 crores). The companies have paid higher dividends of Rs.577.55 crores (Rs.491.46 crores), inspite of lower net profits. This has affected retained earnings.

** Based on CMIE sample of 740 industrial companies*

Money and banking (scheduled commercial banks): Broad money has increased marginally by 0.69 per cent during the month under review. The rate of increase in aggregate deposits has been maintained over the months at around one per cent. Bank credit has increased by Rs.6858 whereas food credit has dropped by Rs.1,592 crores over the year. The credit deposit ratio has also declined.

(Rs crores)

	2 Dec 1988	4 Nov 1988	4 Dec 1987	% change over month	% change over year
Broad Money (M3)	1,79,849	1,78,611	1,54,844	0.69	16.15
Agg. deposits	1,32,458	1,31,090	1,16,685	1.0	13.5
Bank credit	76,727	76,310	69,869	0.5	9.8
Food credit	1,299	1,146	2,891	13.3	−55.0
Credit/dep. ratio	57.93	58.21	59.88		

Wholesale price index: The all-commodities wholesale price index has marginally declined during the period under review. The price of most commodities in primary articles and manufactured products have either declined or remained steady.

(1970-71=100)

	12 Nov 1988	15 Oct 1988	14 Nov 1987	% chave over month	% chave over year
All commodities	437.5	441.0	412.6	−0.79	6.0
Primary articles	418.3	418.4	393.6	—	6.3
Mfg. products	413.8	420.8	390.6	−1.7	5.9

Bullion prices and stock market index: The price of gold in the Bombay market has declined by Rs.96 in the month to 16 December. However, silver has ruled steady at around Rs.6450. The Bombay stock exchange index has declined by 40 points to 668.12, largely due to lack of institutional support for pivotals. But the market is still up on a year to year basis.

	16 Dec 1988	16 Nov 1988	16 Dec 1987	% change over month	% change over year
Gold (Bombay)	3124	3220	3325	−3.0	−6.0
Gold (London)	2045	2051	2020	0.3	1.2
Silver (Bombay)	6454	6458	5975	0.1	8.0
Silver (London)	2942	3087	2789	−4.7	5.5
Bombay stock exchange index (1978-79=100)	668.12	708.20	416.75	−5.7	60.3

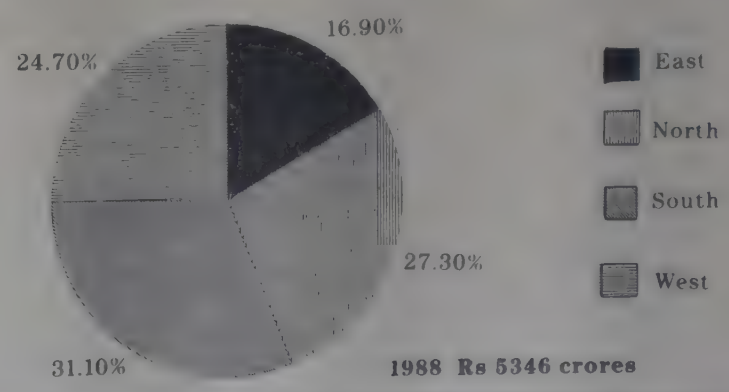
The price of gold is in rupees per 10 gms and that of silver in rupees per kg

Packaged consumer products market

The packaged consumer products market in India is in the region of Rs.6,685 crores. Which means per capita consumption is Rs.83.6. Packaged consumer products include personal care products, washing materials and other household items.

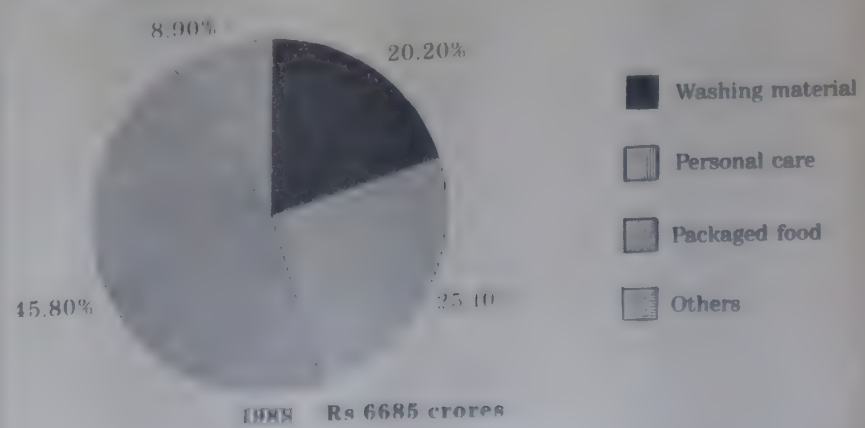
Packaged consumer products — urban market

In 1988 the urban sector accounted for 80 per cent of the total market. Within the urban sector, South India accounted for 31.1 per cent, followed by the north (27.3 per cent).



Packaged consumer products — market segments

Packaged food accounts for the largest segment (45.8 per cent) of the total market. This is followed by personal care products (25.1 per cent) and washing material (20.2 per cent).



Courtesy: Operations Research Group

Le MERIDIEN

Invitation to a grand celebration.

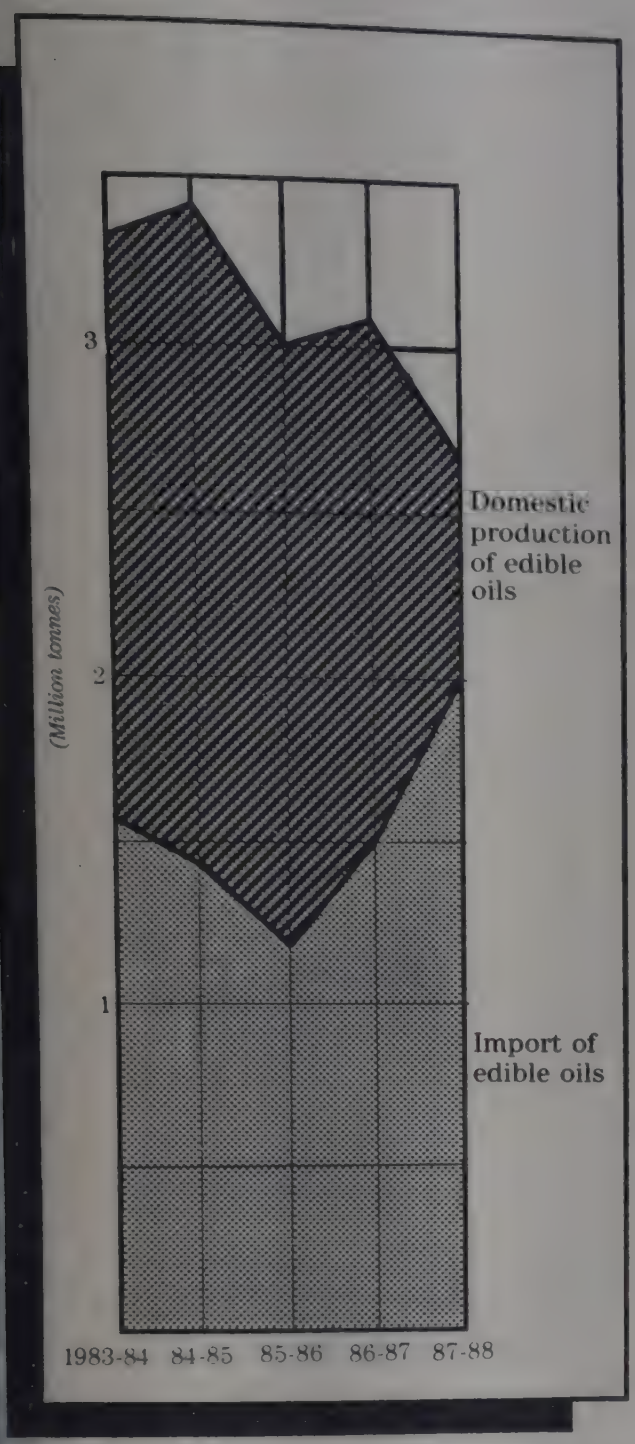
Let time bubble away with French effervescence! At Le Meridien.
Where a special occasion is extra special.
Made memorable in the splendid setting that Le Meridien
creates. Come celebrate the joy of living.
Le Meridien gives you the
time of your life.

Le
MERIDIEN
NEW DELHI

1, Windsor Place, New Delh-110 001, India
Tel : 383960 Tlx : 031-63076, 031-65312 FAX : (91)-11-394220

Reservatioins : Bombay: Tel 221281 Tlx 011-5533, Calcutta : Tel: 201911/200670/201203/207004 Tlx 021-2105
Madras : Tel: 43-2791/3 Tlx 041-4425 Bangalore : Tel: 73638 Tlx 2448

HEADSTART/MER/1031



New thrust in edible oils

The new edible oil policy aims at cutting imports and boosting indigenous production. This has been triggered off by strong expectations of a bumper oilseed crop this year.

India was self sufficient in edible oils till 1975-76. It was only in 1976-77 that 169,000 tonnes were imported at a cost of Rs.100 crores. Since then imports have steadily increased, and in 1987-88 the government imported 1.9 million tonnes valued at Rs.1,000 crores. The very fact that oilseeds is one of the missions under Sam Pitroda indicates the importance that the centre has given to this sector.

The area under oilseeds crop in 1986-87 was 18.88 million hectares. The maximum production achieved so far was 12.95 million tonnes in 1984-85 which has fallen to 11.74 million tonnes in 1986-87. This year (1988-89) oilseed production is expected to cross 15.00 million tonnes.

Productivity has also not increased significantly during the period 1972-73 to 1986-87. Per hectare production of 579 kg in 1970-71, has increased to 622 kg per hectare in 1986-87 which is one of the lowest in the world. In fact, the highest productivity was 684 kgs per hectare, attained in 1984-85. This rather dismal scenario in productivity is because around 83 per cent of the area under oilseeds is unirrigated and is heavily dependent upon adequate rainfall. The situation is further aggravated by the fact that less or excess rain can both affect the oilseed crop.

As a result of poor oilseed production, edible oil production has also stagnated: it was 3.10 million tonnes in 1986-87, up from 2.51 million tonnes in 1971-72. With the growth in population over time, the result is that per capita availability has stagnated around 4 to 4.5 kg.

In order to mitigate the shortfall in production, imports of edible oils have been stepped up over the years. In 1976-77 imports were a meagre 16,900 tonnes valued at Rs.100 crores. However, since then, imports have increased due to burgeoning demand, and in 1987-88 they were around 2.00 million tonnes amounting to Rs.1,000 crores. Due to increased production in 1988-89 it is expected that edible oil imports may come down to 1 million tonnes. The oilseed production targets for 1988-89, fixed by the oilseeds technology mission, is 17 million tonnes comprising of 9.3 million tonnes in the kharif crop profit and 7.7 million tonnes in the rabi crop.

Among oilseeds, groundnut is the major oilseed produced in the country, accounting for nearly 50 per cent of total production. The area under groundnut cultivation during kharif is estimated to be around 6.2 million hectares. Statewise, Gujarat heads the list with 1.7 million hectares, followed by Andhra Pradesh with 1.4 million hectares. Gujarat is expected to produce around 1.8 million tonnes in 1988-89. The other major oilseed producing states are Tamil Nadu (700,000 tonnes) and Karnataka (600,000 tonnes).

In order to stabilise prices of edible oils and curtail imports, domestic production has to increase substantially. In view of the thrust to increase production of foodgrains, the possibility of expanding the area under oilseed cultivation beyond a certain point is unrealistic. India has one of the lowest yields in the world. Therefore, the scope for increasing yield per hectare is a viable proposition.

The reasons mooted for the low yields are lower availability of high yielding seeds, inadequate post-harvest technology and the lack of extension services at farm levels. The union government on its part has launched a Rs.250-crore programme to step up production of oilseeds through better seed distribution, irrigation facilities and crop protection measures. It is also planning to impose a levy of Rs.150 per tonne on imported edible oils for supply to the vanaspati industry to build up an oilseeds development fund. These measures should bring about an increase in production and reduce imports over the next few years. But, whether it makes us self-sufficient in oilseeds production, remains a moot point.

ASPI T. CONTRACTOR

David Brown 'H' Series Helical Gearboxes.

David Brown's 'H' Series.
A wide range of fully metric helical gearboxes.
Engineered for efficiency, economy and versatility.

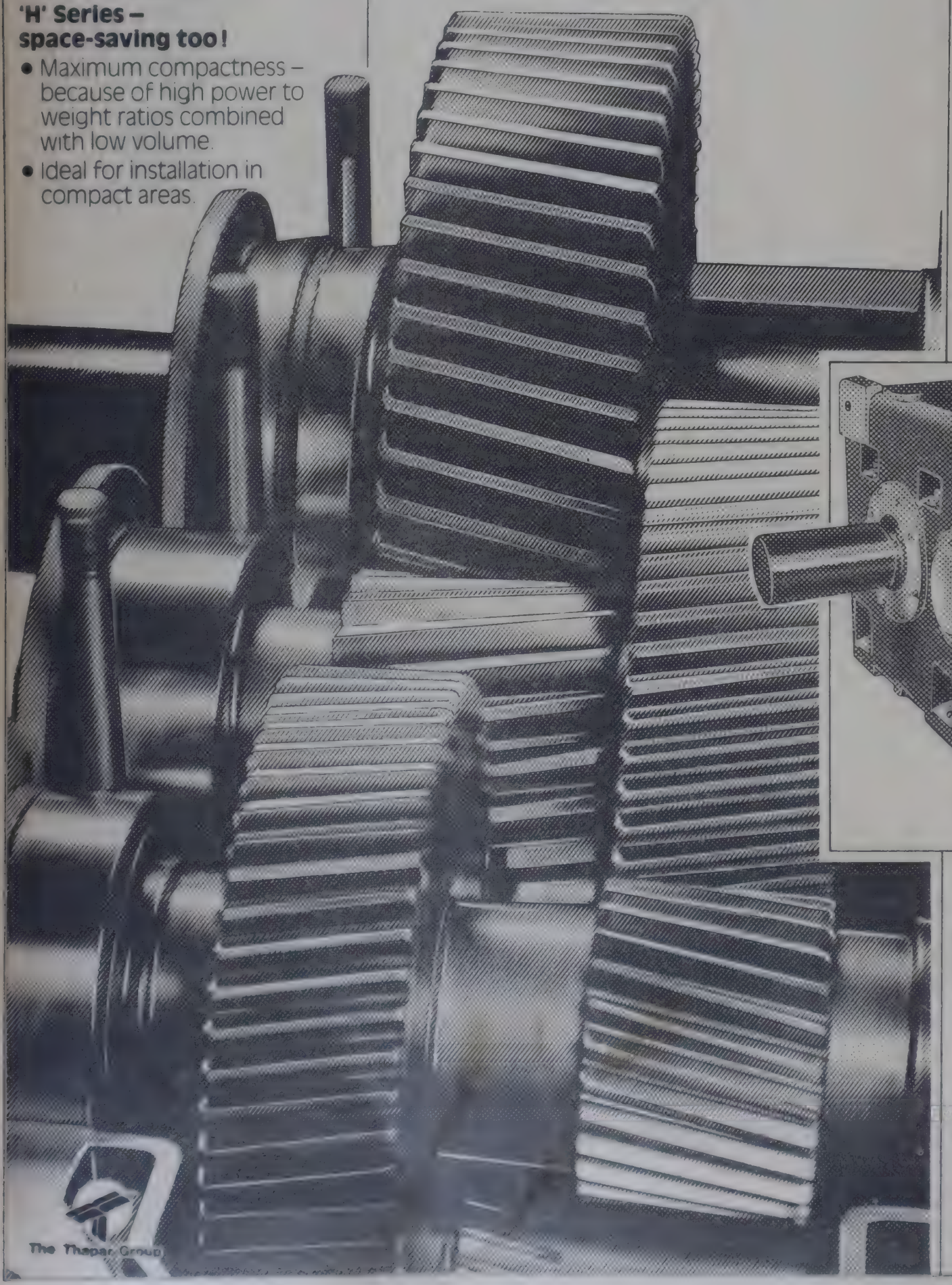
'H' Series – your industry's power-savers

- Very high efficiencies (97-98 5%) – because of perfectly matched and aligned components.
- Greater load-carrying capacity – due to highly optimised gear geometry.
- Long life and operational reliability – because of high quality materials.

'H' Series – space-saving too!

- Maximum compactness – because of high power to weight ratios combined with low volume.
- Ideal for installation in compact areas.

Helping you save energy and space.. in many more ways than one.



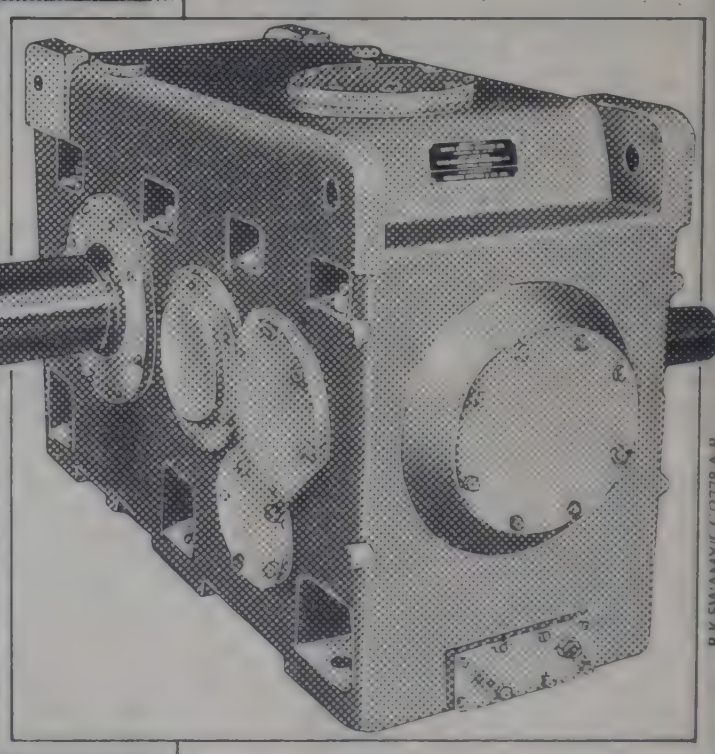
'H' Series – amazingly versatile

- Highly interchangeable parts and sub-assemblies – because of modular design and construction.
- Suitable for both horizontal and vertical drives – with right angled (Spiral Bevel) and parallel shafts.
- Choice of foot/shaft mounting with optional right/left hand shaft arrangements.
- Answers every need – available in extensive close ratio ranges (AGMA) with additional half-ratio steps.

Nationwide sales and service

David Brown 'H' Series Helical Gearboxes are sold and serviced by Greaves Cotton, leaders in power transmission equipment.

Greaves' countrywide network of 21 Sales and Service Centres, manned by qualified and experienced engineers, can help you select the right helical gearbox.



R K SWAMY/C/3778 A-R

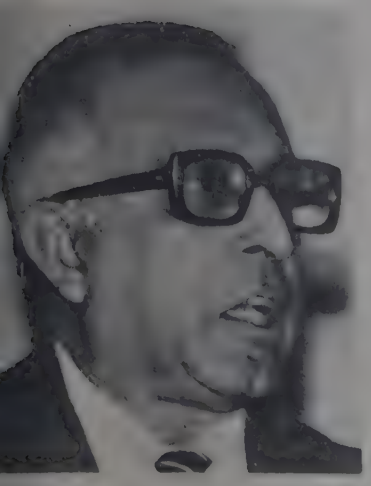
Contact:

GREAVES COTTON & CO. LTD.
David Brown Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023
- Express Building Annexe, 9-10, Bahadur Shah Zafar Marg, NEW DELHI 110 002
- Thapar House, 25 Brabourne Road CALCUTTA 700 001
- 13, Second Line Beach MADRAS 600 001

Manufactured by
DAVID BROWN GREAVES LTD.
Chinchwad, Pune 411 019
Under Technical and Financial Collaboration with
DAVID BROWN GEAR INDUSTRIES LTD.
Huddersfield, England.

David Brown – mastery in gears



A.M. KHUSRO

In need of macro-management

The basic problem of the Indian economy, and for that matter, of all developing economies, is to augment supplies, despite severe constraints. Demand management is of course important but even more important is the management and augmentation of supplies. Demand itself becomes an impediment in supply augmentation and its equitable distribution, and that is a running theme of this lecture. The other running theme is supply augmentation itself and here I focus on aggregate supply.

In the management of the Indian economy in the last two decades, it is laudable that attention has come to be focused on the management of demand, supply and prices in individual commodity markets or sectors. But what is regrettable is that attention and expertise has shifted away from the management of aggregate demand, aggregate supply and the general price level. In other words, while micro-economic analysis and practice has held its own and even got strengthened, macro-economics has lost ground and has come to be badly neglected.

When shortages develop in a commodity market like sugar or steel or oil, the matter comes to be noticed in due course. If it is a critical commodity, some ministry may restrict or ban its exports to ease domestic supplies or liberalise import quotas; the ministry of finance might impose an export duty to retain larger supplies at home or reduce the import duty to get more quantities from abroad; some other ministry might augment the delivery quotas for procurement or release quotas in the public distribution system; the Reserve Bank may liberalise credit to the suppliers or importers and restrict credit to the potential hoarders... and so on.

Of course, even in the management of these individual markets not all is well. When a commodity or an industry is put on a priority list in this country, it tends to remain on that list for all time, irrespective of its varying shortages and surpluses. It is astonishing that whole monolithic sectors like agriculture or small scale industry or exports are made to qualify for concessional treatment, say, in credit disbursement without suitable commodity-wise discrimination. And there are more deserving segments, which are crying out loud for attention.

RBI's concern

It is on macro-economic management that attention has now to shift. The RBI is probably the only agency in the country that has regard for macro-management and a series of distinguished governors, from C.D. Deshmukh to L.K. Jha, from S. Jagannathan to I.G. Patel and from Manmohan Singh to R.N. Malhotra, have certainly bothered about the macro-stability of the economy.

Economists in government, that is those working in and advising individual and sectoral ministries are, of course, concerned with the micro-issues of their sector and sub-sector. But those working in more central positions and whom we know to be experts in macro-economic as well as in other realms of the subject, do not seem to be advising the government about the need for macro-stability. And even if they are, nobody seems to be listening. Aggregate demand remains well and constantly above aggregate supplies and the general price level keeps rising.

But price stability is not the only objective of a growing economy. Another objective, at least as important as price stability, is to achieve a rapid rate of growth of output itself. The problem of economic statesmanship is how to make output grow rapidly while at the same time not letting effective demand rise much faster than output itself.

What is it that leads sometimes inevitably and at other times fortuitously to persistent inflationary tendencies with all their evil economic consequences? There are four major causes of instability in a growing economy.

But price stability is not the only objective of a growing economy. Another objective, at least as important as price stability, is to achieve a rapid rate of growth of output itself. The problem of economic statesmanship is how to make output grow rapidly while not letting effective demand rise much faster than output itself

As for the first cause, we note that when investment is undertaken in a planned economy over a wide front it obviously has two effects — one on the demand side and the other on the supply side. Investment activity, ie, the construction of goods which produce more goods, inevitably requires the hiring of resources — engineers, designers, builders, contractors and workers in the public and the private sectors. When these are paid their remuneration and spend it in the market place, they create the incomes of yet other functionaries... and so on. In other words, the multiplier process goes into action.

Now if the multiplier effect of investment on the demand side was equal to its output generating effects on the supply side, the general price level will stay put and the economy will remain stable. But it so happens invariably that while the multiplier effect or the demand generating

The author is a prominent economist and chairman of the National Institute of Public Finance and Policy, New Delhi

effect runs fairly smoothly and expeditiously and the demand stream begins to emerge, the supply side works from the day investment begins, with time lags. For one thing, every investment has a gestation lag before it yields output and during this period while output is not yet available, demand nevertheless runs away with itself. Hence prices rise. For another, in developing economies there are always shortages of raw material, land, capital goods, spare parts and technologies.

There is a second cause of inflation which planned regimes bring upon themselves, sometimes owing to their ignorance or lack of experience but quite often due to a non-regard for macro-economics and indulgence in bad macro-management — by undertaking larger and larger mammoth sized plans and putting undue pressures on resources.

The trouble with large-sized plans is that in chasing real resources the public and the private sectors compete within themselves and with each other and bid up the prices of resources in land, labour and capital. But large-sized plans have other more important effects on the demand side. Even if the government budgets remain balanced and there is no deficit financing, a succession of larger and larger budgets per se leads to inflation.

Cascading effect

As tax hikes become counter-productive and borrowing programmes raise the interest rates and become debt traps, governments hike the price of public enterprise goods. As these are infrastructural goods with wide ranging forward and backward linkages, the cascading effect of their price hikes become very extensive.

There is no deficit spending, which is deficit spending itself. All finance ministers have paid lip-service to financing the plans from taxes, internal and external borrowings and public enterprise surpluses. But none has succeeded so far and large credit from the RBI has invariably been obtained. Some finance ministers did try the alternative approach of reducing tax rates to get a larger tax compliance. This was done by Y.B. Chavan, C. Subramaniam, Pranab Mukherjee, and V.P Singh. In most of these cases, tax compliance improved considerably. But there was a failure to control expenditure, and large volumes of funds were frittered away, especially in subsidies.

The fourth major cause of the general price rise is price control itself. When prices rise inordinately, well meaning governments sensitive to public clamour proceed to impose price controls on key commodities.

The macro effects of such micro controls emerge in a fascinating manner. Under a price-cum-quantity control system, there is always a tendency for demand to be strengthened and

There is a second cause of inflation which planned regimes bring upon themselves, sometimes owing to their ignorance or lack of experience but quite often due to a non-regard for macro-economics and indulgence in bad macro-management — by undertaking larger plans...

demand curves to shift rightwards. But there is nothing in the control system which will give incentives to producers and shift the supply curves forward and rightwards. On the other hand, the supply curves tend to shift backwards and leftwards. The day never comes under a controlled system when the suppliers supply more, the prices are reduced in the free market and controls eliminated. Thus price-cum-quantity controls not only create shortages, not only are they self-expanding, but they are also self-perpetuating.

If inflation, as judged by some genuine price index were to be kept at bay, say within a rate of 5 per cent a year, it would be necessary to undertake some of the following measures:

- make more realistic sized development plans;
- break the bottlenecks of capacity utilisation through balancing equipment, marginal investment, managerial improvement and appropriate input supplies;
- a culture of avoiding cost and time overruns;
- explore further the possibilities of obtaining larger tax compliance with lower tax rates, especially in indirect taxation;
- for a year or two at least, cut down government expenditures on administration;
- give larger responsibilities in respect of selected infrastructure;
- reduce food and fertiliser subsidies in particular;
- explore the possibility of rationalising defence expenditure;
- explore the possibility of a 1 1/2 to 2 per cent reduction in the whole structure of interest rates;
- reduce deficit financing to about half its present size;
- do away with all those price and quantity controls where the supply response is likely to be high consequent upon de-control;
- explore the possibility of many more dual-pricing systems;
- ask all central and state ministries dealing with commodities and services to simplify laws, rules and procedures.

Excerpted from the Sir Purshotamdas Thakurdas Memorial Lecture: 1988, organised by the Indian Institute of Bankers

MANZ

PANTALOON

Ready-to-wear Trousers

A cut above the best

MANZ WEAR (P) LTD., Sales and Admn. Off: G-11, Marol Industrial Area, M.I.D.C., Marol, Andheri (E), Bombay 400 093. Ph: 6345006, 6348483

Pantaloon is available at:

BOMBAY: Kalaghoda — Vinod Apparels, Colaba — Bhushan's Emporium, Fountain — Flora Mens Wear, Fort — Davysons, Vashani Cloth Stores. **Kalbadevi** — Wenz, Sagar Men's Wear, V P Road — Poonaque, Charni Road — Patloon. **Near Crawford Market** — Roopam, Tardeo — Sequel, Haji Ali — Vishal Boutique, Carmichael Road — May Fair, Pedder Road — Image Fashions. **Dadar T.T.** — Classic. **Dadar (W)** — Kanti Stores. **Bandra** — Telon, Choice Centre, Parrsons, Genocks, Aneel, Santacruz (W) — Sagar, Andheri — City Fashions, Kamal, Malad — Top 2", Borivili (W) — Saheeb, Thane — Laizer. **NAGPUR:** Wardrobe. **PUNE:** M G Road — Fair Deal, Seacco's, Laxmi Road — Jai Hind Collections. **SURAT:** Bombay Garments, Sqeezer's Hi — Fashions. **KOLHAPUR** (Ichalkaranji) — [illegible], **DEHRADUN**-King, Department Store. **KARNATAKA** — Shimoga — Aashirwad Garments. **DELHI:** Green Park Extn — [illegible] Emporium, Kamala Nagar — [illegible], Lajpat Nagar — Creations, Karol Bagh — [illegible], Connaught Place — Tak Store, Hauz Khaz — Adam N Eve, Greater Kailash — Gopal's. **SECUNDERABAD:** S.D. Road — [illegible], Chenoy Trade Centre — Sweta Enterprises. **GOA:** Panjim — City Agencies, Cuncolim, Margao. **VIJAYAWADA:** Yas N Yas. **TIRUPATI:** [illegible]. **UDIPPI** — [illegible], **SHILLONG:** Babla's Shoo Broadway, [illegible], Wimpy, Shoon. **BANGALORE,** Brigade Road — Amigo. **CHANDIGARH:** Sector 22 D — [illegible], Sector 17 E — [illegible], **HARDWAR:** Libaas, Hurdal. **JALLANDAR:** Adam N Eve. **AHMEDABAD:** [illegible]. **MANGALORE:** [illegible]. **KANPUR:** [illegible] & Sons. **SURAT:** [illegible]

Hit this pot hole at 60 kmph and come out without a scratch.

VIKRANT

the reliable tyre

With technology that built India's first truck radials.

Heavy monsoons, lightning floods
eeping over the roads, landslides,
les of pot holes; on an Indian road you
n expect the unexpected. One tyre is
ecially designed to meet the challenge
the unexpected — through thousands
kilometres and with tonnes of load
rant — the reliable tyre, with advanced
hnology tempered to Indian road
r ditions.

he world's No.1 racing tyre technology

Behind every Vikrant tyre is the
chnological superiority of
ne of the major suppliers of Rolls Royce
the epitome of perfection in
utomobiles. And the world's No. 1 name
racing tyres. Vikrant R & D harnesses
nd improves upon Avon technology to
uit Indian road conditions

Technology that built India's first truck radials

When Vikrant R & D focussed its attention on truck radials the result was a tyre so tough it was quickly picked up by the British market. Making Vikrant the first Indian company to produce and export truck radials to the UK

Vikrant — the original equipment

Vikrant's performance has proven reliable all over the transport industry. It features as original equipment in the vehicles of premier companies like Telco and Ashok Leyland. And carries thousands of people everyday on the buses of major State Transport Undertakings all over the country

So if you want a tyre that has proven itself, that is built with advanced technology and that you can rely upon when the unexpected turns up, you know which tyre to choose.....

VIKRANT

The reliable tyre
The responsible company

What does an Ahmedabad textile manager have in common with a Sivakasi fireworks dealer?

"I want a transport company
— having a national network
— providing timely, reliable service
— with computerised operations
— and having professional manpower"

They both rely on

ECONOMIC TRANSPORT ORGANISATION

Economic House,1st Flank Road, Chinch Bunder, Bombay 400 009.

Over 350 branches in India

"I want a transport company
— giving personalised service
— with good godown facilities
— willing to deliver even my small parcels
— and having a wide network of stations"

Your reliable business link

Cold comfort

It looks like it's travel time once again. The prime minister's peregrinations have begun on a high note. After all, Rajiv Gandhi did tramp along the Great Wall. The *bonhomie* and exuberance exhibited on the China trip does signal, if official sources are to be believed, the start of the great Sino-Indian thaw. But those who do know the Chinese insist that their system simply does not function that way. Even a thaw could take a long time to set in.

Yet, there is no denying the fact that a prime ministerial visit to China after a gap of 34 years is significant, however one chooses to interpret the diplomatic doublespeak. Given the Chinese penchant for obfuscation, analysis of the real gains from the five day sojourn will take quite a while.

What is noteworthy though, in the longer term view, is the doubts surrounding the timing of the current visit. Even till the last few weeks before the prime minister's departure, there were continuing attempts to downplay the visit. One section of the foreign office, which opposed the visit, had pushed its case strongly. However, the prime minister's office and, more important, Natwar Singh believed that the die was cast and that "go he must" was the need of the hour. As a result of the dithering (albeit temporary) and the doubts (inevitably ignored), the foreign office kept its fingers crossed right through the visit.

With good reason too, since as one senior official in North Block said, "Never has a visit of this scale started with this level of under-preparedness." The backroom boys in the ministry have specially been bothered by nagging doubts about China's readiness to deal seriously with a regime that has only one year left before it goes to the polls. So, while slim pickings may be the order of the day, the PM's PR boys hope that adequate mileage can be extracted from the Beijing sojourn.

In a sense though, the next prime ministerial sortie to Islamabad for the SAARC conference, holds promise of yielding better results. With a confident Ms Bhutto installed in Pakistan, there is hope that the paranoia about India will begin to dissipate. This, say foreign office officials, may finally give SAARC a fighting chance to become an effective local co-operative. Though big business is hoping that an enlivened SAARC will instantly open up new business opportunities, officials in North Block believe that this is unlikely in the short run. But, though trade may be slow off the mark, the opening of a dialogue between a confident Benazir and an eager Rajiv could make for a meaningful journey.

Which for our winter traveller may provide a measure of cold comfort.

Coke's no joke

The attempt by Coke to enter the Indian market is alarming in its sheer brazenness. By seeking to use the free-trade zone route, Coke has, for a start, made a monkey out of Pepsi. (Also see Business Notes.) Blockaded by local softdrink manufacturers, Pepsi has had to battle every millimetre of the Byzantine path before the project was approved. Pepsi made concessions, promised investment guaranteed exports and disvowed the use of a foreign brand name before it was allowed to enter.

Coke dispenses with all such preliminaries. It has spotted a loophole and it plans to push through. And for some inexplicable reason, it seems that it may actually get away with it. If the rumours in New Delhi are given any credence, Coke has sought and acquired a powerful protector and promoter in its quest to reenter India. By all accounts, the patron that Coke has found is somewhere in the upper echelons of the bureaucracy in North Block. Nobody is willing to reveal any more for the moment.

The signs of intercession by North Block, rather than from Parivahan Bhavan (where the ministry of food processing sits), indicate to those who know the ways of Delhi that the sponsorship of Coke is for reasons unconnected with championing the cause of the food processing industry. Though the parent ministry for the Coke application is technically the commerce ministry, interest from across Raj Path suggests that some desperate signal is simultaneously sought to be conveyed about foreign investment *per se*. Whether all this will work and how long the Coke proposal itself will take to clear the as yet invisible hurdles is something only time will tell.

The worries about Coke, aside from those expressed by people involved in the industry, are however about the whole business of multinational brand names in our consumer goods industry. Officials in the industry ministry, who are supposed to monitor such things, are only now beginning to get exercised over this issue. The lethargy in the industry ministry, which sources suggest has now ended, was all the more inexplicable, because the normally somnolent department of electronics had some years ago made sufficiently stringent rules with regard to the use of brand names in electronic goods.

Coke, in its current incarnation, is only the most obvious instance of killing local brand names softly. If reports available are true, it is understood that Wrigley's is all set to do to local chewing gum, what Coke and Pepsi plan to do to soft drinks. In the meantime, in the area of garments, entrants like Benneton and Van Heusen are well on their way to give local brand names a bad time.

There are those who would argue that such battles are truly what liberalisation is all about. There are those who believe that such concessions signal the death of local enterprise. Whichever the line one choses to espouse, the mandarins who man the ministries had better look sharp if the rules they have framed already are not to be made a constant mockery of.

The call for cash

Is fund collection on already? This is the question on the lips of industrialists in most cities at the moment. Word seems to have emanated from some senior ministers that an election fund drive has already begun.

On the other hand, ruling party sources contend that no such call has been put out as yet. The staggering demands that have reportedly been made seem to suggest however that some kind of major effort is on — however well disguised it may be. And industrialists, for the moment from Bombay and Delhi, have received the signals loud and clear.

The reason why fund collection has become an on-now-off-again affair is because everybody knows that the Tamil Nadu elections are going to decide a lot of things as far as the national poll is concerned. So, for the moment, New Delhi is concentrating all its energies on the shape of things to come in the southern state. Once the results come in the Congress leadership can begin the process of gearing up for the national elections. So, all you money-bags had better realise that the current reprieve is only a temporary one and that the call for cash will come. Await your turn.

DILIP CHERIAN

■

विदेश संचार निगम लिमिटेड

(भारत सरकार का उद्यम)

VIDESH SANCHAR NIGAM LIMITED

(A Government of India Enterprise)

JAWAHARLAL NEHRU TELECOM FELLOWSHIP

The Videsh Sanchar Nigam has instituted a Jawaharlal Nehru Fellowship for Telecommunications. Under this scheme, an accomplished person (in Economics, Management or Telecom Engineering) could travel to any part of the globe for four weeks, study the evolution, organisation and developments in telecommunication facilities and services, their contribution to the country's growth and prosperity, and submit a report. The person selected would spend two weeks with approved telecom organisations in India before proceeding abroad. The Videsh Sanchar would bear the cost of travel and other expenses for the stay abroad. While in India a stipend would be paid to cover cost of stay and boarding.

2. Applications sponsored by organisations like the Indian Institute of Management, Universities and other institutions of research and development studies would be given preference. All such institutions have also been informed of the Fellowship. Details may be ascertained, and application forms obtained from—
General Manager (R&D), **Videsh Sanchar Nigam Ltd.,**
Videsh Sanchar Bhavan, Mahatma Gandhi Road, Fort, Bombay-400 001.
(Tel: + 91 (22) 27 12 01;
Telex: + 81 (11) 2429 VSNH IN;
Fax: + (22) 94 2222)
3. Completed applications with full details must reach the Videsh Sanchar Nigam by the **28th February, 1989,** through the sponsors.

PRESSMAN

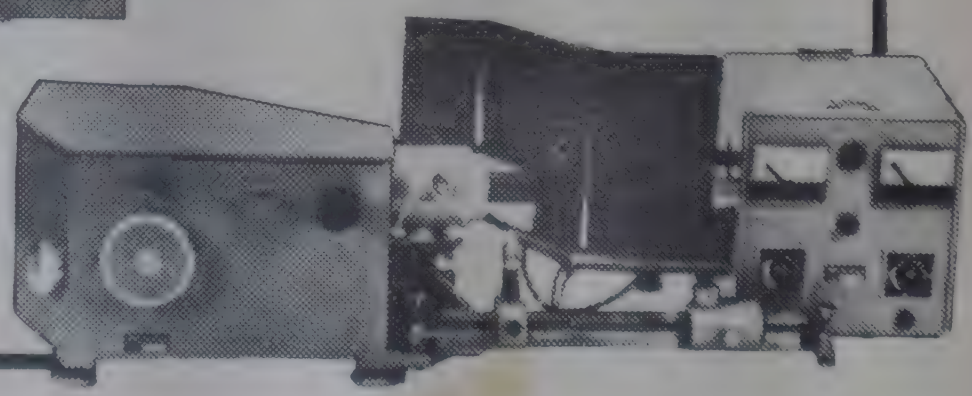
SICO FEEDBACK'S

INDIGENOUS "IN PLANT" INSTRUMENTS

for Accurate & Economical Metal Analysis, Alloy identification

METAL SPECTROSCOPE
for Qualitative and Semi Quantitative Analysis

QUANTASPEC 2500
A high Precision Instrument in Visual Spectroscopy for Rapid Quantitative Analysis



SICO
Estd 1911
SERVES SCIENCE

FEATURES

- High efficien
- No damage to
- vork quickly and dependably

USED EXTENSIVELY

- Alloy and Tool Steel Producers
- Fastener & Bolts Manufacturers
- Large Machine Shops
- Aerospace Manufacturers and Suppliers
- Scrap Metal Shops
- Tool Manufacturers and Heat Treaters
- Aluminium Producers Smelters and Foundries
- Copper Producers Smelters and Brass Foundries
- Special Metal Producers and Users
- Ferrous and Non-Ferrous Foundries
- Educational Institutions
- Industries in Defence

The Scientific Instrument Co. Ltd.,

Allahabad-221 001

Telex 0540 - 219 SICO IN

PLANE PACK SICO/2'88

A chance to achieve every success

AKIK CHITRA presents - Self-Improvement Series on video cassettes.

Series I-

Time Management & Human Relations.
Authored by late Mr. M.K. Rustomji

Set of 2 VCs.
Price: Rs. 700/-

Series II-

Improvisation in Office Procedures & Systems & Receptionist/Telephone Operator
Authored by Dr. (Mrs.) K.D. P. Madon

Set of 3 VCs.
Price: Rs.1000/-

Rs.100/-OFF till 31 Jan.'89 on each Series

Akik Chitra, professional video-film makers now offer you Basic Education and Professional Training in action, with perfect guide-lines, showing you how to fulfil objectives making the most of time & talents, to achieve every success.

In an easy-to-understand manner, these albums are the result of comprehensive research, with extracts from popular references. And have the over-all guidance & supervision of professionals in the field.

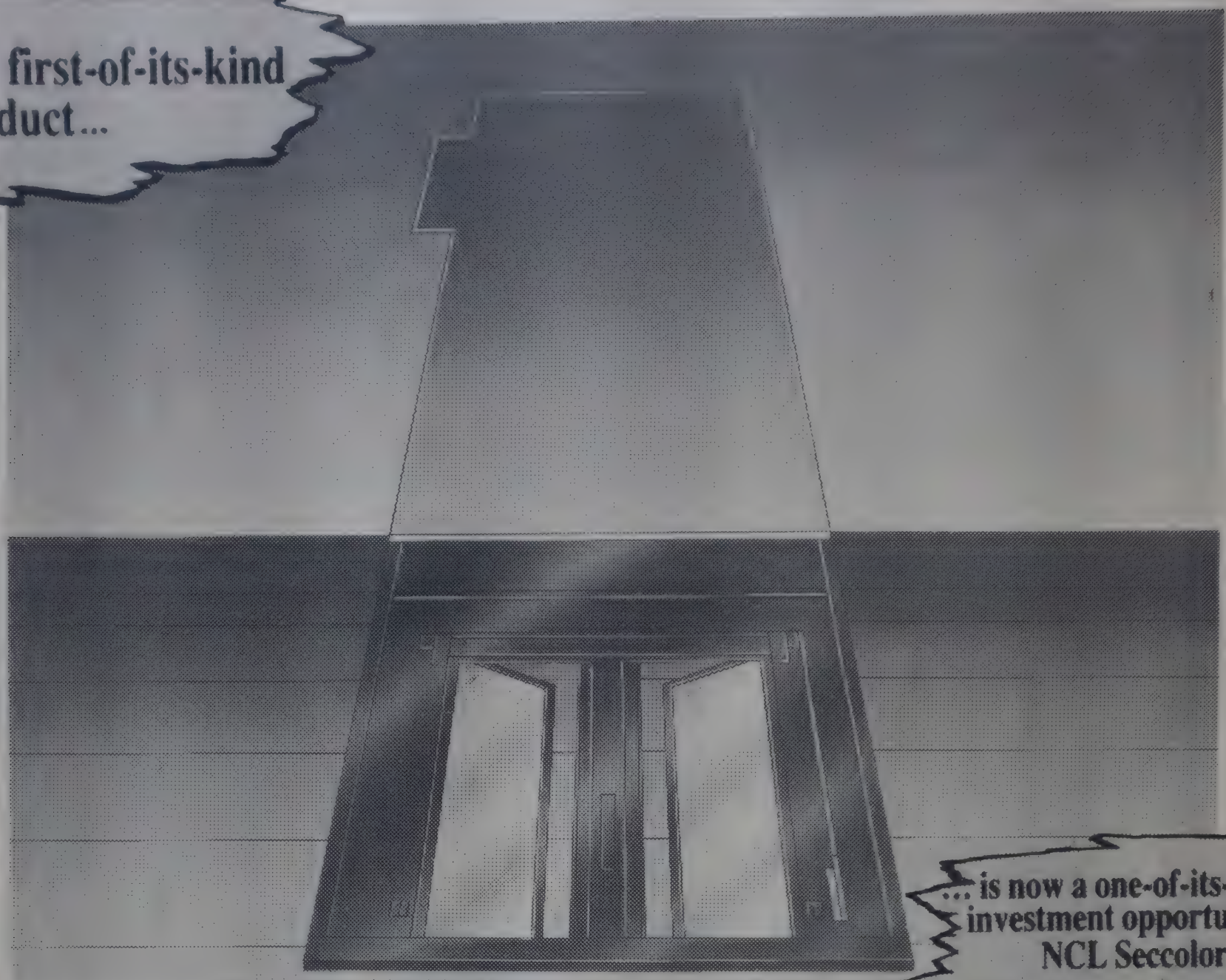
akik CHITRA

Gufic Building, Subhash Road-A,
Vile Parle (East), Bombay 400 057 (India),
Phone: 6341521/22, 6344523. Cable: 'GUFIC'.
Tlx.: 011-79006.

PLUS/AC/8814

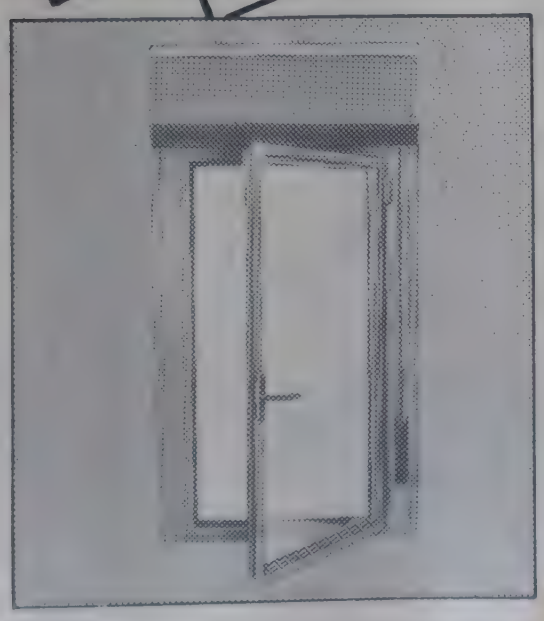
Akik Chitra.... Success in Series.

The first-of-its-kind product...



...is now a one-of-its-kind investment opportunity.
NCL Seccolor Ltd.

ISSUE OPENS ON 4TH JAN 1989



NCL Seccolor Limited introduces, a revolutionary range of prepainted, cold rolled steel, door, window and railing profiles. For the first time in India.

Stylish and strong, elegant and versatile, these products are ready to re-define the aesthetics of Indian construction.

NCL Seccolor brings these profiles to Indian homes and offices in collaboration with international leaders — Industrie Secco, SpA, of Italy. Secco profiles are market favourites in over 30 countries worldwide.

In India, demand for door and window profiles is put at a phenomenal 84 lakh sq.m. in 1991. NCL Seccolor Ltd. at full capacity will meet only 7% of this demand.

NCL Seccolor Limited is an affiliate of the successful NCL Industries Limited. NCL Industries has a remarkable record of performance that includes paying 70% dividends in its first three years. The share has a book value of Rs. 27/- and the company is in the process of doubling its capacity.

Successful promoters, world leaders as collaborators and a wide open market. Sound reasons why NCL Seccolor Ltd. is your door to prosperity.

Highlights of the issue

- **Excellent track record of promoters.**
- **First-of-its-kind in the country, stylish product.**
- **Growing demand in booming construction industry.**
- **Collaborators — world leaders.**
- **UTI participating in the equity of the company.**
- **No gestation period — product ready to enter market.**
- **80CC 80L and Wealth Tax benefits.**
- **Listing on Bombay, Delhi, Bangalore, Madras and Hyderabad Stock Exchanges.**

Issue of 23,40,000 equity shares of Rs. 10/- each for cash at par.

MANAGERS TO THE ISSUE

Markets Limited Bombay

CITIBANK Investment Banking Bombay

Industrial Finance Corporation of India New Delhi

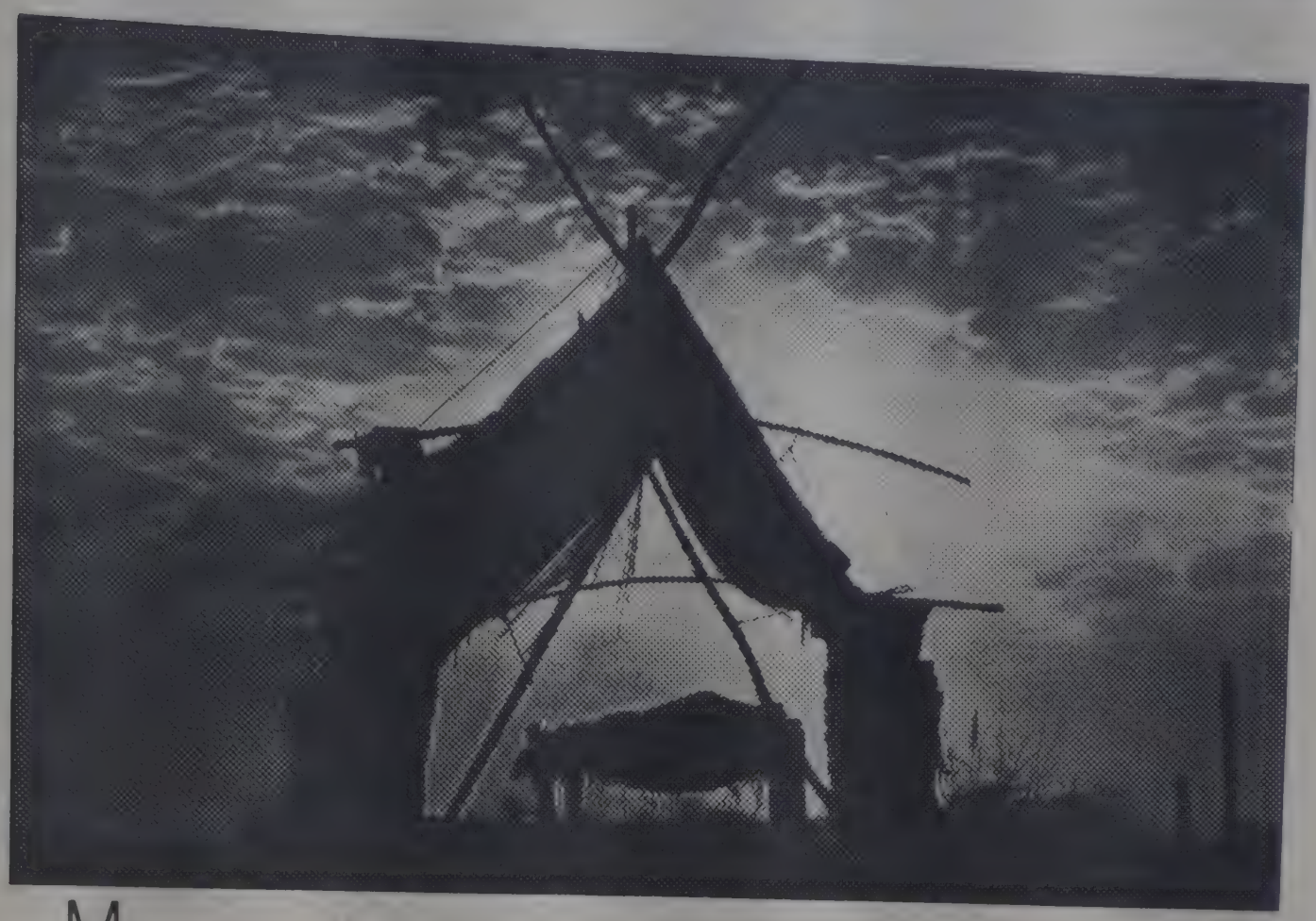
CO-MANAGER TO THE ISSUE

PNB Capital Services Limited New Delhi

NCL SECCOLOR LIMITED

Raghava Ratna Towers, Chirag Ali Lane, Hyderabad 500 001

NCL – one constructive move after another.



Many in our country do not have even four walls and a roof to call a home. These people are forever at the mercy of the weather. All because we waste money—enough to build 1 million houses every year.

Ironically, the magnitude of the fact doesn't affect us. We've got better things to worry about. There's another word for this attitude. Apathy.

Yes, everyone of us has contributed to the loss of Rs. 2000 crores — every year!

By wasting petroleum. On the road. In the kitchen. In the factory. On the farm. Through the use of obsolete fuel-guzzling equipment. Poor maintenance practices. Inefficient methods of operation.

Conscious effort from you can stop this waste. Effort that not only conserves petroleum but also bands together solitary voices. We want you to write to your newspapers. Form action groups. In clubs and colonies, offices and organisations.

We need your help to spread the message of petroleum conservation.

And we hope, you're not going to be a part of the silent majority. Who'll turn this page and say, **"Who Cares!"**

Write to us. Talk to us. Come and meet us.

PETROLEUM CONSERVATION RESEARCH ASSOCIATION

1008, New Delhi House, Barakhamba Road, New Delhi-110 001. Ph: 3310006, 3319066

HTA 5372

BUSINESSMAN OF THE YEAR 1988

Panel discussion

Gruelling decision-making: heading the panel is Krishnamurthy (extreme right); to h right are Advani, Patwardhan, Banerjee, Kumar Advani, Pheroza Bilimoria

Can a good man be a great industrialist? "Isn't managing the environment a part of good management"? Would the Rockefellers have won kudos in their robber baron years? Can a creator of precedents exploit them and still be respected?

These and many related issues have dogged successive *Business India*, panels involved in selecting a Bussinessman of the Year. And given that the magazine's ideal of a businessman is one who's a kind of role model, the issue of morality has always been crucial.

This year was no exception. However, for the first time perhaps several panellists began to wonder whether the criteria themselves were not contradictory in a sense. Those of contribution to public policy and "business ethics" for instance. When chairman V. Krishnamurthy raised the question that in his days management theory placed great importance on managing the environment, he was merely reflecting a doubt that panels before his had had to face. One industrialist on the panel spoke grudgingly that growth itself was perhaps dictated — in some sectors of the economy at least — by an individual's ability to dictate public policy. And in a sense, the unsaid seemed to be that growth — even if it were to be by acquisition — needed the active cooperation of the government. And, that "ensuring" it, could often result in violating, often obviously, the criterion of business ethics.

Influencing government

The unspoken as it were, was that today influencing the government is often unwittingly the kind of activity that violates business ethics. So, who then is at fault? The government, because it requires business to flout ethics? Or business, because it needs the government to grow? The unsaid thought seemed to be that as long as government decision making stayed in the shadow of suspicion as it does today, the standards by which big business is judged could verge on seemingly quixotic idealism. As the standards of probity in government plummet, panellists in the coming years are likely to find their tasks ever harder. And, as this year's panel discovered — over a marathon three-hour working session — the standards by which men who matter are judged, could well be in need of some updating and perhaps reviewing — in the light of the changing reality.

Unquestionably, it was a tough year. Not much had happened in the economic firmament that could be regarded as healthy signposts to a better future. In a sense, this was evident from the names the panel had to deal with — almost everybody (except for two) in the list of fifteen had featured some time before. And so it was clear from the very start that it was going to be gruelling decision making.

The selection panel was headed, according to our convention, by last year's Businessman of the Year, V. Krishnamurthy. A chairman's chairman if ever there was one, having headed the boards of BHEL, Maruti and SAIL, Krishnamurthy's deft chairmanship was to stand the panel in good stead as the discussions got going. Along with him on the panel were Kalyan Banerjee, chairman and managing director, Exim Bank, Aditya Kashyap, vice-president, Tisco, Shiv Nadar, chairman and managing director, HCL, P.R.S. Oberoi, vice-chairman of the Oberoi group and M.S. Patwardhan, managing director, NOCIL. Spanning as they did both family business and professional management, hi-tech and soft-tech, banking and heavy industry, the private and the public sector, Krishnamurthy' election team seemed uniquely balance to cope with the lean pickings of wh was a remarkably tough year for India business.

List expanded

Ably assisted by publisher Ashok Advan the proceedings began by the pan making their own additions to the mag zine's short listing of contenders. Tv mainline businessmen — one from th public sector, the other from the sma scale turned giant scale — were the fir additions. Thereafter came three mo contenders — men who had influenc the morale of the nation. In other word men who made the environment in whic business had to work in 1988 and wh headed organisations other than corpo rations. So that expanded the list of can didates to fifteen.

Given the mixed bag of selectable ind viduals and the backdrop of a relative uneventful business year, Krishnamurt began by trying to re-evaluate the sele tion criteria. What had begun as a set six criteria some years ago, now ex panded to seven with "contribution social good" being the new measure success. New criteria, in addition to t easily acceptable seven, were discussed detail. One suggestion, which proved su sequently to have been largely ignore was the emphasis given to creating ne business — rather than just going f

rowth. It was also suggested that creating an organisation that could survive the man was a key consideration. It was also recommended that the ideal businessman should have an outlook that, while rooted in the nation, included a feel for the international. Also, it was felt that the businessman should have an impact on the government's policy making, ie, he must have played an important advisory role.

The preliminaries seemed almost over, when one panellist suggested that a simple one-criterion test for the ideal Businessman of 1988 would be: would the panel nominate him as finance minister for a period of five years? This single criterion, which somehow seemed to sum up nuances of ability, national good, peer respect and integrity caught the entire panel's attention. This litmus test, it was hoped, would help the first elimination rounds quite swiftly. As it turned out, it did not. But, as an effective litmus test, it seemed to emerge every now and then when evaluation of a particular candidate seemed difficult.

Final shortlist

The chairman then suggested that the entire list of contenders be scanned individually before assembling a further shortlist from which the winner would emerge. As has been usual for several years now, discussion began about one of the country's fastest growing industrialists. Despite everyone agreeing that the year was undoubtedly his, one panellist pointed out that the company's return on equity was poor. This criterion was also applied in the case of another "takeover king."

The said industrialist, however, was eliminated because a majority of his peers believed that there were still too many doubts about the methods he employed to influence public policy for personal profit.

The next contender, an inheritor, was also eliminated rather rapidly on account of the returns his major companies provided. Despite the fact that he had gone abroad and made good, many panellists felt that as an inheritor he had yet to achieve spectacular success either financially or organisationally.

One NRI was thereafter eliminated after a brief discussion. In the case of the NRI, the panel felt that it was still too early to judge his track record. Similar arguments eliminated yet another family industrialist who had hit the headlines with his aggressive growth during the last year. In a sense, inadequate evidence of staying power and performance resulted in a similar elimination of yet another star performer of 1988.

to his left are Kashyap, Oberoi, Nadar, Malvika Singh

Two financial institution heads who were assessed seemed to win kudos all round for their ability to work wonders within the cloisters of governmental bodies. While the panellists unanimously acknowledged that both individuals had risen far above the call of duty in their willingness to take risks and create new products, one was eliminated on the issue of business ethics, while the other, it was felt, still had his best years ahead of him. In the case of both financial institution heads, the panellists noted that too often the risk of taking an innovative step was regarded later as either a wrong move or an unethical one.

Another elimination

The panel also considered two professional managers. One suffered from the disadvantage of having seemed to influence government policy even though the benefits of that may not have accrued to him personally. The other manager, who had some good years in the past, was soon out of the running since he had decided to step down for considerations that seemed to raise eyebrows amongst most of his peers.

Eliminating the candidates involved in the country's commercial policy formulation (heads of non-corporate organisations) required substantial discussion. In the case of two of them — the third was considered a long-acknowledged success — the touchstone seemed to be the prospects of long-term impact. The panellists, who agreed that their powers had grown believed however that the gains they may have recorded could prove to be both ephemeral and regime-specific. And, it seemed, too little was known about the measurable impact of their policy interventions.

As the pick of this pack, Sumant Moolgaokar came through as the strongest contender. The panel was unanimous in extolling his qualities. Moolgaokar had, they said, built up Telco, the engineering giant that has successfully weathered many a storm, survived adverse government policy and once again stood poised for growth. They felt that despite his advanced years, the triumph of the man was clear in the smoothness of his succession plan. (Subsequently, on 9 December, Moolgaokar stepped down from the chairmanship of Telco. His place was taken by Ratan Tata, who he had earlier chosen as his successor.)

The panellists marvelled at this professional manager's ability to have been deeply involved in policy making. Whether it was industrial policy under TTK or whether it was at the birth of Maruti, Moolgaokar's inputs were recognised. And, the panellists said, here was a manager who had an international outlook and yet took great pride in Indian technology. In short, the panel in nominating Moolgaokar recognised that the Businessman of 1988 had to be rooted in India even while he remained international, professional even where his own exit from the organisation was concerned, a public policy interventionist with the courage to stand by his views even when they were ignored. In short — a giant.

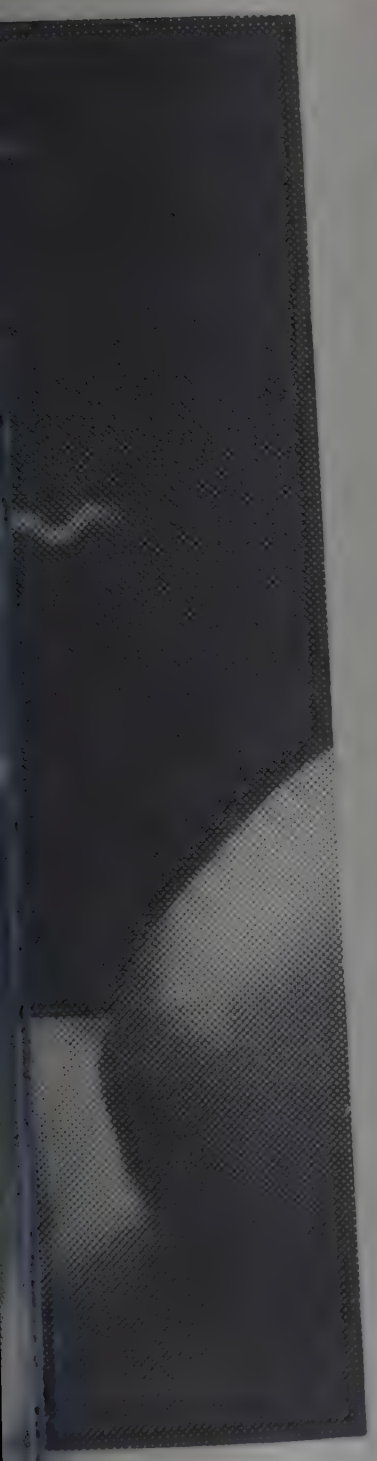
As the problem of choice vanished, the panellists felt relieved. Everyone felt that The Businessman of the Year 1988 would truly be a worthy role model for the future — for dark times as well as good times. ■

The die is cast for world-class forgings...

Premier Forgings tie
Meiji Drop Forge o
dies and forgings o

PERTAMA GROUP

p with
apan to manufacture
nternational quality.



Premier Forgings, a leading manufacturer of forgings for the automotive and other industries, has already earned a reputation.

For forgings of the highest quality : high internal strength and longer life, forgings preferred by OE manufacturers such as TELCO, Ashok Leyland, BHEL and other quality-conscious organisations.

With this collaboration, Premier Forgings will soon produce world-class dies in various designs for the manufacture of the most intricate and complicated forgings to close dimensional tolerances.

Meiji Drop Forge is a leading Japanese manufacturer catering to the elite of the Japanese industry : Kawasaki, Mitsubishi, Daihatsu Motor, Sumitomo and many other world-famous manufacturers.

With the installation of the new capacity, production at Premier Forgings is expected to touch 12,000 tonnes a year. Dies and forgings of truly international quality.

Another proof of Premier Forgings' motto : to manufacture products that make a difference.

PREMIER FORGINGS
(A member of the Periwal Group)
Berasia Road Bhopal 462 018 Madhya Pradesh.

Forgings that make all the difference.

HTA 8859

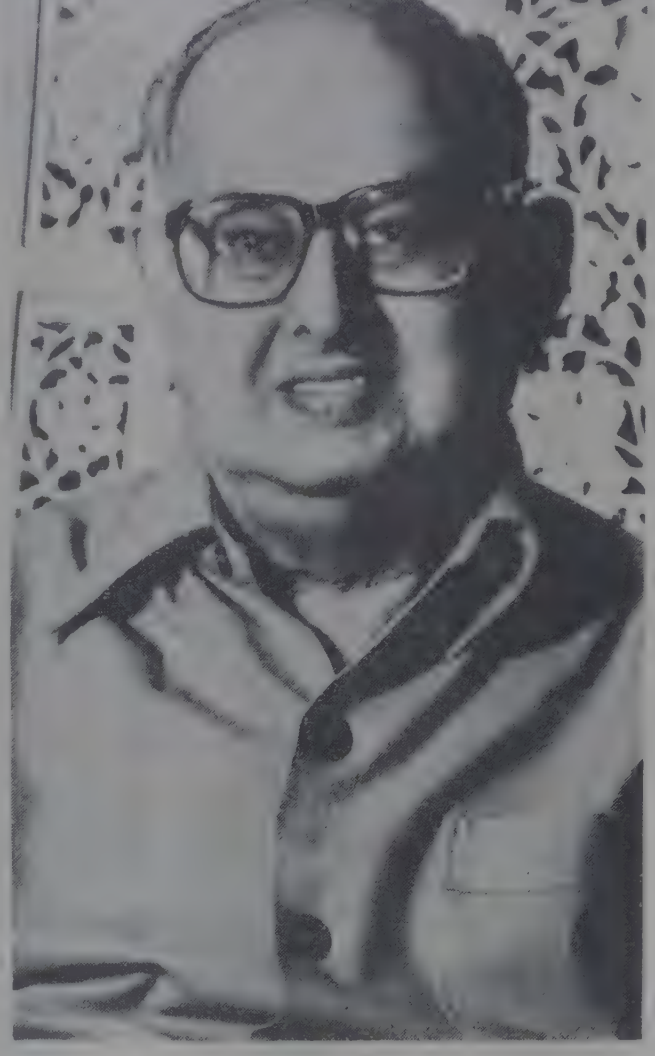
BUSINESSMAN OF THE YEAR 1988

Sumant Moolgaokar

When the seconds hand of the clock crossed the half way mark at 11.30 a.m. on 9 December, the directors of Telco realised that this was one of those rare board meetings their punctilious chairman was going to miss. All the more surprising because, despite keeping indifferent health, he had expressed a keen desire to be present. No one was quite prepared therefore when J.R.D. Tata began reading a letter of retirement from the absent chairman citing his poor health as the reason. The letter also recommended that the board accept Ratan Naval Tata as successor.

It was an emotionally charged moment. "We knew he was due to retire in March next year, nevertheless I felt a deep sense of sadness and personal loss," recalls V.M. Raval, resident director, Telco, Pune, echoing the common thread of sentiment running right down the line.

Thus an era spanning four decades ended at Telco. The era of Sumant Moolgaokar, universally acknowledged as the chief architect of this automotive and engineering giant, a technocrat *par excellence* and *Business India's* BUSINESS MAN OF THE YEAR 1988.



Eye to the future

A week later, on 16 December, in a letter addressed to *Business India*, the ailing Moolgaokar, who is under constant medical supervision wrote: "It is an honour for me to have been chosen as Businessman of the Year, 1988, by the panel of eminent businessmen which was constituted by you. I would like to believe that this award is occasioned not just by what the panel saw in me as a person but because they recognised that the goals I aimed for were worthwhile in themselves. My objective has been to prove, through results, that when we in India work together with commitment and an eye to the future, the organisations and products we build are second to none in quality and performance." The letter was signed simply 'S. Moolgaokar'

Though Moolgaokar has relinquished the chairman's post, he will continue to be a member of the board and act as technical advisor to Telco. Those who've worked closely with Moolgaokar over the years know that Moolgaokar and Telco can never be parted. Every brick and mortar at Telco's Jamshedpur and Pune plants, bear his unmistakable stamp. It is the imprint of perfection that extends beyond just the elegance and symmetry of plant layout. It is the creation and honing of a high pedigree of technical and engineering design skills.

If associates are asked to single out Moolgaokar's most outstanding quality, they are unanimous in their admiration for his relentless pursuit of excellence. Comments J.R.D. Tata, "He has this tremendous dedication to excellence and quality. He will not tolerate anything that is second best." Keshub Mahindra who has known Moolgaokar for over 30 years subscribes to the same view. "I admire him greatly not just for his obvious talents but also for the fact that he has always been led by a motivation to excel. He is that rare combination of a technical man who fully understands the commercial aspect. And he has a vision of the future

R.J. Shahaney, managing director, Ashok Leyland, feels that the award is well deserved "not only for what he h contributed to Telco but to the India industry. He is very meticulous and a tr gentleman at all times."

Immense contribution

Moolgaokar has adhered strictly to th adage that actions speak louder tha words. His actions and unparalleled v sion are reflected not just in Telco's ba ance sheet but also in the entire Indi automobile and engineering industrie which he has shaped. His contribution the national ideal of indigenisation a self reliance has been immense.

Unlike some of his counterparts with the Tata group, Moolgaokar is obsessiv about keeping a low profile and has a ways shunned publicity of any kind. fact, JRD recalls that he had literally thrust the chairmanship of Telco on to a unwilling Moolgaokar in 1970. The chi reason for his reluctance was that a chairman he would have to maintain public profile, interact with shareholde address public meetings. Nevertheless h commands the highest of regard in Bo bay House. A man of very few words b strong views, when it came to the crunc the Moolgaokar way has invariab prevailed.

Unbending in his principles, impecc ble in his character and dealings, the Ta empire has provided Moolgaokar the pe fect niche from where he could pursue h ideals.

Born in Bombay in 1906, Moolgaok alongwith his younger sister was broug up by their grandmother. He schooled St. Xaviers' and went on to study scien at St. Xaviers' college. His wife Leela calls that cars and motor-cycles were h passion and he would be seen more oft racing down the roads with his frien than in the confines of a college cla room. These extra-curricular interes did not however prevent him from secu ing a science degree. Armed with this a a friendly loan from a kindly uncle (whi he insisted on paying back on his retu Moolgaokar proceeded in 1925 to the C & Guilds College, London to secure degree in mechanical and electrical en neering. gathering important, practic shop floor experience.

Back in India, Moolgaokar discover

hat with the Depression jobs were not asy to come by even for a qualified engineer. He knocked on several doors, the Port Trust, the Railways, Tata Power. It vas Kymore Cement Works in the wilds near Katni, in the Central Provinces (now Madhya Pradesh) that opened its doors o Moolgaokar. It was an unusual first job — he was promised no salary. The Indian cement industry was in a bad state at the time since imports were freely allowed. Unable to compete, most of the existing half a dozen cement factories were on the verge of liquidation.

Uncompromising standards

After a six-month "honorary spell" Moolgaokar was confirmed as assistant electrical engineer at the handsome salary of Rs.250 a month. A short while later in 1932, his marriage with 15-year-old Leela was arranged. In 1936, the ACC was formed (by a merger of numerous cement companies) and that was when "my stars started looking up", Moolgaokar remembers. Before long he was placed in charge of constructing new factories (notably the ones at Chaibasa in Bihar and Shahabad in the erstwhile Hyderabad state), which according to him "gives you far more experience than merely running a factory."

Moolgaokar's first encounter with J.R.D. Tata was when both travelled together on an industrial mission to Europe and the USA in 1943. "How long will you go on making glue to stick bricks with?" JRD asked provocatively. Moolgaokar continued to make 'brick paste' until 1947, when he joined Telco at JRD's behest and later in 1949 became director-in-charge.

The Telco saga had begun a year earlier when the Tatas acquired the E.R. Railway Workshop with the intention of building boilers and steam locomotives for the railways. In all, Telco made 1,000 locomotives but the ruinous government contract ensured that the company made no profit in the first ten years. By then Moolgaokar, on behalf of Telco, was desperately scouting for a collaboration on a profitable new venture.

Shortly after World War II, when the German industry lay in tatters, hungry-for-business, Daimler-Benz looked eastward. It approached Telco with a proposal to manufacture diesel road transport vehicles. Moolgaokar remembers that T.T. Krishnamachari, then industries minister, flagged off the project in 1954 on the undertaking that within four years Telco would indigenise considerably — a commitment that was met. Thereafter the company never looked back.

At Bombay House with Naval Tata and Palkhivala: commanding the highest regard

Until 1969, when the collaboration agreement ended, Jamshedpur became virtually a German town. Daimler-Benz never stinted on providing their best technical skills, and it is believed that Moolgaokar picked up his uncompromising standards of quality and meticulous engineering from the Benz experience.

Before the collaboration ended and indeed in anticipation of the day, Moolgaokar prepared Telco to switch smoothly from being a mere observer of engineering detail to going it completely alone. Besides this, there was the government compulsion to indigenize.

The master plan to duplicate Jamshedpur began in 1966 when 800 acres of barren, rocky land was purchased at Pune. Today it stands as testimony to his long term vision and ability to look years ahead into the future. Variously described as an "industrial jewel" and a "grand masterpiece", it epitomises Moolgaokar's engineering tenets: vertical integration, self reliance, constant technical innovation, research and development.

After touring the Pune plant, P. Gyllenhammar, chairman of Swedish motor giant Volvo remarked, "I am stunned that such a set up could be constructed by Indians. It is of a quality that we rarely see even in our part of the world."

The various assembly lines at the Pune plant are supported all under one roof by divisions that design and manufacture state-of-the-art machine tools and press tools. The heart of the plant is what Moolgaokar considers as "the most sacred place" — the Engineering Research Centre (ERC) "Train your workshops before you build your machines", Moolgaokar has always insisted. So, interestingly, the first building to be constructed was the training centre which today runs not only apprentice training courses but refresher and retraining courses too. Every year, a quarter of the workforce acquires a higher skill — all promotions and increments being skill-related.

Ability to motivate

This is by far Moolgaokar's most laudable achievement, which surpasses the construction of physical assets: creating at Pune the perfect environment for engineering skills to do their best. Nani Pal-

M. W. BUTTERWICK

Taxation and excise policies on packet teas need reconsideration for consumer benefits and higher Foreign Exchange earnings.

Speech by Mr. M. W. Butterwick, Chairman, at the 12th Annual General Meeting of the Company held on 9th November, 1988 at Calcutta.

Ladies & Gentlemen,

I welcome you all to the 12th Annual General Meeting of the members of Goodricke Group Limited. I am told that today Diwali is going to be celebrated almost all over the country and although it may have caused some inconvenience to some of you, I think there could be no more auspicious day to hold the A.G.M. than today.

Before proceeding any further, I would like to tender my apologies for having missed the last A.G.M. due to extremely pressing commitments elsewhere.

The Annual Report & Accounts for the year 1987/88 have been circulated to you and I hope that you have studied those in your usual careful manner. The year under review was a comparatively difficult period in relation to the previous years in the sense that a fairly serious drought was experienced during January to June 1988 in the North Bengal region where most of your company's gardens are situated. A satisfactory crop position at the end of December 1987 was converted into a deficit by June 1988. Inspite of this substantial set back, the rigid standards of quality and equally stringent control on expenditure enabled the Management to keep the working profits at a reasonable level. As a result your Directors have decided to maintain the total dividend of 40% as was done last year.

I think you would all be anxious to know the details of the situation in Darjeeling, with special reference to the effect of the political agitation, on your Company's gardens. Darjeeling district has been through an extremely trying period and it required the highest degree of the managerial skills on the part of the garden personnel to tide over this and to keep up the garden operations. I am pleased to advise that except for some loss of crop in one of the gardens, the properties are, by and large in good shape.

It must be said to the credit of the workers that during all the upheavals, they took special care to protect the garden property and to ensure that neither the worker's quarters nor any other building or structure sustained any damage. The garden Managers, their Assistants, and their families, also deserve a very special vote of thanks for the exemplary courage that they showed during the entire period of uncertainty and turbulance, when not only did they stick to their posts, but also kept a semblance of discipline on the garden.

Now that the peace accord has been signed and most of the unauthorised arms and ammunitions have been surrendered, the situation is fast returning to normal. Garden operations are once again progressing smoothly, and both the production and quality of produce are expected to be fully upto the Goodricke standards, for the current year. I am confident that we can now look forward with optimism, to an era of stability, growth and prosperity in the district of Darjeeling.

Goodricke Tea Packets in good demand

As I had mentioned in my last report, our Tea packets and soft packs have become popular in various parts of the country and the demand is increasing. Special attention is, therefore, being given to strengthen the Marketing department in order to increase the turnover of packet teas. The sale of your teas in packet form have gone up from around 15 lac kgs. in the previous year to over 26 lac kgs. in the year under review accounting for a turnover of Rs.7.12 crores. We have set ambitious targets for the current year and I hope to report to you next year of the vastly improved performance on this front.

It is however, a pity that the authorities do not appreciate the effort of those producers who make the garden-fresh tea available to the public at reasonable prices cutting out the middle-men. Inspite of various representations, the two-tier excise duty levied by Central authorities remains unchanged—the first on production of tea and the second on packing the tea in packets instead of chests, although it is still in the same factory. A strong domestic market for packet teas could become a stepping stone to exports in value-added form, resulting in a great increase in the Foreign Exchange earnings.

While on the subject of exports, I must express my deep sense of disappointment over the fact that the State Government has still not relaxed its rules concerning Cess on export teas. Our suggestions, which would not affect the State's exchequer, but would encourage direct exports, have not found favour with the State Governement.

There is a piece of good news which I would like to give you in connection with the tax structure for the tea gardens situated in West Bengal. You would recall that West Bengal Government had passed legislation bringing 100% income of a West Bengal garden under Agricultural Income tax which is levied @ 69%. Your company along with other tea companies had appealed in the Supreme Court against this legislation. The Supreme Court has decided the matter in favour of the Industry and have reaffirmed that only 60% of the income will be subjected to the State agricultural income tax as was being done in the past. The balance 40% is under the Central Income tax.

Although this is a healthy turn of events, the problems of the tea industry vis-a-vis the tax structure remain largely unchanged. The States levy this tax at a very high rate-69% in West Bengal and 75% in Assam, and therefore, even when the Central income tax and State agricultural income tax are levied on 40% and 60% of the total income, the final tax figure for a tea company continues to be higher by around 8% than the tax paid by any other industry or commercial enterprise where the entire income is subjected to Central income tax under which the ceiling is about 50%. I would once again appeal to the authorities to ensure that the Centre and the State pursue an integrated policy towards the tax structure on the tea industry with a clear objective of allowing the industry to retain sufficient funds for plough back into the plantations.

Before talking of the future prospects, I should inform you that with the new amendments in the Income Tax Act, your Board have decided to change the financial year to coincide with the income tax year which ends on 31st March every year. This has been done in order to avoid the necessity of producing accounts for purpose of taxation as well as for the accounting year. Therefore, my remarks about the future prospects should be considered along with the fact that they relate to a 9 month period i.e. from 1st July '88 to 31st March '89. The actual figures for a shorter period would be lower but barring very unusual circumstances, I feel that the working for the 9 month period would be more or less in line with the current year, proportionately. The Group crop is marginally ahead of last year for the same period and although the price realisation is a shade lower, we are confident that this will not have an adverse effect on the overall performance.

I would like to mention that one of our very important Directors Mr. P.F. Pepperell retired from active service during the current year, although he would continue to be on the Board and I would like to place on record my appreciation (and I am certain you would all like to join me in this) of the sincerity and assiduity with which Mr. Pepperell discharged his duties. He was involved with the Goodricke Group from its very inception and in fact played a major role at the time of the amalgamation of the eight sterling companies which constituted the present Goodricke Group.

All of you would probably like to join me in wishing Mr. & Mrs. Pepperell a very happy and contented retired life.

While we will miss the services of Mr. Pepperell, I am very happy to introduce Mr. P.A. Leggatt, M.B.E. who has joined us on the Board with effect from 1.4.88. He has also taken over as Chairman of the U.K. company, Lawrie Plantation Services, who act as the U.K. marketing agents for Goodricke Group. Mr. Leggatt is a highly experienced India hand and I am confident that he will do us proud as your Director.

Last year I had made a brief reference to the possibility of our taking up a Project connected with the production of Instant tea. I am pleased to advise that a pilot plant has been installed at one of the tea estates and sample production has already started. Certain amount of research and development work has to be carried on till we can achieve a product which will not only provide the most convenient way of preparing a cup of tea but will also have the quality for which your Group is already known in India and abroad. Test marketing of the product may start sometime late next year and even if the progress may appear to be a bit slow to some of our keen shareholders, I would like to emphasize that the final Instant tea that we produce would have to be highly superior to anything currently available in the market, if it is to re-assert Goodricke's commitment to quality.

Finally, I would like to thank you all for attending this A.G.M. and giving me the benefit of your thoughts. I wish you all a very happy Diwali and a very prosperous new season.

Note : This does not purport to be the proceedings of the Annual General Meeting

khivala, who was associated with Telco as director since 1970 until 1987 when he resigned as executive deputy chairman, observes that Moolgaokar has the capacity to motivate the entire staff and workers of a large company. "He can galvanise them into action and make the job exciting for each one of them. This is the secret of his success at Telco. With him at the head, every worker is made to feel that he is not merely a cog in a big machine, he is not attending to a forge or a furnace but is helping to build and advance a great industrial enterprise, to erect a national monument."

Moolgaokar has maintained that inculcating in workers a sense of pride in their work and their surroundings is not just a key to greater productivity but a potent means of building industrial peace. Yet his approach to industrial relations was quite unlike that of Rusi Modi, chairman of Tisco, whose phenomenally close rapport with workers is legendary.

"It was anathema to Moolgaokar to see production facilities lying idle. At Telco, the most important thing was to get that truck rolling out and to some extent it was just assumed that labour would fall into place", points out Arun Aguiar, a former Telco executive.

When awarded the Sir Jehangir Ghandy Medal for industrial peace in 1984, by the XLRI, Jamshedpur, Moolgaokar in his acceptance speech asked candidly: "What has been my contribution to industrial peace? Have I really done anything to deserve this honour? I am not known in the personnel field. I have not spent my life expounding new theories or exhorting managers and workers to get together — I have only gone on working."

Totally dedicated

At the managerial and staff levels Moolgaokar has been able to create a well-knit team, who express a total devotion and dedication to the ideals he strives for. His attention to the minutest detail and his obsession with quality are most constantly referred to.

Arun Maira, executive director, relates an incident that occurred years ago. On one of his weekly visits to the Pune fa tory, Moolgaokar was quick to notice th the hydraulic pipes were not placed right angles. Cause enough for the cha man to issue a directive that hencefor every executive should carry a plumb b in his pocket!

The hallmark of his management sty some may even term it an idiosyncra was the manner in which he picked h senior cadre of managers. Neither hie archical structures nor age was the cri ria. A great judge of character, wh Moolgaokar's critical eye fell on someo whom he perceived showed a glimmer promise, it didn't matter that the pers was a junior officer or from the rank a file. Organisational charts were redra to accomodate the man, whose care was then put on an instant trajectory.

The chosen one would find a great d of responsibility thrust on him ve quickly. The unspoken dictum being: P form! Those who floundered were c aside. For every survivor, there we scores of castaways. Thus there was sco to rise in Telco but strictly on the crite of performance.

To an outsider it would appear t Moolgaokar was a ruthless disciplinari Asit Chandmal a former director in Tel says, "It is a misconception that he w ruthless. He once told me that takin decision was the easiest thing if one f

A keen eye for photography

The philosophy

Despite his illness, Moolgaokar under the watchful eye of a full-time nurse spoke to *Business India* on his beliefs, and the philosophy behind Telco.

On retirement: I don't think I've stepped down as such, only my health is the problem that's all; I'm still very much a part of it, you could say I am semi-retired. For new product development I have some inherent strengths.

On research and development: We spend a lot of money about, Rs.10 to 12 crores on R&D; it is our strong point. In a manufacturing industry, research and development is a series of mistakes by which you benefit. It gives our people excitment and real knowledge.

On his contribution: My singular contribution has been to build a team, to give the boys fun and excitement, to see that the train doesn't derail. Today we have a very strong team who has made their mistakes, profited, learnt and who can keep up with modern trends. In the auto industry the technical progress is enormous; no other manufacturing industry has that.

On his leadership function: I don't know whether I'm a leader. I like to consider myself as part of the team. But I try to help them. I can't tolerate anything that is not just right. It's the little fits and finishes that all total up to excellence. So that has now become a part of life with my boys.

On upgradation: People forget that in a manufacturing industry every day the machine gets older. It's inevitable no matter how well you look after it. As human beings age, so do machines. Accuracy falls, productivity falls. At Telco, we try to make our factory grow younger every year. Look at the textile industry. Why is it old and finished? Unless they make high-grade synthetic products they can't make a living. It's because they have not watched this aspect that technologically you must grow younger not older.

They tell me that the average life of a machine is 10 years. I don't accept that; not at all. According to me, the average age is what is technologically uptodate.

On Telco: We have set standards which the others will find difficult to meet overnight since we have done it progressively over the years. We regard our whole operation as one big training facility. You've got to look upon it that way.

owed the simple guiding principle: Do what is right for the organisation". Chandmal himself was handpicked by Moolgaokar in 1973 and placed in the unlikely slot of finance director — he had no background in accountancy and was an engineer by qualification.

Such measures contributed to internal dynamism, made the organisation ebullient and kept executives on the hop. All lines of communication were kept open and there was no question of toadying to the boss. "He would go out to seek information and get a hands-on perception. He did not believe in filters," explains Maira.

Other contributions

Moolgaokar took up responsibilities in other Tata companies. He was vice-chairman of Tisco and chairman of Tata Exports; the latter is believed to have been set up at his initiative. According to S.A. Sabavala, vice chairman Tisco, one of

A drive for technical excellence

Out of the albums: with Leela at the Bhoomi Puja *of the Pune plant*

Moolgaokar's greatest contributions to Tisco was mooting the idea of moving away from bulk steel to special steels and initiating the establishment of the largest maintenance shop in India. Tisco always had trouble for spares, a problem to which he offered the typical Moolgaokar solution: let's make it ourselves. "Consequently," says Sabavala, "today we have the capability of almost being able to build our own steel plant".

In 1981, when the government decided to reconstitute Maruti Udyog Ltd Moolgaokar was the natural choice for chairman. Unfortunately, his tenure lasted just six months. He so strongly believed that Maruti ought to make trucks that he preferred to resign when the government decided to go ahead with cars. He has contributed in other capacities: as director of Heavy Engineering Corporation, Ranchi, as member of the National Planning Council of the Planning Commission and as chairman of various government constituted committees.

Professional accolades include the Sir Walter Puckey Prize in 1967 awarded by the Institute of Production Engineers, and an honorary Fellowship of the Imperial College of Science and Technology, London in 1984

Money making has never enamoured Moolgaokar and his motives were clearly driven by considerations other than profit. According to Maira his belief was: "if you do the right things, the profits will naturally follow." On several occasions

With JRD on a factory visit: building an industry

his schemes were at first little understood.

For twelve years between 1966 and 1979 whilst Telco, Pune was being built, not a single truck was produced. Those were the painful years of gestation, setting up the infrastructure. If there were members of the Telco board who disagreed with his approach then they were silent in their disagreement as Moolgaokar had JRD's tacit approval. "I invariably supported him because I knew that he was building not just a factory but an industry" confirms JRD.

An "extravagance"

A typical example of what was then termed as Moolgaokar's "extravagance" was his decision to plant trees on the rocky land where the Pune plant was to be constructed. The idea was to convert this barren land into green land, for which chief horticulturist M.D. Sharma was given a free hand

Just off the busy highway is Telco's 150 acre bird sanctuary. The steady drone of trucks in the background does not seem to disturb in the slightest the 160-odd species of migratory birds that swim, feed and breed in peace on the two man-made lakes — the Sumant Sagar and Lake Sharma. More than 2,00,000 trees have been planted so far; in addition as part of a social forestry programme there are 60,000 trees in the 'tree bank', from which to date 50,000 fruit trees have been donated to neighbouring villages.

Moolgaokar's concern for social welfare is reflected in Telco's rural development activity and the voluntary institutions set up for its workers, their wives and also their unemployed male dependants. Taken together these welfare schemes provide employment to over 2,000 people. Moolgaokar's wife Leela is known to take special interest in them.

Neither age nor an eye surgery has dimmed Moolgaokar's private passion for photography. Weekends would usually find him at his old Khandala bungalow where he had his own dark room. An excellent photographer, his work could quite easily be reproduced in a coffee table volume. A keen *shikari* in his younger days, Moolgaokar is today an even keener conservationist. But he's never strayed far from engineering.

Advocate Charles J.E. Grundy, Moo gaokar's friend of many years, remembe that even on hunting expeditions in Ba tar, Madhya Pradesh, if Moolgaokar ha pened to spot a Tata truck he woul button-hole the truck driver for user feed back first hand! Comments another ol friend, Bobby Kooka: "If Sumant ev wrote a book it would be on the love life a turbo engine."

At the Telco officers' residential con plex at Pimpri, a modest bungalow under construction. This is where Moo gaokar plans to spend his days of sem retirement — close to his creation, ju across the lake named after him. It perhaps these words of Justice Holm that best sum up Moolgaokar and h vision:

"To see as far as one may;

To feel the forces which lie behind ery detail;

To hammer out as solid and compact piece of work as we can;

And to leave it unadvertised."

■ NAAZNEEN KARMA

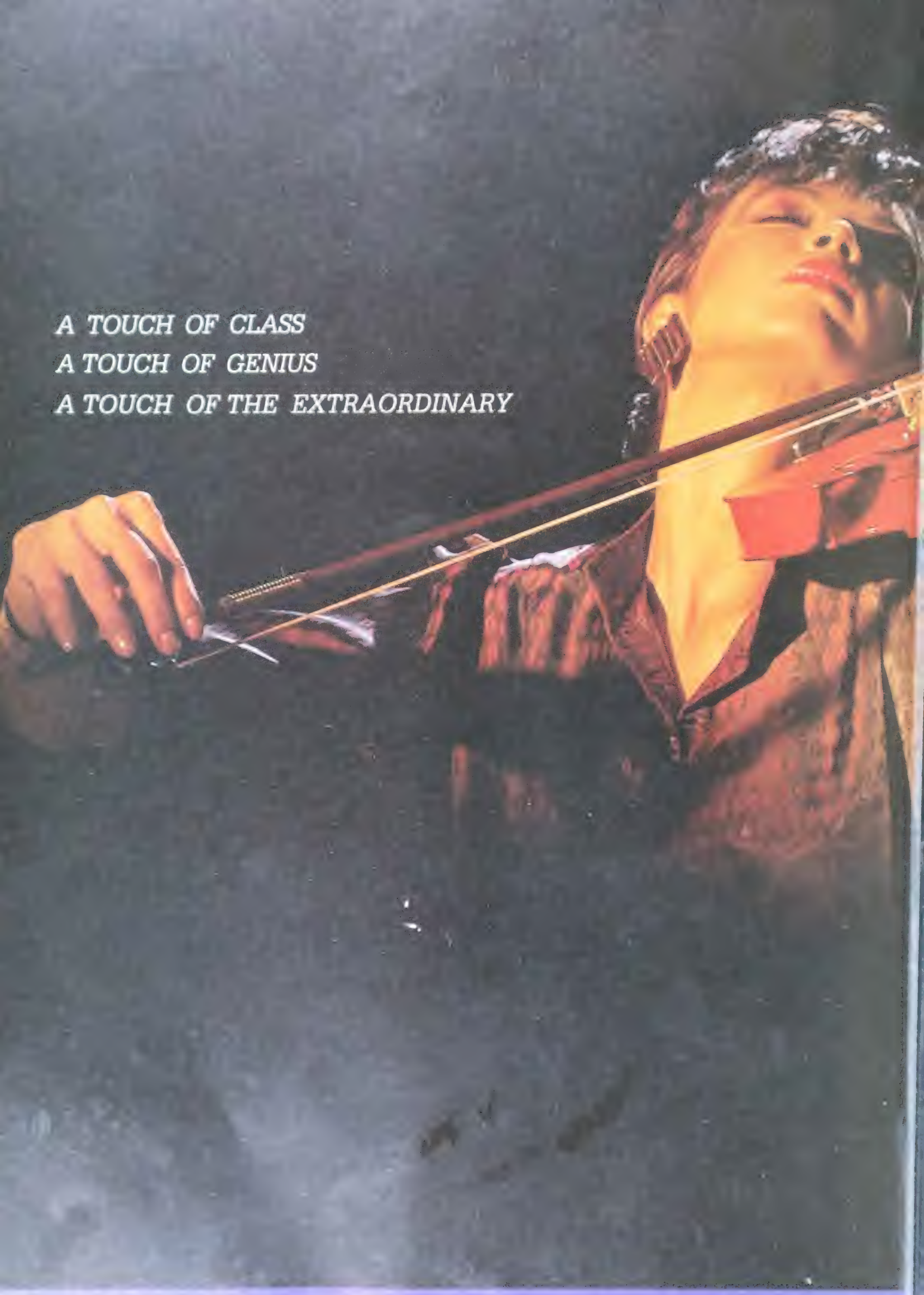
Continental excursion fare.

Oriental excursion fare.

Come to think of it, a Swissair Excursion ticket to Europe or the Far East entitles you to the standard of service associated with Swissair at a price that is affordable. We skimp on nothing: hot meals served on real china with real cutlery, a wide selection of beverages, magazines and newspapers, even musical entertainment on 8 channel stereo. Because when your ticket says Swissair, so does everything coming your way.

swissair

For details call your IATA travel agent or the nearest Swissair office.
AHMEDABAD 449149 • BANGALORE [illegible] • BOMBAY [illegible] • CALCUTTA [illegible] • [illegible] • DELHI [illegible] • [illegible] • HYDERABAD [illegible] • KATHMANDU [illegible] • MADRAS [illegible]



Dyanora® is the registered trade

Dynora®

COLOUR TELEVISION

KEEP IN TOUCH!

Dynavision Limited, Madras

GLINDIA

Back in the fast lane

Glindia Ltd seems to have put the years of jerky growth firmly behind it. The largest pharmaceutical company in the country is now back on the high profits and fast growth track of the late seventies

Late next year, Glindia, the country's largest pharmaceutical company will, play host to a board meeting of its international parent, Glaxo Holdings. A rare honour, no doubt. The UK-based Glaxo is currently the fastest growing of the world's pharmaceutical giants. In 1985 it was the 16th largest worldwide, and this year with sales of over Rs.5,500 crores it has climbed to the second position. Helped largely by the success of its anti-ulcerant Zantac, which has become the largest selling therapeutic drug in history, accounting for nearly half of the company's turnover in 1987-88, Glaxo should, by the time its chairman Sir Paul Girolami leads his board on their Indian odyssey next year, have replaced Merck & Company from the top of the table as the world's largest pharmaceutical company.

Glaxo has only 40 per cent holding in Glindia and has subsidiaries in 44 countries. And it will only be the third time that its board would have met outside its UK headquarters. Says Glindia deputy managing director, Humayun Dhanrajgir, "This is tremendous recognition from a foreign company that has only a 40 per cent holding in us. It demonstrates their faith in us. It is a great feeling that we can continue to rely on their technology and managerial brilliance to carry the group through the next decade."

But unfortunately, as is well known, Glindia is probably one of Glaxo's only international associates that has not been able to harvest much benefit out of Zantac's success. The drug does have a 22 per cent share of India's Rs 30-crore anti-ulcerant market, but it constitutes less than 3 per cent of Glindia's sales this year. And strict government-imposed price controls have made sure that its contribution to the company's profits has been only marginal. Glindia's largest selling pharmaceutical product right now is Betnovate skin ointment, which forms about 8 per cent of the company's total sales this year.

But Dhanrajgir nevertheless should be a happy man. Zantac or no Zantac, Glindia's performance this year has been exemplary. It seems to have finally put the years of jerky growth behind it. It is now back on the high profits and fast growth track of the late seventies.

Thanks to the new Drug Price Control Order (DPCO) announced in August 1987 and improvement in the operational efficiency, performance for the year ended June 1988 marked an all-round improvement. Sales went up by 18 per cent to Rs.230.13 crores, gross profit by a thumping 49 per cent and net profit by 38 p cent.

One of the oldest pharmaceutical com panies in the country (started in 1924 a Glaxo) it was in more or less good healt till 1980 when it felt the impact of th Drug Price Control order 1979.

The company did manage better tha others, mainly because almost 97 pe cent of its formulations fell under th DPCO's category III, which allowed a 1 per cent mark up. In 1981 the mark up o a number of multi-vitamin formulatio was rolled back to 60 per cent from 1 per cent, but points out S.M. Kanwa vice-president (pharmaceutical marke

Capsule filling at the Worli, Bombay plant: much relief from the new DPCO

The Oberoi Palace, Srinagar Warms Up For The Winter

CENTRAL HEATING AT THE OBEROI PALACE THIS NEW YEAR.

A holiday at The Oberoi Palace in the New Year promises to be a warmer experience. Now that the hotel's central heating system has been installed, you can look forward to your winter holiday even more. There are a number of new features in the hotel this year. Including a newly refurbished Palace wing, with the luxuries you will appreciate. And above all, the warmth of our hospitality.

3 NIGHTS IN KASHMIR'S ONLY PALACE HOTEL. FOR Rs.1125/- ONLY.

The Oberoi Palace has spectacular gardens. The hotel offers five star amenities, and a breathtaking view of the famous Dal Lake.

HOLIDAY HIGHLIGHTS

* Price per person sharing a standard double room Rs. 1125/-.
* Single occupancy Rs. 1950/-.
* Free airport transfers.
* Full breakfast every morning.
* 10% discount on a la carte meals.

The Oberoi Palace
SRINAGAR, INDIA

For reservations please call Sita Travels, Mercury Travels or Oberoi Instant Reservation Offices or a bonafide travel agent.

GO THE EXTRA MILE

The road stretches endlessly.
The wider, squat tyres never release the ground.
The tyres continue to devour the miles.

Get the longer tyre life of
CEAT FORMULA-I RADIALS

LONGER TYRE LIFE THROUGH ENDLESS MILES

FORMULA-I RADIALS

FOR BETTER CAR CONTROL

FORMULA-1
CEAT
CEAT
born tough

MICO. The spark that moves millions.

Millions of vehicle owners all over country get off to a flying start. Everyda With MICO.

MICO spark plugs incorporate the international technology from Bosch, W Germany – pioneers and leaders in spa plug technology.

An excellent example of this is the Super – India's first bi-metal electrode s plug.

MICO spark plugs are available in part of the country.

So when you fit a spark plug, stick proven quality. Buy MICO. And ride on confidently!

MIC

LICENCE BOSCI

MICO makes a matching spark plug for *every* Indian veh

g), "We were badly hurt but we did not to court like others who got a stay on e directive." This kept the company in e good books of the government. hough the gross profit dropped a few oints during the period from 1979 to 987, Glindia did better than Pfizer, Hoehst and Burroughs Wellcome.

better order

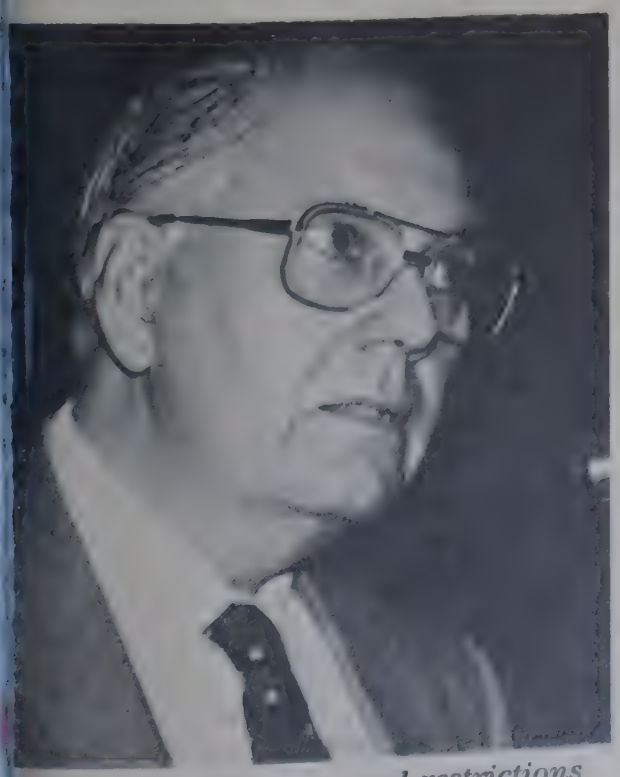
Now the days of uncertainty and restrictons on growth seem to be over. The new PCO is a quantitative improvement over he older one and in the long run we hope perform much better," said J.S. Khamata, vice-chairman and managing director, at the company's AGM held recently.

The DPCO of 1987 has reduced the umber of drugs falling under price conrol from 370 to 166. For Glindia this has eant that formulations under price conol have come down to 84 per cent from 8 per cent — so 16 per cent of its pharaceuticals sales are free from price ontrol.

All new drugs will also be outside price ontrol under the new DPCO. And Glindia lans to make five new drugs. eftazidime and cefuroxime sodium — wo new antibiotics — are the first in the ist followed by at least three more in the ext one and half years.

Glindia is investing Rs.30 crores in prouction facilities for five bulk drugs at its nkleshwar plant. Formulations of these rugs have already been introduced in he market by the company in the last two ears.

For example, Glindia introduced Zanac (as Zinetac) in India in early 1986.

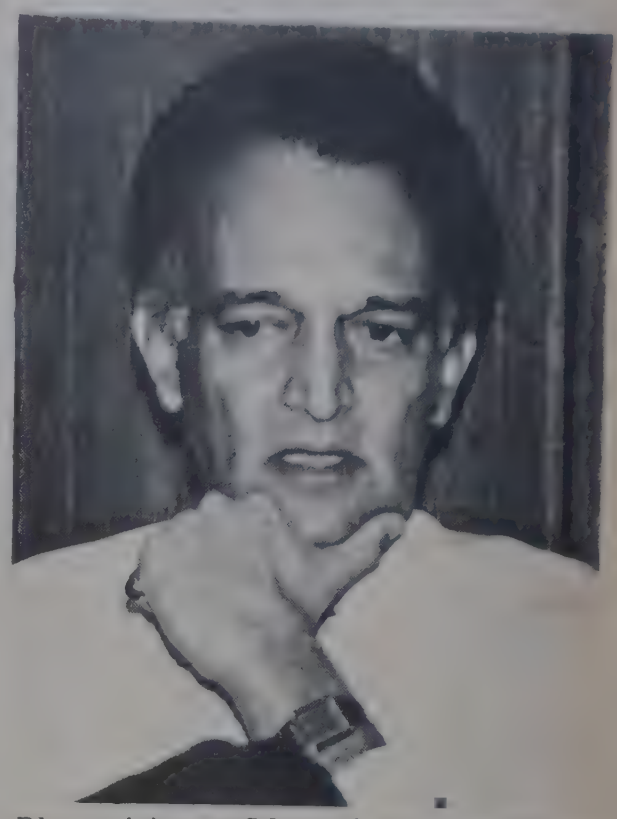


hambata: uncertainty and restrictions o more

But because it didn't have the necessary licences to manufacture, it had to import the basic raw material ranitidine and get the formulation itself made by a licence holder on a contract basis. Finally this year, after getting all the clearances, the company started manufacture of ranitidine at its brand new Rs.7-crore worth of bulk drug facility at Ankleshwar. And next year it will also start making Zantac at a Rs.1 crore plant being set up in Nasik. Says Dhanrajgir, "All these projects will considerably enhance profitability of these formulations sold by us."

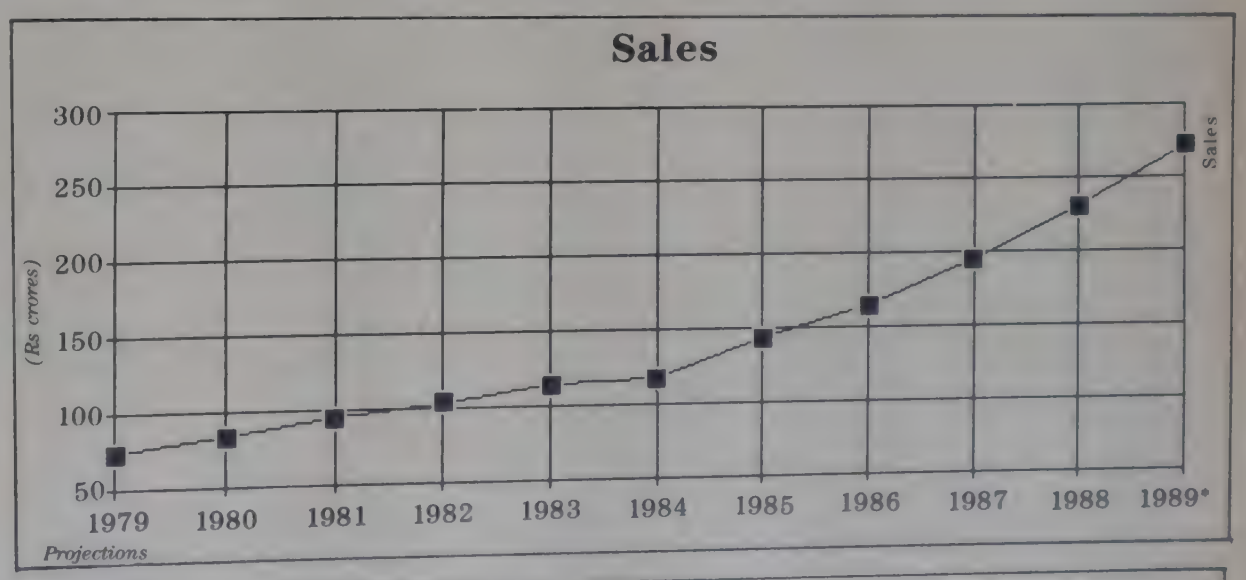
Glindia is also going into food products in a big way. It already has a family products division which contributed Rs.70 crores, that is a third of the company's total sales last year. Much of this came from its traditionally popular products like Complan, Glucon-D and Farex. Now the company plans to join hands with three other new companies and an existing one to produce a variety of food products.

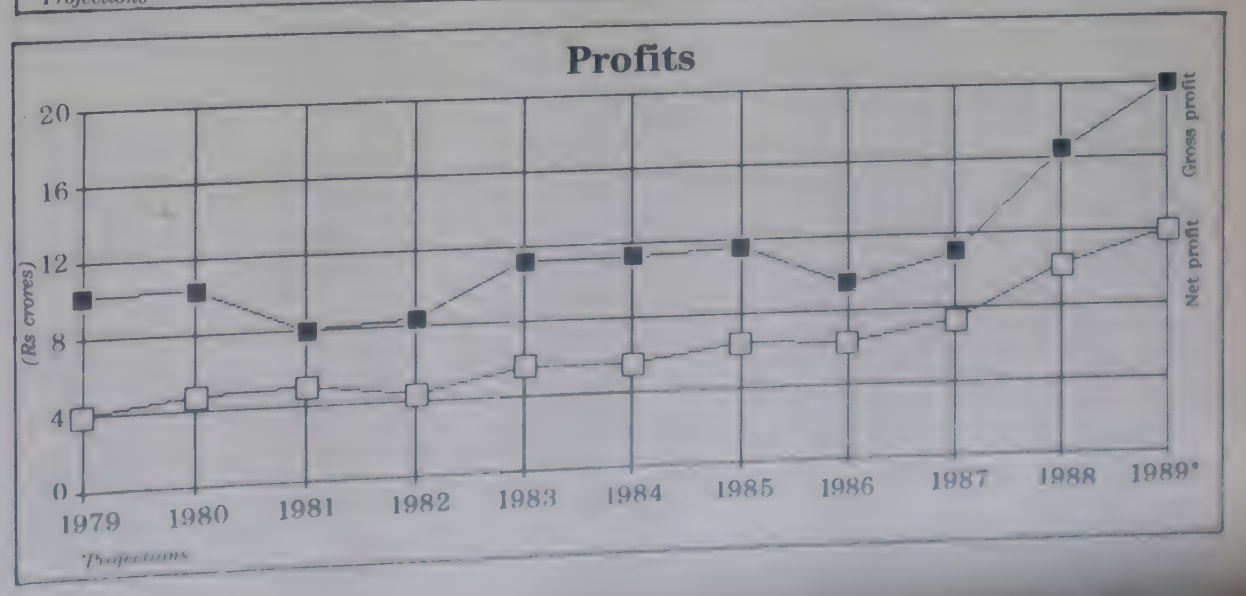
Dhanrajgir says that the company took this route instead of setting up the new projects under the existing food products division or as subsidiaries for two important reasons. "Most important of all, we didn't want the new company to be shackled by MRTP regulations. The moment it becomes a subsidiary, the fact that we are governed by the MRTP Act would affect the new company's growth. We want them to grow as independent entities. Of course we will be providing them with our management expertise."

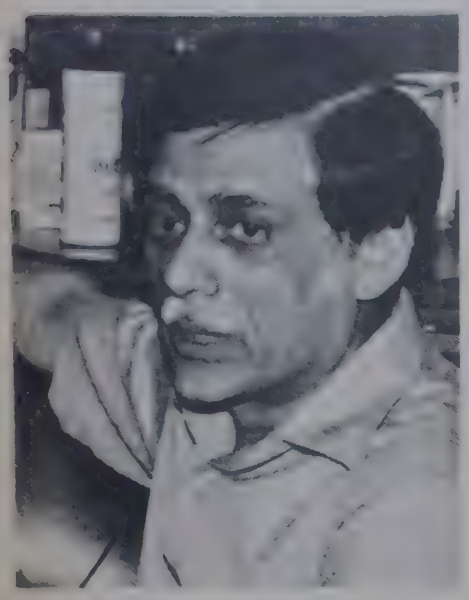


Dhanrajgir: confident of staying at the top

The second reason he says, is the need to spread the risk. Since these are joint sector projects involving totally new companies, their performance will not be re-

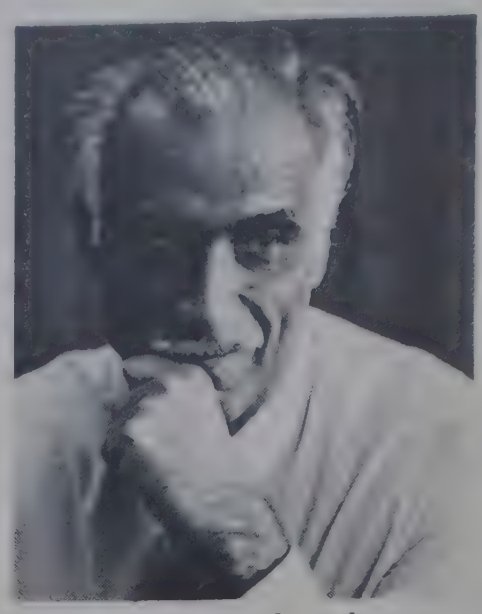




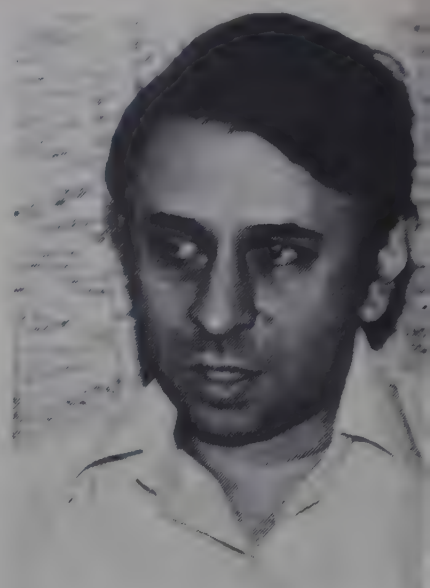


Vaswani heads the highly profitable food products

Bharucha: no major labour problems



Kanwar: "badly hurt but didn't go to court"



Khusrokhan: 45 per cent of profits from food products

flected in Glindia's balance sheet.

Of these projects, Hindustan Foods, a Rs.5-crore project in which Glindia has a 20 per cent stake, has been set up at Ponda, Goa, with the Marmagoa Shipping Company. The company will make breakfast cereals and high nutrition foods for growing children, which will be marketed through Glindia's distribution network.

Another project, Vegepro Foods and Feed Ltd (Glindia's stake: 24 per cent), is coming up at Orai, UP, with PICUP as partner. With a capital outlay of Rs.24.50 crores, the project will make soyabean oil, soya meal, soya flour and texturised soya foods. This project is expected to be commissioned in January 1989 and touch a turnover of Rs.60 crores at full capacity

The third project is K.G. Gluco Biols Ltd, a joint venture with Karnataka State Industrial Investment Development Corporation, in which Glindia has a 24 per cent stake. This project, set up at a capital cost of Rs.23 crores at Gokak, Karnataka, is expected to begin commercial production by May 1989. The company's main products will be dextrose monohydrate (DMH), liquid glucose and maltodextrine. DMH is mainly used for the manufacture of sorbitol which in turn is used in the manufacture of vitamin C, pharmaceutical syrups and toothpaste. Liquid glucose is also used for pharmaceutical preparations, and maltodextrin for calorific drinks and milk-based health beverages.

Rehabilitation programme

In 1987, Glindia took up 24 per cent (Rs.95 lakhs) the equity capital of a sick dairy company in Karnataka. Promoted by the Dempo group of Goa in 1979, Dempo Dairy Industries Ltd had been losing money right since its inception. "We were requested to join the rehabilitation programme undertaken by the financial institution, who have pumped Rs.1.60 crores into the company," explains A.T. Vaswani, senior vice president (family products), who took charge of the division about a year ago.

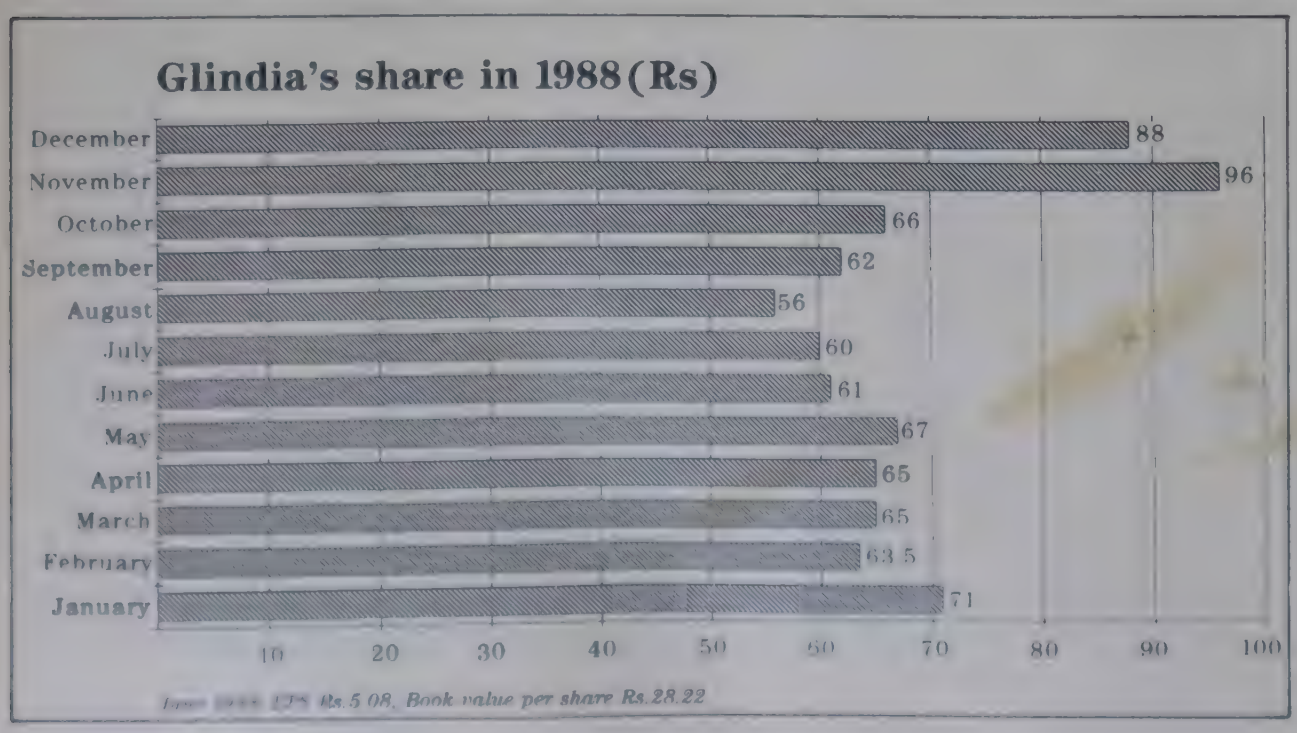
All together, Glindia is investing Rs.4.26 crores by way of equity and advanced Rs.37.50 lakhs as loans to th four projects — not big sums for a la company with reserves and surplus Rs.36 crores in hand. But the sha holders of the company, at its rec AGM, wondered whether it was a w business step, and with reason. In f products, especially in soya-based fo a large number of companies came u the last two or three years and almos of them have failed miserably.

But neither Dhanrajgir nor Vasw anticipate any problem with their s project. "The technology we are using make our product free from the be odour and this is the key to the succes soya," says Dhanrajgir. He does ac though that a number of new compa flopped because of the poor suppl soyabean in the country, and altho supply is easy now in future it may no so.

Glindia can pick up some of the duction of the other large project, Gluco, for its own requirement. For rest the market will be extremely com itive as there are already quite a few u in the industry and at least four new soon joining the fray. But Vaswani that the company has the distinct ad tage of proximity to the main raw m rial, maize, and is also close to the ma for its finished products in western In

Of the two smaller companies, acc ing to Vaswani, Dempo Dairy has alr made some cash profit for the year e June 1988, and Hindustan Foods soon launch its products nationwid

Apart from these joint ventures, G dia also has plans to introduce some products in its food products divi Ever since Glaxo UK sold off its products division in March 1986, Gl has not been able to introduce any



At more than 3 MIPS Aurelec's 20 MHz 2AT6-XL surpasses all AT's

Aurelec Data Processing Systems announces the fastest ever **AT**, the **2AT6-XL**, which at 20 MHz outperforms even an **80386** based system running at 16 MHz, or offers performance equivalent to a **3AT6** running at 20 MHz! It is impossible to ignore such outstanding performance, even in a confusing computer market where vendors emphasise price over quality, performance and technical support. The **2AT6-XL** is so powerful that Mainframe terminology is required to describe its power: the **2AT6-XL** offers **3.24 MIPS** (Million Instructions per Second) at an unbeatable price. No wonder **Aurelec** has sold, simply by word of mouth, more than 75 **2AT6-XL** systems even before its formal announcement. The perceptive buyers know that the time saved more than pays for this speedier computer.

The **2AT6-XL** offers you much more computer for just a little more cost. You get **Hercules** and **CGA Graphics, 1.2 MB 5-¼" or 1.44 MB 3.5" Drives, Enhanced 101-key keyboard, LIM-EMS 4.0 and OS/2 support, 3.24 MIPS performance**, and the best price/performance ratio ever offered on a microcomputer. Further, the **2AT6-XL** accompanies you in your growth path with its guaranteed **SUPERLAN** connectivity. **SUPERLAN** is the time proven, high performance multi-user Local Area Network on which hundreds of **Aurelec** computers are running all over the country, at a wide variety of prestigious locations.

The **2AT6-XL** is the ultimate result of the latest in computer technology.

Technical details are very important, but there is also an equally important question of back-up service. When you buy **Aurelec** products, you also buy into the finest computer back-up service network in South India, where **Aurelec** has more branch offices/service centres than any other computer manufacturer.

Aurelec **2AT6-XL: Naturally outstanding**

aurelec
data processing systems

Archana Centre, 29 Mount Road
Madras 600 015
Tel: 418051 Telex: 041-21008 ADPS IN

ZENITH aurelec

AURELEC DATA PROCESSING SYSTEMS: AUROVILLE: (0413) 25453 • CALICUT: 60936 (PP) • COCHIN: 361961 • COIMBATORE: 20981 • MADRAS: 419651 • MADURAI: 35858 • PONDICHERRY: 24553 • TRICHY: 30258 • DEALERS: INFONET SERVICES, COIMBATORE: 24302 PP • COAT COMPUTER CENTRE (P) LTD, MADRAS: 471989 • THE COMPUTER SHOPPE, MADRAS: 447539 • EASO JOHN & ASSOC., MADRAS: 451246 • MICROHOUSE COMPUTER SYSTEMS, MADRAS: 494120 • PC INDIA, MADRAS: [illegible] • ALPHA COMPUTER SYSTEMS, PONDICHERRY: 25177 • LAN COMPUTER MART, TRICHY: 27111 • ZENITH COMPUTERS LTD., BOMBAY: 0[illegible]4 • AURANGABAD: [illegible] • BANGALORE: 70548 • CALCUTTA: 463561 • HYDERABAD: 69102 • NEW DELHI: 5710756 • PUNE: 45044 • GOA: 7581

food product. It now plans to tie up with a foreign company to revitalise this division.

Hedging its bets

The present activity is a result of the efforts made by the company some years ago while it was reeling under the effect of price controls. "We were suffocating," says Dhanrajgir

Many in the industry, however, accuse Glindia of exaggerating its plight and of trying very hard to stay in the government's good books. For instance, several companies went to court over the change in mark up on vitamin formulations. Glindia didn't, because, firstly vitamins constitute only 5.6 per cent of its pharma sales; and two, it did not want to antagonise the government. And this, according to a senior executive of a multinational company which had opposed the directive helped "Glindia get licences for a number of new drugs unlike us."

Dhanrajgir admits that he did get approvals for the new drugs cephalexin, griseofulvin (both antibiotics) and ranitidine, but maintains that "it was not as easy as they say, we had to struggle a lot".

The company's wide range of formulations has also helped put up a better show than many others. Its close relationship with parent Glaxo UK has enabled it to introduce almost the entire range of Glaxo's research-based products here. Besides, by and large, most of its products are also cheaper than those of its competitors, says a Glindia dealer at Bombay's Princess Street.

Also, family products have been a consistently profitable line. "Last year, the division contributed around 45 per cent to the total profit," says Homi Khusrokhan, senior vice-president (finance administration and secretarial).

The division has however lost a large part of its infant baby food market (brand name Glacto, formerly Glaxo) to newcomers. Late entrants like FSL (Lactogen) and Amul (Amul Spray) have pushed Glindia's market share down to a meagre 4 per cent.

Glindia has had the good fortune of being quite free of labour unrest. "Since 1977 we have not had any major labour problem" says R.P. Bharucha, senior vice-president (personnel). Quite an achievement for an organisation of over 6,000. "We resolve issues through negotiations and not by confrontation" says D.N. Mayekar, president of the Glindia Employees

Glindia, Worli: plenty of plans and a giant parent to help

Union, though he does say that his company is not one of the best paymasters in the industry.

A distinct advantage

All these factors together have put Glindia ahead of the other multinational drug companies in the country. And two recent changes in the laws governing the introduction of new drugs could help Glindia considerably in the future. The government recently relaxed the rules concerning the clinical trial period for drugs. Earlier only those drugs that had already received their registrations abroad were allowed to be clinically tested in the country.

The company hopes to take advantage of this law with a new drug for migraine that is currently being clinically tested worldwide by Glaxo. There is no treatment available for migraine, and and the new drug, codenamed GR 43175, is expected to hit the market sometime in 1990.

The other important change in the law concerns patent protection in an indirect way. Right now there is no patent protection for new drugs in India. As a result, though Glaxo holds the patent worldwide for Zantac, by the time Glindia introduced the drug in India in 1986 there were several other smaller companies in the country which were marketing the same drug under different brand names. In fact there are 29 manufacturers of t anti-ulcerant formulation in India n more than in any other country in t world, though the total market size worth less than Rs.30 crores.

Now, according to a recent gazette a nouncement of the government, ma facturers who introduce "new" drugs w have to provide extensive documentati of clinical trials done on it by the fore company providing the technology. An new drug will continue to be considere new drug for a period of four years fr the date of its first approval of its inc sion in the *Indian Pharmacopoeia*. A result pirates will have a difficult ti selling technology to Indian compani Says Dhanrajgir, "If implemented, t law would give us a substantial lead ti in the introduction of all the drugs wh are currently in Glaxo research labora ries worldwide. And that should help growth substantially in the com years."

But for the moment at least, a couple wholly-owned Indian companies t have come up in the last 15 years or so growing at a pace much faster th Glindia.

Lupin Laboratories, a Bombay-ba company, which is also the largest p ducer of anti-TB and anti-leprosy dr for example, had a turnover of only Rs. crores in 1982. Now in 1988 it has gro to Rs.100 crores — an average growth 150 per cent every year. The other t companies that have grown betw 80-100 per cent every year are De based Ranbaxy Laboratories (sa Rs.111.76 crores in 1986-87) a Ahmedabad-based Cadila Laborato (estimated sales: Rs.75 crores). against this, Glindia has average growth of around 20 per cent in the ten years.

Will these fast growing companies s overtake Glindia? Dhanrajgir does think so. "I am quite confident that will be able to retain our number position for the foreseeable future, we are working hard," he says. His opt ism no doubt stems from the expectat that the government will loosen cont on the drug industry further. Also Gl UK is enjoying a tremendous surg popularity worldwide. "When you bel to an internationally successful gro Dhanrajgir says, "some of the glory sunshine falls on you whether you serve it or not."

■ DILIP MAITRA & N. RADAKRISH

Opting for the beaten track

Food processing is the latest buzzword in Indian industry. With an exclusive ministry now backing it, many corporate heavyweights are making a beeline for this "sunrise industry". But Indian Organic Chemicals (IOC), the flagship of the Ghia group, is beating a hasty retreat after burning its fingers in the potato wafers market

The rumours doing the rounds for quite a while have finally been confirmed. (See *Business India*, Listening Post, 25 January, 1988). The Ghias are looking for a buyer for the 'Futura' foods division of IOC, makers of the "Nik Naks" brand of potato wafers launched with much fanfare in early 1987. Not only this, the other IOC food processing venture, Convenience Foods, set up in Tamil Nadu as a subsidiary to manufacture banana chips, is also up for sale.

What went wrong? It's not common for a bluechip company to undertake a significant diversification and then within months, throw in the towel.

The low profile Ghias are extremely media shy. Unlike other listed public companies, news about IOC has largely been based on conjecture. The Ghias have rarely, if at all, talked to the press about major developments in their group companies. However, Shyam B. Ghia, joint managing director, IOC agreed to talk to *Business India* about the decision to sell the foods division. But predictably, questions about IOC's main lines of business — polyester staple fibre, yarn and organic chemicals — were stonewalled.

Intermediate products

The company, which started off in 1960 with the manufacture of organic chemicals, diversified into the manufacture of polyester staple fibre in the late 1960s, one of the earliest companies to do so.

"We have always been suppliers of intermediate products; we never interfaced with the end consumers," says Ghia. "So the thought going into consumer products would give us an exposure to consumer marketing."

Also, according to him, both the chemicals and synthetic fibre industry are subject to cyclical fluctuations while consumer products are not. "Brand names do take time to be established, but once they are you can tap a steady flow of profits," says Ghia.

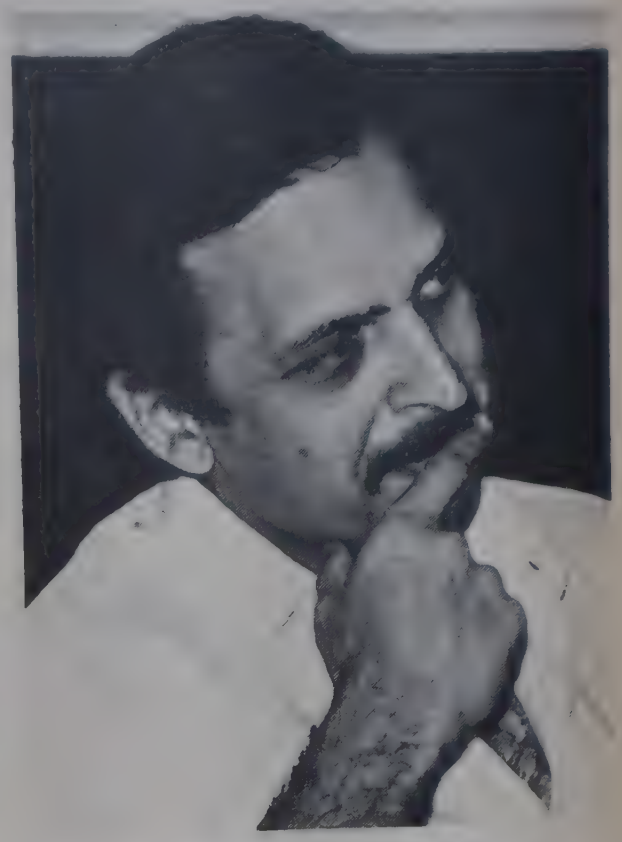
In late 1986, IOC decided to diversify into unrelated areas like branded potato products and packaged software, besides polyester yarn. When the Ghias decided to expand and diversify, the going was really good for IOC — the pre-tax margin on sales was a hefty 12 per cent (PBT in 1985-86 Rs.17.93 crores), up from 8.2 per cent in 1984-85 (PBT Rs.11.62 crores). The company decided to expand its PSF capacity from 12,200 tonnes per annum (tpa) to 30,000 tpa and set up new capacity for the manufacture of 3,500 tpa of polyester filament yarn. The company's borrowings zoomed from Rs.23 crores at the end of March 1985 to more than Rs.103 crores three years later. And interest payments more than tripled, from Rs.4.5 crores in March 1985 to Rs.15.6 crores by March 1988.

Unfortunately for IOC, the PSF industry capacity nearly trebled to 1.4 lakh tpa from 1985 to 1987. Despite excise duty reliefs, the demand for PSF failed to take off and currently stands at a mere 80,000 tpa.

For the first time in three decades, during the year ended March 1988, IOC plunged into the red (net loss Rs.11.12 crores). The finance costs (interest and depreciation) swelled with the jump in borrowings and fixed assets. To top it all, non-liquid assets like inventories and receivables amounted to a little less than half the sales of Rs.139 crores.

Lack of funds

By 1986, Rs.3 crores were invested in the foods plant that was to have manufactured French fries with equipment from Aveiko of Holland. However, an additional investment of over Rs.3 crores was still needed, according to Ghia. Thanks to the severe cash crunch, the plan to make French fries was abandoned and the less capital intensive wafers were launched instead.



Ghia: no more unrelated fields

Ghia still insists that potato chips can be profitably manufactured in the organised sector. "The sophisticated technology leads to substantial savings in the use of edible oil required for large scale frying. Also bulk purchases of raw materials reduce costs," he says. "It was only the lack of funds for marketing and promotion that sealed the fate of our food processing venture."

But those reportedly interested in buying the plant are sceptical about branded products like wafers and chips made by the organised sector being able to compete with excise exempted products of the unorganised sector. An erstwhile employee of the IOC foods division also mentioned difficulties in getting "optimal size" potatoes stored at the optimal temperatures required for mechanised potato processing.

Whatever be the merits of large scale wafer manufacture, the IOC project was probably not considered good enough. "If it was only a working capital problem, the Ghias could have easily sustained it," said one company insider. "After all, the funds required are small compared to the overall size of IOC's operations".

Other happenings within the company also point to the fact that something more was wrong. Prakash Ahuja who joined the company to start the foods division was, by all accounts, the management's blue-eyed boy. Apart from the foods division, Ahuja also spearheaded IOC's entry into packaged software (sold under the Sonata brand name). IOC's entry into retailing ventures such

Move up... to McDowell's
Unmistakably No.1... McDowell's
McDowell's
The soda with spirit

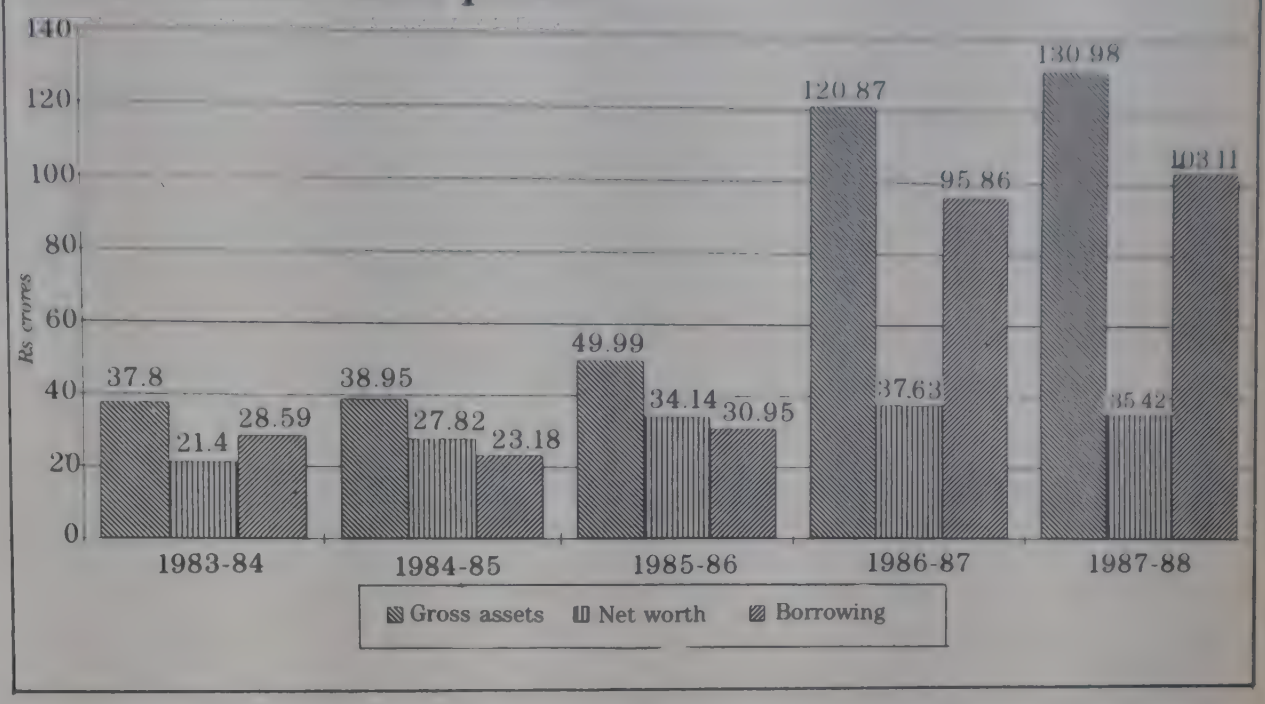
Computer Point and Mothercare was
so at Ahuja's behest. He has since
rted company with the Ghias. His inter-
t in "trading activities" reportedly
dn't quite match the "manufacturing
ientation" of the Ghias. So when
uja's only manufacturing venture, the
ods division failed to take off, he quit.
ith Ahuja calling it a day, the Ghias
cided to disinvest in Mothercare.

Says Ghia, "Prakash was given the first
tion to buy". And Ahuja, who now sits
the Mothercare office in Bangalore,
ld *Business India:* "I am basically in-
rested in retail marketing. When this
dn't work out, I decided to leave." He, of
urse, echoed Ghia's version as to why
e food plant failed: solely for lack of
nds. Ahuja's remarks however fail to
xplain the actual situation fully. For
mputer Point, Ahuja's brainchild and
ry definitely a retailing activity, con-
nues to be part of the Ghia group. Also
e decision to disinvest in Mothercare
as taken after the Ghias and Ahuja had
cided to part company.

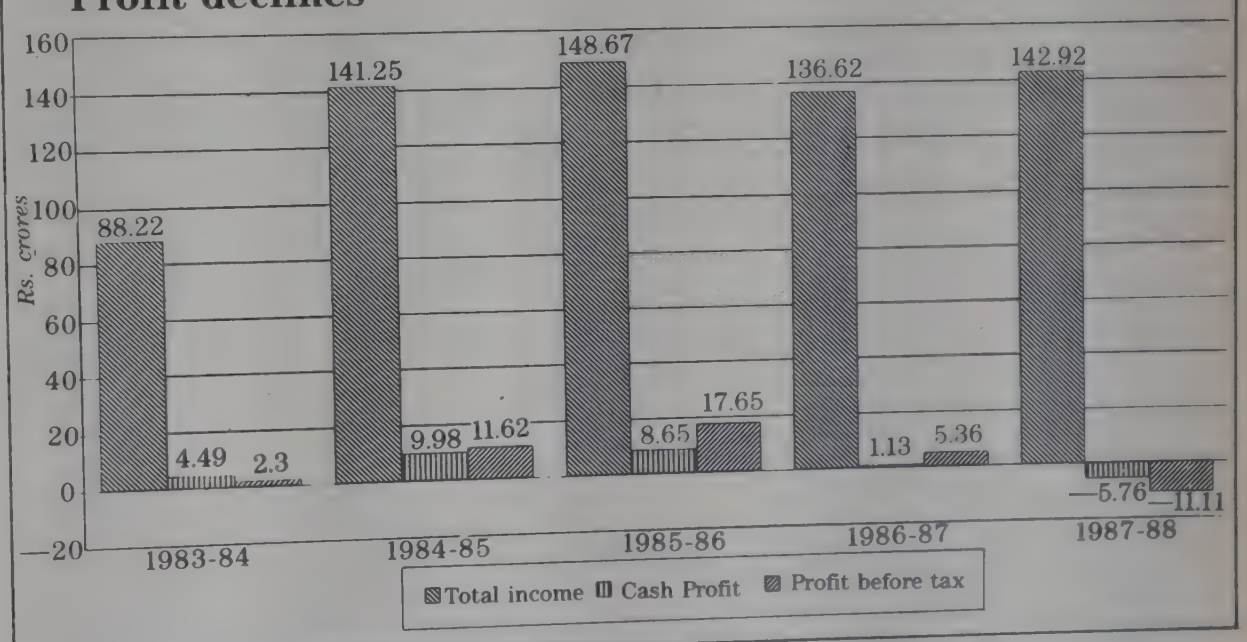
So it wasn't exactly that the Ghias
came disinterested in retailing and
erefore Ahuja decided to quit. All the
w ventures which Ahuja initiated were
extremely competitive consumer fields
here it is difficult to make profits, at
ast in the short term. Perhaps IOC,
hich has traditionally been in the com-
odities business didn't find the going
orth the time and efforts. This probably
d to the split although Ghia refuses to
aborate on the issue beyond admitting
at there were "differences".

Contrary to rumours and market ex-
ectations, the Ghias are currently not
inking of pulling out of their other di-
ersification — computer software. The
nata software division's contribution
Rs.63 lakhs to sales last year, is ex-
ected to more than double to Rs.1.5
ores by the end of next year. According
P. Ramaswamy, vice-president (mar-
ing) of the division, 80 per cent of the
rnover is expected to come from pack-
ged software and the balance from con-
ltancy contracts.

The balance sheet picture



Profit declines



High overheads

For an expected turnover of Rs.1.5 crores, Sonata's overheads, however, seem high in comparison to others in the same business. The Tata Consultancy Services' software package division, for example, has a comparable turnover but only employs 25 people against 130 in Sonata. Ghia justifies this by saying that Sonata is involved in doing "other development work" the details of which he "cannot reveal at present".

The one new venture that has really payed off is PFY, thanks to the PFY industry doing well. Last year, IOC's PFY plant operated at 75 per cent of capacity and contributed more than one-fifth of the company's sales. More significantly, in the process, IOC's dependence on PSF (which contributed as high as 80 per cent to turnover in 1984-85) got substantially reduced (to 47 per cent in 1987-88).

The contribution of chemicals to sales has also risen significantly in recent years (from 12 per cent in 1983-84 to 18 per cent in 1987-88). And, according to Ghia, organic chemicals like methanol, acetic acid, acetic anhydride, ester solvents, benzyl products and benzaldehyde, are today fetching the maximum profits.

During the six months to September 1988, IOC turned in a gross profit of Rs.6.1 crores against a Rs.1.4 crore loss during the same period last year. The net profit however was modest at Rs.40 lakhs. So the company still has a long way to go before it makes up for the Rs.11.12 crore loss of the previous year. The IOC scrip has looked up now that its fortunes are improving. It now quotes at around Rs.45 on Dalal Street against the low of Rs.15 last year.

The Ghias have learnt from experience — they are now concentrating on existing strengths. The moral of the story for IOC is clear — no more diversification in unrelated fields. At least in the near future.

KEYA SARKAR

The Print Quality!
The Speed!
The Impressions!

SME
SQUARE WRITER

Like nothing you've seen before

No one gives you print quality with speed as SME Square Writer.

SME SQUARE WRITER
–WORKS BETTER & FASTER
– LASTS LONGER

All of us who use Dot Matrix Printers know fully well, how sharply the printer speed declines if we want to print "Near Letter Quality" documents. Or how sketchy it looks, in "draft mode", for in-house consumption.

Now SME Square Writer offers you correspondence-quality print-outs, even in draft-mode at full rated speed of 160 cps. Lasts longer because it produces quality print–outs in one single pass, unlike conventional dot matrix printers, which make 3 to 4 passes for Near Letter Quality Print-outs.

CUSTOMER SUPPORT: CONSUMABLES AND SPARES

SME is the only printer manufacturer in India who manufactures consumables and spares, as a support service to consumers. SME Ribbon Cartridges are readily available in Nylon & Film, in single strike as well as multistrike types for all popular brands of printers.

136 column

80 column

AFTER SALES SERVICE

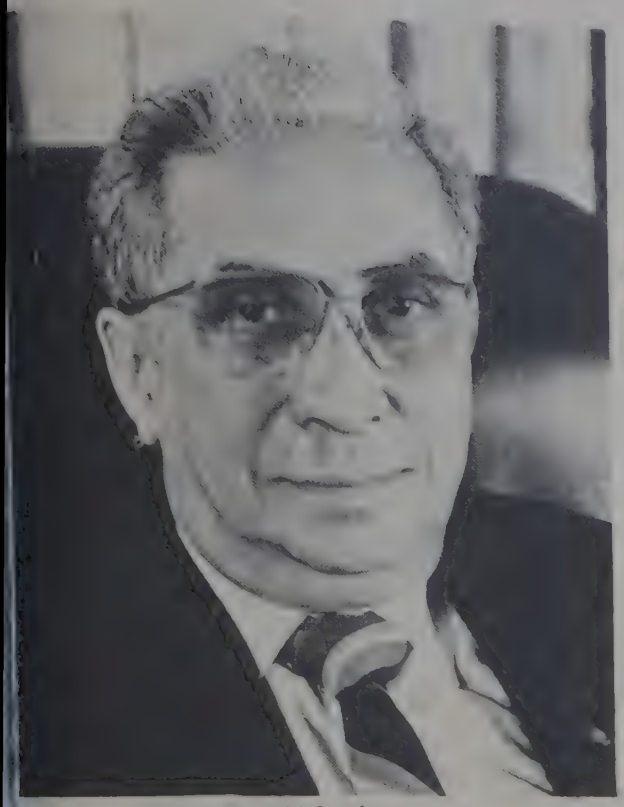
In line with its commitment to service and as an integral part of their marketing activity, SME is setting up its own Nodal Service Centres at New Delhi, Bombay, Bangalore and Calcutta, supported by a network of service-oriented dealers in all major cities of India.

SME—committed to the pursuit of excellence. All geared to fill the printer gap in the world of Indian business and industry.

For a free booklet, 'Your guide to select, use and maintain a printer' write to :

The General Manager (Marketing)
Sierra Micro Electronics Limited,
Post Box 390
Jaipur-302 001
Phone (0141) 68897
Gram ESEMEE
Telex 0365-2120 SMEL IN

SME
THE EDGE IN COMPUTER PRINTERS



ıo: now for consolidation

rasad: definite plans

umar: maintaining the image

SOLIDAIRE

A picture of growth

The Rs.40-crore Solidaire India Ltd went public recently. The picture for the next three years is clear: more TVs, possibly VCRs, an electronic tuners project, audio equipment and home appliances, and a team geared to take turnover to Rs.200 crores

Hi Beam Electronics Pvt Ltd, makers of Solidaire TVs, have switched to a new name — Solidaire India Ltd (SIL). "This will enable the consumer to identify the brand with the company," says A.S. Ramana Prasad, managing director of SIL. A private limited company till recently, SIL made a public issue in November, when it raised Rs.4.85 crores to part finance a new project for the manufacture of electronic tuners; that provided the opportunity for the change in name.

Solidaire has big plans — it is gearing itself to take its turnover of Rs.38.26 crores, achieved during the year ended 31 June 1987, to Rs.200 crores within the next three years. During this time, its new electronic tuner project will go on stream and, if things go right, so will a second TV manufacturing unit, at Bangalore. The company also plans to make a foray into the manufacture of audio-equipment.

An application made in 1983 to manufacture VCRs and VCPs, in collaboration with ITT of West Germany, was rejected by the government earlier this year. But the company is still hopeful. "We have definite plans to set up a Rs.50-crore company to manufacture VCRs and VCPs with Japanese collaboration," says Ramana Prasad

Anticipating the boom

If the company's track record is an indication, its targets look realistic. Hi Beam Electronics was started by A.N. Srinivasa Rao, a small scale industrialist with a unit manufacturing electrical equipment. Anticipating a boom in TVs, Rao acquired a licence to manufacture 7,000 sets a year in 1974.

Subsequently this unit was merged with two other units to form a consortium called Tristar Electronics. However, it ran into problems because of a delay in the opening of the Madras Kendra of Doordarshan. And a loss of Rs.14 lakhs forced the three units in the consortium to part company.

Hi Beam then began manufacturing 'Pria' TVs. In 1978, the brand name was changed to Solidaire. At this point Srinivasa Rao decided to induct technical personnel. This included A.K. Bhattacharya who, as managing director took charge of the crucial operations of the company. With more kendras becoming operational in the south, the demand for TVs also picked up, and by 1981 annual production soared to 32,000 TV sets. Turnover then stood at Rs.8 crores.

The Asiad and the introduction of colour TVs initiated the boom. The company began assembling CTVs from kits imported from ITT. By then Bhattacharya had left. (He went on to set up Sears Elcot Ltd.) The operations of the company fell largely into the hands of Rao and his sons — A.S. Ramana Prasad now handles finance, and Ravi Prakash deals with marketing. The technical aspects of production are looked after by Anoop Kumar (who is not a family member), while Rao himself oversees the entire operation. A third son, A.S. Ananth, is being introduced into the organisation as a director on SIL's board.

This team steered Solidaire on a growth course through the 1980s when several smaller TV manufacturers like Digiana in AP, and Mustang, Hatari and Krish TV in Tamil Nadu fell by the wayside — a spokesman of Dyanora, the other major brand in the south says, "The main reasons for these failures were lack of quality, after sales service and finance."

Abreast of the latest

Solidaire has managed to stay ahead through various strategies in production, marketing, etc. For example, Anoop Kumar points out, "Solidaire has frequently changed models. Almost nine models have been launched in four years, and the company has an image of keeping abreast of the latest technology." The introduction of the PIP (picture in picture) model is a recent example.

The company has also emphasised efficient servicing facilities. "After-sales service is quick since the company has service centres in metros, satellite service centres in smaller towns and resident mechanics in rural outposts. All this fa-

cilitates mofussil sales," observes Vasanth Kumar, proprietor of Vasanth & Co, Solidaire's largest dealer in Madras.

Disciplined and consistent growth has gained Solidaire a 30 per cent market share in the southern states and 5 per cent at the national level. Rivals peg market shares at a slightly lower level, but industry sources confirm that Solidaire and Dyanora rule the roost in black and white TV sales in the south; in CTVs these two share centre stage with BPL and Onida in the region.

With the issue in November, which was oversubscribed, SIL has made the transition to a closely held public limited company; the promoters will hold 60 per cent of the equity and the remaining 40 per cent, by the public. (The family, it appears, is still wary of inviting the equity participation of financial institutions). The issue was for 285,000 equity shares of Rs.10 each at a premium of Rs.10 per share and 57,000 14 per cent partly convertible debentures of Rs.200 each.

SIL: trying to stay ahead

Raring to go

By 1995, the country's total production of CTVs is expected to increase to 5 million units from the present level of 1.2 million, while that of black and white TVs is slated to increase to 10 million units from 3 million now. "We have to plan now," says Srinivasa Rao.

The customers of tomorrow will be a knowledgeable lot. "Today, the customer is more discerning and he expects a superior product. The companies that survive will necessarily be those with access to better technology and are able to offer better features," comments the Dyanora spokesman.

Thus, in the final count, only those withforeign collaborations or technology transfer agreements are likely to emerge stronger. A disadvantage to Solidaire obviously, but it has always pushed itself on its strength in product development, and expects to do the same now.

Srinivasa Rao and company feel that the period ahead will be one of consolidation in the industry. They anticipate the closure of smaller units, and hope that Solidaire's products will fill the gaps in demand thus created. Capacities therefore have to be increased. The company plans to set up a second factory at Bangalore with a capacity of 150,000 black and white and an equal number of colour TVs. The Rs.3 crores required will be internally generated. This plant is scheduled for completion in June 1989.

Also, as a result of the implementation of the electronic tuner project, the capacity of the Madras unit will be increased automatically from 1 to 1.6 million sets and 40,000 sub-assemblies annually.

The VCR factor

Solidaire is obviously nurturing hopes to improve its market standing by getting the VCR project going. Though the company is reluctant to reveal the identity of the collaborator, who will be Japanese, indications are that a new company will be promoted in order to enable equity participation by the latter. "The VCR factor will definitely have an impact on TV sales, at least in the short term, since it is likely that the present licences will link up allotment of VCR with the lifting of the company's CTV by each dealer," says Solidaire's competitor in the city.

Therefore, until approval for VCR manufacture comes through, Solidaire plans to use a small scale licence for the assembly of VCRs (45 were earlier allotted to manufacturers). Solidaire will utilise this licence to have a VCR/VCP bearing its brand name in the market at almost the same time as the others, like BPL-Sanyo, who have received approval in June.

By December 1989, Solidaire will commence assembling 500 kits, imported from National of Japan, to be sold under the 'Solidaire' brand name. The fact that Dyanora and UMS (a Coimbatore based company) also possess small scale licences in the south for VCR assembly is not bothering Solidaire much.

The electronic tuner project, will also assist the VCR endeavour. Explains Ramana Prasad, "The surface mounte devices which have been installed can b used for the manufacture of any ele tronic component, including those us in a VCR."

The import substituting tuner proje will go into production in February 198 and will initially meet inhouse needs; e cess capacity will be sold. However, it not likely to be a seller's market sin other parties like BPL-Sanyo and Crow NEC are also in the fray to take adva tage of a clamp on imports likely to imposed shortly.

Solidaire's other projects include t manufacture of audio equipment li two-in-ones; this is expected to involve investment of Rs.15 lakhs. In the ne phase of diversification, Solidaire pla to enter into the production of domes appliances: mixies, rice cookers a washing machines. "We are in the proce of signing a collaboration agreemen says Ramana Prasad. A public issue planned for this company, which will christened Solidaire Appliances Ltd. P duction is scheduled to begin in 1990

As a first step in gearing up the te for these new projects, the board l been reconstituted. "We also plan to duct more professionals in phases to h dle various functions," says Sriniv Rao. He is keen on retraining the w force at various levels to deal with greater automation which the new p jects will involve. If all goes well, SIL emerge as a company with a wider pr uct range within the next three years

■ DHARANI K P

"To prosper in a fast-changing world, top business leaders must think more like philosophers..."

Melvin Aushen sees a more expanded role for top executives—in the management of ideas.

It's no coincidence that the Executive Club offers the perfect environment conducive to this dual role.

The exclusivity begins with a separate check-in; and continues to the well-appointed rooms with a host of add-ons—an elegant worktable with an additional telephone extension; complimentary Continental breakfast; special toiletries; bathrobe and slippers....

A full-fledged Business Centre with its meeting rooms; and the Lounge Bar that offers just the right stimulus for work and ideation.

Undeniably, the accent is on comfort, luxury and convenience, set in very exclusive environs. On that score alone, the Club is fertile ground for the management of ideas.

EXECUTIVE CLUB

Welcomgroup's special privilege for the discerning business traveller

WELCOMGROUP

Executive Club at: Bangalore: Windsor Manor Sheraton. Baroda: Vadodara. Bombay: SeaRock Sheraton
Delhi: Maurya Sheraton. Madras: Chola Sheraton, Park Sheraton

HTA 6155 C

ABU DHABI · AL-FUJAIRAH · AMMAN · ATHENS · BAHRAIN · BANGKOK · BOMBAY · CAIRO · COLOMBO · DAMASCUS · DAR ES SALAAM · DELHI · DHAHRAN · DHAKA · DOHA · DUBAI · FRANKFURT · HONG KONG · ISTANBUL · JEDDAH · KARACHI · KHARTOUM · KUWAIT ·

OUR FLOWERS OFTEN COME BACK TO US.

Our hostesses live up to that description in every sense of the word.

Like any true hostess, they will make you feel like a guest aboard our plane, not a paying passenger.

Because, as world business demands it, pressure and stress increase daily.

And nothing is so appreciated as genuine courtesy, warmth and willingness to please.

daCunha/GA/6/88

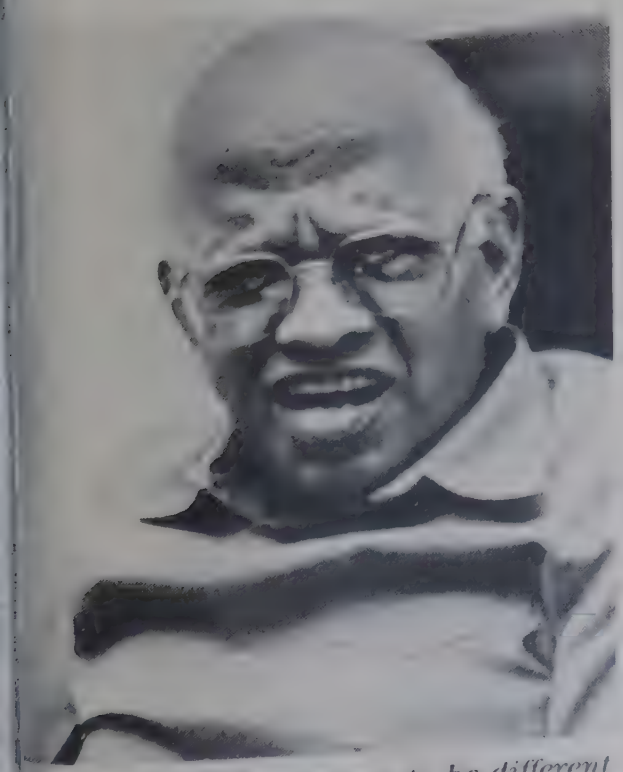
طيران الخليج
GULF AIR
GOLDEN FALCON SERVICE

A TRULY CIVILISED WAY TO FLY.

SHARJAH · SANAA · SALALAH · RIYADH · RAS AL KHAIMAH · PARIS · NAIROBI · MUSCAT · MANILA · LONDON · LARNACA

he Madras office

V.K. Pai: "a natural choice"


.N. Pai: it was necessary to be different

SAKTHI FINANCE

Responsive again

Till four years ago just an in-house finance company, Sakthi Finance is now an innovative and fast-growing organisation. And whatever its critics might say, SFL has made its competitors sit up

Last month, Sakthi Finance Ltd (SFL), a Coimbatore-based finance company belonging to the Sakthi group went on a publicity spree to celebrate two events: it had mobilised deposits of over Rs.50 crores, and the number of depositors had crossed the 100,000 mark. All in just four years after the company was revived.

Promoted three decades ago by N. Mahalingam, chairman, Sakthi Group, SFL was essentially looking after the limited needs of Mahalingam's family units, and was doing none too well. At the end of March 1983, the paid up capital of SFL was Rs. 16.5 lakhs, deposits Rs.1.24 crores and stock-on-hire Rs. 1.62 crores.

Challenge accepted

Mahalingam called upon S.N. Pai, who, as financial adviser to Sakthi Sugars (the flagship company of the group), had helped to turn that unit around in an unorthodox manner. The 74-year-old Pai, with over 50 years in banking and finance, had been coaxed out of retirement at 58. In 1983, when he was again ready to call it a day, Mahalingam offered him the challenge of putting Sakthi Finance back into shape. Pai took over as executive chairman, and moved swiftly to realise the tremendous potential for growth; he saw that there was a boom ahead.

The paid up capital of SFL was increased to Rs. 2.04 crores through a public issue in November 1984, and through two rights issues to Rs. 3.12 crores at the end of March 1988. Hire purchase was to remain the company's main line. Thus ten times the net worth could continue to be raised in the form of deposits and unsecured loans.

The Sakthi group of companies themselves, with their large transportation needs, afforded a lot of scope for financing the acquisition of vehicles on hire purchase. Simultaneously, Pai also took care to develop the leasing business. SFL is the first public limited leasing company to lay emphasis on consumer durable leasing. As of March 1988, the stock on-hire was Rs.31 crores and assets leased Rs. 21 crores.

As soon as the capital base was widened, it was necessary to strengthen the company's liquidity position. So SFL launched a massive deposit mobilisation programme. Pai was taking on established rivals like Sundaram Finance, Mercantile Credit Corporation and the First Leasing Company of India Ltd (FLCI).

It was necessary to be different. As Pai puts it, SFL had to give "a better product and a better set of benefits", and to do this it became the first finance company to offer the then permitted 15 per cent maximum interest uniformly on all deposits whether they were for one, two or three years. The interest was paid out every month with post-dated interest warrants sent in advance.

Special arrangements were made with its main bankers, Canara Bank, for the acceptance of cheques deposited in any one of the 2,000-odd branches of the bank at par. SFL also set up a series of safe deposit vaults for the use of its clients in major towns in Tamil Nadu.

Depositors attracted

Although critics dismiss these measures as gimmicks, the depositors certainly got attracted. The reputation of Mahalingam, a much respected industrialist in and around Coimbatore, also helped.

The company now has 34 branch offices, spread over six states. Another six offices, including a third branch in Bombay, are scheduled to be opened shortly. A pioneer in setting up a chain of safe vaults in the country, it commissioned three more during the current year, taking the total to 15. Eight more vaults, including two in Bombay, are now under construction.

The company claims that this diversification of its activities is becoming increasingly popular. It also plans to offer financial services such as portfolio management, investment counselling, merchant banking, factoring, etc in the near future.

Today, as Pai puts it with undisguised delight, SFL is the fastest-growing finance company in the country. "Our average rate of growth is very high: capital per annum 284 per cent, reserves and surplus

Mr Patel blocked 5 burglaries, 3 takeover bids and 4 sabotage attempts on his factory... but he couldn't plug the leakage of his profits.

Yes, Mr Patel's factory fell a prey to water leakage. Because he neglected one vitally important security measure: lasting waterproofing. So what with endless repairs and renovations over the years, his profits kept pouring down the drain.

Fortunately, over 5,25,000 constructions all over the country have escaped the same fate... Thanks to STP Limited. The most trusted name in waterproofing, pioneers and leaders for over 50 years. Only STP has developed such an impressive range of durable waterproofing treatments for every leakage problem. Like Shalimar Tarfelt BH for roofs, FG Felts for special waterproofing and Flash Strip for instant waterproofing.

And STP Limited has an equally impressive record in corrosion protection and pipe coating. It also offers a wide range of mastic asphalting treatments, both for roads and industrial floors.

So, invest in STP protection for your factory today... and avoid the continuous maintenance expenses that drain away your money.

Because STP protection means the longest-lasting protection.

STP Limited

SHALIMAR TAR DIVISION

Your shield against leakage

*For further details contact:

Head Office: 13th Floor, Shantiniketan, 8 Camac Street, Calcutta-700017. Tel: 447136/447662

Divisional Offices: 16, Lyons Range (1st floor), Calcutta-700001. Tel: 205191/201309. 16, N.G.N. Vaidya Marg, Bombay-400023. Tel: 2864643/2862313. PNB Building, 3rd floor, 9, Parliament Street, New Delhi-110001. Tel: 384155/384156. 6, Indian Chamber Building Annexe, 2nd Floor, Esplanade, Madras-600018. Tel: 560719/561022

Branch & Unit Offices: Ahmedabad, Asansol, Bangalore, Baroda, Bhopal, Chandigarh, Cochin, Cuttack, Dhanbad, Guwahati, Hatmol, Jaipur, Jamshedpur, Kanpur, Kathmandu, Kothagudi, Lucknow, Nagpur, Patna, Pipavav, Raipur, Rajkot, Ranchi, Rourkela, Secunderabad, Siliguri, Visakhapatnam.

62 per cent, deposits 505 per cent, and oss earnings 842 per cent. Our share-lder, who invested in November 1984, s already got an 86 per cent return. Tell e, which other finance company can atch this?" he exults.

Currently, the company is mopping up ore than Rs.3.5 crores of deposits every onth. Thus, by March 1989, deposits are pected to cross the Rs.70 crore mark d net profit may be well over Rs.4.5 ores for 1986-87. Even rival finance mpanies concede that SFL's success th deposit mobilisation has been truly henomenal (see table).

Phenomenal growth

(Rs lakhs)

Year ended 31 March	1984	1985	1986	1987	1988	Half year ended Sept. 1989
Share capital	25.00	60.70	96.93	204.05	308.83	308.00
Reserves & surplus	6.02	15.61	110.87	230.10	478.32	695.00
Deposits	195.77	329.35	1012.34	2404.16	4152.35	5155.00
Advances*	294.50	563.34	1454.76	3206.76	5360.87	6670.00
Gross earnings	36.65	82.65	323.67	749.22	1271.29	752.00
Profit before tax	8.18	17.70	116.65	181.76	325.69	216.00
Dividend (%)	15	20	20	22	24	12 (interim)

** Comprises mainly stock-on-hire and leased assets*

ability affected

ut there are many who question Pai's ethods and feel that his innovations ay be inimical to the industry in the ng run. Pai has certainly shocked the nservative southern companies. By of-ring 14 per cent, as permitted now, to ents for even one year, SFL has been le to attract a lot of depositors. As a sult, a large percentage of SFL's deposi-rs are in the one-year deposit category. ompetitors claim that almost 90 per nt are in this group and that this is ther dangerous for the stability of the mpany. SFL maintains that it is only out 55 per cent.

There are rumours that SFL pays a gher commission than the permitted alf a per cent for deposits mobilised. It so believes in constantly drawing atten-on to itself. The uninhibited self-promo-on has created ripples in the publicity-y south, which thinks that SFL's fi-nce mobilisation drives are very expen-ve.

"All this leads to high cost of lending. hich is why Pai is not able to go to dustry, and is concentrating on con-mer durable leasing. The concept of asing is really meant only for productive ssets, assets with earning power. Not for s and two wheelers," says one insider in e financial services business.

Pai is unruffled. "What people are re-ly critical about is what I consider our us points," he says. According to him, it as a deliberate strategy to attract the e-year deposits. "We knew full well that eople would want to try us out. We were illing to be tested. That we have come t with flying colours is proved by the ct that 80-85 per cent of these deposits ave got renewed and more and more eople have come to us. Don't forget that 0 per cent of the funds of the nation-ised banks are in current accounts," he says. The rumour that SFL pays out a higher commission is dismissed as an occupational hazard which every finance company has to face at one time or the other.

A virgin field

Pai maintains that part of SFL's success lies in not hesitating to spend money on advertising. According to him the growth justifies the expenditure. For example, during 1986-87, SFL spent about Rs.48 lakhs on advertising and its deposits stood at a level of Rs.24 crores. During 1987-88 the advertising expenses went up to Rs.76 lakhs, but deposits increased to more than Rs. 41 crores.

The policy to concentrate on consumer durable leasing also was deliberate, says Pai. "We did not want to follow the well-trodden path of plant and machinery leasing. In the cutthroat competition of the early eighties, lease rates fell. Companies got wiped out. We therefore chose a virgin field. In fact there are far less problems in this area than in lending Rs. 2.5 lakhs to a blue chip company. Even if there is a defaulter, the cost of a colour TV or a scooter will not make a dent in our operations," says Pai.

He also adds that by concentrating on groups rather than individuals for consumer leasing his recovery rate has been very good. At the end of 1987-88 only 2 per cent of the arrears are of three instalments and above. In the case of hire purchase, the figure was four per cent.

According to Pai, the insinuations that the Sakthi Finance bubble will burst sooner or later has no real basis. The checks and controls on the operations have been strengthened considerably. An elaborate system of concurrent audit of all the 35 branches by several firms of external auditors has been planned. "We are a solid company. Our share capital is Rs. 3 crores, our bank borrowing limit Rs. 4 crores and reserves nearly Rs. 5 crores. In fact, the banks chase us for deposits," boasts Pai.

SFL is a one-man show, point out some critics. "After Pai, what?" they ask. Pai's answer: "Every institution is built by one person in the initial years. Even I didn't anticipate the kind of growth we have had. Now I am taking steps to professionalise the company. I have 17 senior officers at present. By next year, we will have 25."

Last year, Pai appointed his son, N.K. Pai, as president of the company. Pai junior, an electrical engineer with an MBA, spent the two years before he joined Sakthi as head of three finance companies promoted by an industrial group in Andhra Pradesh. "I didn't join this group just to get experience to move to SFL. It just happened that I was a natural choice, when my father was looking for a professional," says Pai. There may be those who disapprove of dynastic succession. But, says Pai senior, in his irrepressible manner, "If one Pai can achieve so much, imagine what two Pais can do."

Pai is extremely confident of good results for 1988-89. The year 1987-88 was disappointing only in regard to refunds — Rs.7.84 crores as against Rs. 3.00 crores in the previous year. This is attributed to the severe drought. Pai is hopeful of reversing this trend and ending the year with Rs. 75 crores in deposits and Rs. 4.5 crores as net profit

SUSHILA RAVINDRANATH

WINTER VISITORS

Merry weather for business

For the international business community, the winter months in India are the best for both business and pleasure With personal computers and amateur cameras vying for space in their travel bags, they throng hotels business centres and holiday resorts

For the tourism industry in the country, the longest days are in winter. Overseas visitors of all hues head for the winter sun in India, filling up hotels, airline seats and beach resorts to crisis capacities. The number of foreign tourist arrivals in India has been steadily looking up over the past few years — having crossed the one million mark in 1986, it is expected to touch 1.5 million by the end of this year.

Besides their sola hats and red shorts, many of the visitors come with pocket calculators and briefcases. Europe and America are virtually on holiday from the middle of December to early January and the weather couldn't be better for doing business in India. Also, the government's continuing liberalisation policies are attracting an increasing number of multinational companies to the country. Pushing the charts are also the fresh thrust on exports and the aggressive promotion of India as a tourist paradise.

Improved fare: Airlines gear up for the rush season

Crowded calendar

Not surprisingly, most of the major international business conferences, conventions and congresses that are held in the country crowd the calendar between November and February. Besides delegates to such events, there are also multinational company executives on annual visits to their licensees or subsidiaries in India, others scouting for joint venture or collaboration partners, and an assortment of importers, especially those from the diamond and garments trades. The season is also ripe for weddings — not a few non-resident Indians tie-up a wedding in the family with a business visit.

"This is the time for large departmental stores and other buyers in Europe to place their orders for the coming summer," says Gita Choksi, general manager, tours, at Thomas Cook (India) Ltd, leading international travel agents and tour operators. "India usually supplies tropical and summer-oriented products for the European months of June to September." Garment exporters, for example, are active meeting foreign buyers around this time, finalising deals for exports about six months before the fashion fairs begin to parade Europe's markets.

Of the total foreign tourist traffic to India last year, European countries accounted for nearly half a million visitors, followed by about 175,000 from the US and Canada, and about 140,000 each from West Asia and South Asia. In terms of growth, however, the East Asian region was the most encouraging — between 1986 and 1987, it registered a 28 per cent increase in tourist traffic to India. Tourism industry watchers say that business travellers constitute about 20 per cent of the total traffic of foreign visitors.

Weddings and government feelers to business aside, much of the traffic to India feels comfortable because of the stable political environment. "Compared to other countries in the neighbourhood such as Burma, Sri Lanka and the Maldives, India is considered reasonably safe, despite problems such as those in Punjab," says Adi Katgara, director of Travel Corporation (India) Pvt Ltd, arguably the biggest travel agency in the country. Control Risks, a UK-based agency th specialises in protecting businesses a executives around the world, gives Ind a low-risk rating along with Brunei, Ho Kong and Indonesia. The agency, which retained by about 30 multinational c porations in Asia to feed information 70 countries and assess the dangers bu ness travellers might face there, has ho ever elevated the Punjab and Kashm regions to medium rating.

Favourable factor

Another factor that goes in India's fav is the depreciation of the rupee agai the currencies of most of the develo countries, according to Katgara. So travel industry observers say that weakening of the rupee against the d lar, the yen and the pound sterli among others, affords even budget to ists a five-star holiday.

Delegates to conventions, congres and conferences are among the most ble of business visitors. These spenders — one study says that

IT'S A LONG HAUL WITH ANYONE ELSE.

British Airways new Club World has been created to ensure that you arrive relaxed and refreshed on all your long haul journeys.

Whether you're flying simply to London or onwards, with British Airways Club World you'll be ready to take on the world.

It's little wonder experienced flyers choose the world's favourite airline.

CLUB WORLD

BRITISH AIRWAYS

The world's favourite airline.

WANTED CORPORATE SCULPTOR

How would you like to chisel out a corporate image for a Rs.300-crore industrial corporation?

How would you like to put your knowledge of communications and media to work in carving out a public profile for a company with a 50-year history of brilliant innovation?

How would you like to go beyond mere liaison and PR to conceive, plan and implement exciting new ideas, campaigns and projects which will unveil the several facets of Mukand?

How would you like to be Mukand's Corporate Communications Manager?

If you have a creative streak, a talent for communication, an affinity for technology and industry, along with the ability to think of, implement, and manage projects that help build Mukand a strong, distinct corporate image, this job is sculpted for you.

Just pick up your mallet and chisel us a letter.

Or, better still, tap out our phone number and make an appointment.

And start carving out a name for yourself.

Sukumar V. Shah
Sr. Vice President (Designate)
Mukand Iron & Steel Works Ltd., Bajaj Bhavan,
3rd Floor, Nariman Point, Bombay 400 021.
Phone: 202 6007/1025.

MUKAND
IRON & STEEL WORKS LTD.

Rediffusion/M/7198

Erratic flight schedules upset tour itineraries

spend three times as much as other tourists — usually come with their families, and opt for package tours around the country either before or after their business event.

Convention delegates generate creamy business for the hotels they stay in. "The restaurants are under maximum pressure around this time of the year," says Sanjiv Tyagi, food and beverage manager of the Oberoi in Bombay. "We have to maintain a higher level of pass stocks (inventories) during these months." Partying in the business circuit also reaches peak levels — Tyagi says that there is a trebling of the average number of business parties held during the rush season, as against those in the slack summer months.

New Delhi is the favourite centre for business conventions — Bombay's hotel infrastructure simply cannot support more than two or three major conventions at the same time. Madras is another hot spot, especially for medical conventions, thanks to the famed C.S.I Medical College in nearby Vellore. In the recent past, other cities such as Bangalore, Goa and Srinagar have also begun to emerge as important convention centres.

Major conventions held over the last two months in the country include the World Trade Centre general assembly in Bombay, the International Hotels Association meet in Delhi, and two medical conferences in Bombay. Between now and March next, as many as nine major meetings are scheduled to be held in Bombay, Madras and New Dehli, including the International Leather Fair, the World Philatelic Exhibition and the packaging expo, Indiapack '89.

Work and pleasure

"The reason for so many business conventions taking place in these months is the fact that the foreigner does not come to India only for work," says Anup Israni, director, sales and marketing, at the Hyatt Regency hotel in Delhi. "Mixing work with pleasure is a part of their incentive. You cannot expect foreigners to come to India for work in June, when the temperature crosses 40 degrees Celsius, and expect him to have fun as well."

Besides convention traffic, there are also qualitative changes in the pattern of business visitors coming into the country. "With a lot more foreign collaborations and joint ventures, we have more senior level businessmen such as chairmen and managing directors coming in," says Dilip Puri, assistant front office manager at the Oberoi. He also notes that with Maharashtra chief minister Sharad Pawar's keenness on tapping NRI resources for the state, the number of NRI visitors is on the rise. "I keep drilling it into my staff that work really starts in October," he says.

Although five star hotels in the metros see occupancy levels ranging from 80 per cent to 90 per cent during the season (as opposed to about 40 per cent in the slack months), visitors rarely stay on for more than four or five days. "Bombay has little tourism value. It is just a hop-off point for other destinations such as Goa," says Tyagi. Besides the golden triangle of Agra, Jaipur and Udaipur, visitors also pack off to places such as Goa, Madras, and the various hill stations in the country. "Goa is packed today," says Firoze Darbary, assistant manager at the Oberoi. "You

SNEAK PREVIEW

Take a walk. Especially if you possess an eye for things beautiful, things aesthetic.

Along the corridors of the fourth floor (South Wing) and fifth floor (North Wing) lie delightful shapes of things that will soon adorn the entire Taj Mahal Hotel: artefacts, objets d'art and paintings.

After all, when you believe even excellence can be enhanced, you go ahead and do something about it.

Wouldn't you agree?

THE TAJ MAHAL INTER·CONTINENTAL BOMBAY

THE TAJ GROUP OF HOTELS

Tourists shopping: big spenders

can't get a room there for love or money."

While Goa has its beaches and free and easy ambience, Madras charms its way into the tourist market with music as well — the annual music festival in the winter months is a major attraction. "The festival draws Indian dancers and musicians living abroad," says T.S. Parthasarathi, secretary of the Music Academy of Madras. "This year, we have Rathnapapa Kumar, a dancer from Houston, Nageswara Rao, a veena artiste from Paris, and the violin maestro, S. Subramaniam, among others."

Chaotic conditions

While the rush season means a surge in business for the support service industry, it also has the ingredients for chaos. While tickets on the major sectors of Indian Airlines and Vayudoot are difficult to obtain (the railways are worse), the frequent changes in flight schedules throw a tourist's plans out of gear. "We have about 200 groups moving around the country today," says Katgara of Travel Corporation (India), "and they are all upset. So many Indian Airlines flights are getting out of schedule, it is too much of a joke."

International airlines are also chock-a-block with bookings, both for inbound and outbound flights. "It is difficult to get a seat during this season; bookings have to be made in advance," says K.S. Mhatre, chief public relations manager at Air-India. "The average load factor during this season goes up to as high as 80 or 90 per cent." As usual, the airline has introduced a new winter schedule effective 1 December. The new order will have a couple of new Boeing 747 aircraft, more non-stop flights, at wider choice of flights for businessmen, and increased club capacities. Suresh Gadoya, general manager, western India (travel) at Thomas Cook, however, points out that other major international airlines, like TWA and Iberia, servicing India have either pulled out completely or reduced capacities. Any increase in capacities must follow negotiations at the government-to-government level.

Even as tourist traffic to the country is on the rise, there is a feeling that India i not getting a fair share of the cake. Trave writer Jug Suraiya cites the example o the 36th convention of the Travel Agent Association of India — it was held i Kathmandu, not in India.

Poor impression

Katgara feels that the problem lies in no properly exploiting the opportunitie available. "We have the facilities, but w don't know how to use them," he says "The first impression of a visitor to thi country is usually bad...he is ill-treated b customs and immigration officials, he ha to stand in long queues as only half th number of counters at the airport ar working, and so on."

The international image of India as place to do business, is also not ver encouraging. According to a reader po conducted last year by the UK-base *Business Traveller* magazine, Air-Indi did not figure in the top 10 favourit airlines of business travellers. Neither di any Indian airport figure among the to 10 — in fact, Bombay was listed as amon

Tyagi: hands full of business

A weakening rupee means bargains for tourists

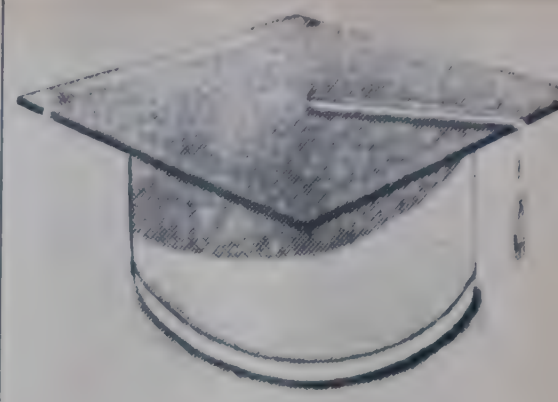
the worst airports for customs clearance, passport control and luggage retrieval. And no Indian city figured among the readers' choices of the best cities to do business or to hold conferences in.

Friendly people

Nevertheless, there is something special about this country that evokes a warm response. Stephen Longo, director of academic computing at the Philadelphia-based La Salle University, never wanted to come to India, but work brought him here last fortnight to Bombay. "The hospitality is great, and the people are very friendly," he says. "I felt spoilt...doors immediately open up, and you feel funny when they start grabbing your packages from you."

Longo's colleague Edna Wilson, assistant dean at the La Salle University, is also all smiles. "The reception in the country is wonderful, and I have never smiled as much as I did in Bombay, for years," she says. "Everyone goes out of his way to make you happy. Even the beggar who did not get anything from me said goodbye to me, and smiled before he left."

■ SHANKAR P. and MARGARET NAIDU



Under this lid we've got your company's most affordable business advantage.

For over 40 years, AIESEC (International Association of Students in Economics and Management) has been helping place over 6,000 recent business students in overseas firms on temporary assignments to the cost effective advantage of the companies involved. The use of AIESEC trainees in worthwhile activities will guarantee that a company gets favourable exposure in international business-student circles.

AIESEC is the largest non political student run organisation in the world, with about 40,000 members in 67 countries. AIESEC seeks to promote international understanding and bridge the gap between business life and education.

AIESEC Bombay offers a wide range of programmes including the International Traineeship Exchange Programme, Management Simulations of the Stock and Foreign Exchange markets, Seminars, Study Tours, a Vacational Apprenticeship Scheme, as well as participation in AIESEC's international projects.

For further information contact:
AIESEC LOCAL COMMITTEE BOMBAY
POST BOX NO. 6161
BOMBAY 400006. INDIA
TELEX; 11-2302 RAJA IN ATTN AIESEC

AIESEC

Developing Tomorrow's Managers

AIESEC acknowledges the support of [illegible] in the publication of this advertisement

U

THE NEW U SERIE

BY ZODIA

Some of the classics with the twist of today.

A lot of new excitement from the fashion capitals of the world.

And a bit of tomorrow as international designers see it.

Crafted to suit your kind of life-perfectly!

Very Zodiac, very you.

ZODIAC

IQUOR LEVIES

Cauldron of corruption

State governments tax the liquor industry heftily. Both manufacturers and the consumers are screaming about the arbitrariness of differential taxation. And the politicians in the business are laughing all the way to the bank

Booze is big and dirty business. And its getting bigger and dirtier. Murky deals in the liquor business are numerous; and so are the anomalies in the policies governing the trade.

For state governments, liquor is an unfailing and major source of revenue — there can never be a public outcry against ever-increasing liquor taxes. Constitutionally too, the liquor trade is not included in Article 19(1)(g) of the Constitution which grants the citizens the right to practice any trade or business.

Liquor is a state subject. The states exploit this lucrative industry to generate as much revenue as they can. "The revenue policies of governments are still dictated by a hypocritical concept of prohibition," says one frustrated manufacturer. "Liquor is to the states what cigarettes are to the Centre. Both are exploited to generate surpluses for the governments' largesse on other fronts," he adds.

Colossal revenue

Nothing is dreaded more by liquor manufacturers than the announcement of the budget each year by state governments — the yearly hike in taxation has become inevitable. The revenue earned by the states is indeed colossal. According to RBI figures, the excise on all varieties of liquor in all the states amounted to Rs 2,416.17 crores for 1987-88. In Maharashtra alone, the revenue from liquor in 1987 totalled Rs 308 crores. "The taboo attached to drinking gives the state governments a carte blanche to impose levies as they please," says one manufacturer.

Those who are hit the hardest are the consumers of Indian Made Foreign Liquor (IMFL) — a term concocted to distinguish this liquor from the "country" and imported varieties. Unlike beer and country liquor, on which taxes are relatively low, the pinch is felt the strongest in the IMFL category, also referred to as "hard liquor". Total sales of IMFL is over Rs.1,100 crores a year, of which more than Rs.600 crores is swallowed by the state governments in the form of various taxes.

What angers the industry and is unfair to the consumers is the arbitrariness of the taxation. Rates vary from state to state. As most states levy this duty on the quantity of IMFL — in terms of bulk litre (BL) or proof litre (PL) — the total amount of duty within a state remains the same for all varieties and brands of IMFL. "The excise duty thus favours the more expensive brands of IMFL", says V.K. Luthra, vice-president of Herbertsons Ltd a United Breweries subsidiary.

In addition, the states also levy a sales tax ranging anywhere from 10 per cent in Orissa and Punjab to 45 per cent in Andhra Pradesh. However, in certain states like West Bengal, Maharashtra, Rajasthan, Nagaland and now even Orissa, the sales tax has been merged with the excise duty. There are also some states which levy an additional sales tax and a further surcharge on the same.

Ingenious methods

Further, each state has its own method of imposing taxes. While in Maharashtra, a transport pass fee of Rs.1.50 per bulk lit is levied on the IMFL going out of distillery, in Assam there is a gallona tax of Rs.2.84 per bulk litre on IMF Chandigarh has an assessment tax Rs.40 per bulk litre, whereas Jammu Kashmir, levies a total tax of Rs.0.04 p kg and an additional toll tax of Rs.6 p quintal. In Karnataka the governmer levies a turnover tax of 1.5 per cent whe the annual turnover exceeds Rs.2 crore The state also charges a litre fee of Rs per bulk litre beside various other ad ho taxes introduced whimsically, whenev it wants to rake in extra revenue. All i all, this maze of taxes has led to a tota incidence of anything from 200 to 600 pe cent.

The differential duty structure has cre ated a difference in the price of the sam brand of liquor, leading to large scal inter-state trading of IMFL. To earn share of the profits, certain states lik Maharashtra, Bihar and Punjab intro duced an export pass in 1984-85, leviabl on any liquor leaving the state. Soo other states also introduced the fee.

Having exploited all other avenues o revenue generation, in 1986 states lik Bihar and Punjab slapped an import pas fee on all liquor arriving in the state ostensibly in a bid to encourage loca distilleries. Other states soon followe suit.

A bottling plant: the industry is an unfailing source of revenue

These two "passport taxes" soon encouraged "contract manufacturing" in the industry, whereby a manufacturer would ask a local distillery to produce IMFL under its label. In fact most of the manufacturers have already started the practice, though, as they admit, at the cost of quality. "When a local person is manufacturing, you cannot have strict quality control. And the taxes in some states do not leave you any other option," says a Jagatjit Industries manager.

Manufacturers' ploy

Apart from all these, there is the ubiquitious vendors' fee, separate licence fees for distilleries, distributors, wholesalers, retailers, and for bars. The octroi and other taxes levied by municipal bodies take their own toll in determining the price for a customer. "Such tariffs have not only led to a hike in the price of IMFL, they have also created a veritable cauldron of corruption," claims a liquor vendor.

It is also alleged that manufacturers, in order to promote their own brands, often influence state governments to levy one tax or the other. As a senior executive of the Himachal Pradesh-based Mohan Meakins, the oldest liquor manufacturing company in India, candidly said, "It's all a money game. If you want to have the edge on your competitor, then you go to the right people in the government."

A prime example is Tamil Nadu's liquor baron, Ramaswamy Udayar. Udayar first came to public notice when he set up Mohan Distilleries with Mohan Meakins. He soon became close to the late MGR. Today, Udayar is the liquor don of Tamil Nadu. In the city of Madras, no beer except Golden Eagle — a Mohan Meakins product — is available. During Janaki Ramachandran's 21-day rule, he managed to increase the price of his beer by Rs.10 a bottle, a feat no other brewery could match.

The prohibition tamasha

It is a truism to say that prohibition has never succeeded anywhere in the world. Despite all propaganda against "the demon of drink" and the imposition of draconian dry laws, prohibition has by and large failed to serve its purpose in India too. In Gujarat, which is supposed to be a dry state, the consumption of liquor is greater than in Rajasthan. In fact the Rajasthan government liquor policies invariably take cognisance of the smuggling of IMFL into Gujarat. "Every other car that passes the Rajasthan border at Chittorgarh, Udaipur and Sirohi carries 30 cases (360 bottles) of IMFL to Gujarat," says a manufacturer. In Tamil Nadu, despite partial prohibition being introduced in January 1987, the consumption of IMFL has increased enormously. While there were less than 1,000 liquor shops in early 1987, there are 2,300 shops selling IMFL today.

"When the stakes are high, anything and everything is possible," says M.B. Chobe, commissioner, prohibition and excise, Maharashtra.

Cratesful of revenue

According to sources, the states are losing a considerable income because of the ad hocism of their revenue policies. The governments are not equipped enough to keep tabs on all defaults by the traders Nor are they so inclined, it is alleged. For instance, Maharashtra loses approximately Rs.500 crores per year, according to Chobe. In Punjab, Bihar and Karnataka, the losses are estimated to be in the region of Rs.300 crores a year.

The real sufferer is the consumer — on price as well as quality. A bottle of IMFL that should cost Rs.30 including the manufacturer's profit is priced anywhere from Rs.80 to Rs.200. "Even then the quality is sub-standard, what with contract manufacturing and low-grade potable alcohol provided to the industry," claims one connoisseur.

As Chobe says, "You can swear by prohibition and excise in the same breath. Both are laudable. But what should be made clear by the liquor policy makers is whether their policies are consumer oriented, manufacturer oriented or self-oriented."

Meanwhile, the wheeling and dealing continues. As one dealer says, "Every one is on the make in the liquor market — from clerk to policy maker. It's happy hour all the time. The manufacturers are happy, the government employees are happy and so is the state exchequer."

■ SHEKHAR GHOSH

States	Excise duty	Export Fee	Import Fee	Sales Tax (% age)
1 Andhra Pradesh	Rs 45/PL	Rs 2/BL	Rs 2/BL	40.06
2 Assam/Arunachal Pradesh	Rs 30/PL			40
3 Bihar	Rs 45/PL	Rs 3/PL	Re 1/PL	25
4 Chandigarh	Rs 27/PL	Re 0.50/PL		10
5 Delhi	Rs 22/PL			10
6 Goa	Rs 13.5/BL	Re 0.50/PL		10
7 Gujarat	Rs 30/PL			45
8 Haryana	Rs 40/BL	Rs 3/PL		
9 Himachal Pradesh	Rs 22/PL	Rs 2/PL		25
10 J & K	Rs 25/PL			30
11 Karnataka	Rs 30/PL	Re 1/BL		35
12 Kerala	Rs 14/PL	Re 1/BL		75
13 Madhya Pradesh	Rs 26/PL	Re 1/PL	Rs 3/PL	50
14 Maharashtra	Rs 57/PL	Re 0.50/BL	Rs 3/BL	10
15 Meghalaya	Rs 32/PL			50
16 Nagaland	Rs 22.5/PL	Rs 6/CS		20
17 Orissa	Rs 70/PL	Re 0.50/BL		10
18 Punjab	Rs 36.43/PL	Rs 1.20/PL	Re 1/PL	10
19 Pondicherry	Rs 10.75/PL	Re 0.50/BL	Rs 10.75/BL	
20 Rajasthan	Rs 55/PL	Rs 3/PL	Rs 2/PL	
21 Sikkim	Rs 44/PL			
22 Tamil Nadu	Rs 25/PL	Re 0.45/BL		22
23 Tripura	Rs 50/PL			
24 Uttar Pradesh	Rs 40/BL	Rs 2/BL	Rs 1.50/BL	28
25 West Bengal	Rs 82.5/PL	Re 0.45/BL	Rs 3.50/BL	

BL = bulk litre CS = ca

In addition to the above taxes there are other taxes imposed arbitrar les Tax, surcharge on Sales Tax, Bottling Charges nicipal fees and duties.

We brought fashion into the world of leather

Now we bring you the technology

The Italian Footwear & Leather Goods Industry. Forerunners in the world for over four decades. The people who brought high-fashion into the industry. Find out all about them. About how the everchanging shifts in fashion trends are integrated into high production. How labour and maintenance can be slashed while production, profits and quality levels are kept high.

Learn everything about the leaders. And how their expertise can help you. At the Italian Pavilion in Indian International Leather Fair at Madras.

Technical Conferences on Italian footwear & Tanning machinery at :

- ★ **2.2.89 Madras-Footwear & Tanning Machinery**
- ★ **6.2.89 Calcutta-Footwear Machinery**
- ★ **8.2.89 Agra-Footwear Machinery**

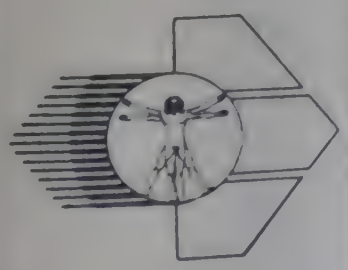
Italian Institute for Foreign Trade

assomac

National Association of Italian Makers of Footwear and Leathergoods Machinery

CIMACO

The Association of Italian Tanning Machine Constructors



For further information mail coupon to:
The Italian Trade Commission
184A Jor Bagh,
New Delhi-110 003

or to:
Assomac
Via Matteotti, 4/A
27029-Vigevano
Italy.

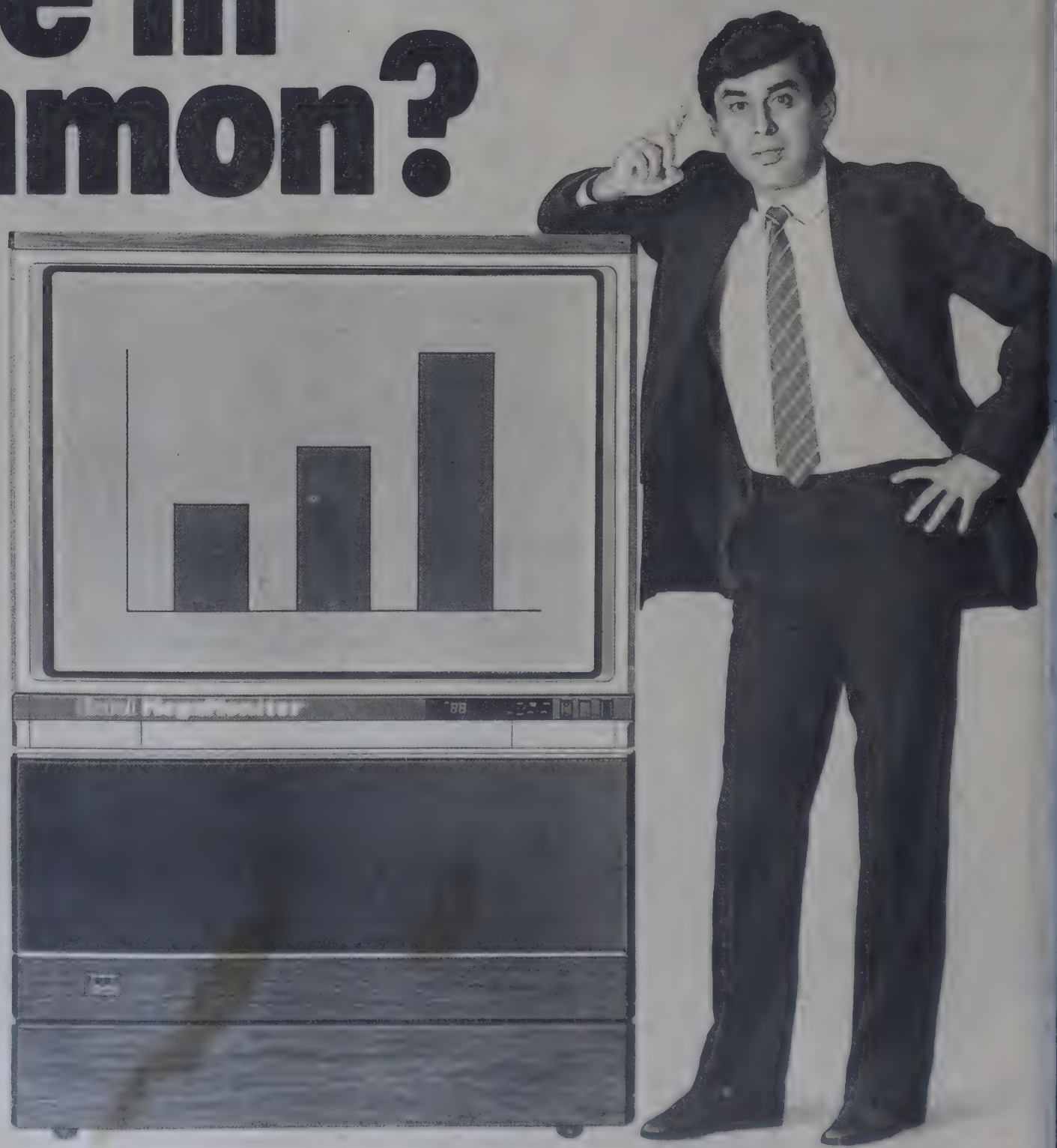
CIMACO
P .zza Diaz, 2
20123 Milano
Italy.

Name _____
Company _____
Address _____
City _____ State _____ Zip _____

Dont miss us at INTERNATIONAL LEATHER FAIR MADRAS Jan. 31st Feb 4th, 1989

HERALD-R

What do Bajaj Auto and Hindustan Lever have in common?



The Impact of High Technology

NEC

NEC Corporation, Japan

Winning ways, you might say.

Quality to the customer. Achievement-orientation in the employee. Self-reliance through R & D.

And effective communication, one might add. From the organisation. And within the organisation.

May we then dare point out that both Bajaj Auto and Hindustan Lever have acquired the Entel MegaMonitor.

Just like over a hundred other fine institutions all over India.

And thousands more overseas, who use the Entel MegaMonitor's counterpart. From NEC, Japan.

The Presenter's Favourite. In Board Rooms, Training Centres and Conference Halls

Training Managers, Marketing Managers, Admin Managers. Smart managers love the big advantages of the Entel MegaMonitor.

But first, what exactly is a MegaMonitor?

It's a giant colour televiewer

With a flat screen that's 4 times that of the homely twenty-inch. With perfect picture clarity and brilliant resolution. And a complete set of video and audio terminals. For a VCR, video camera, video disc, antenna, etc.

It's an out-size computer monitor

With a built-in interface, computer data can be presented just as easily.

It's a live sound system

With a plug-in microphone, the presenter's comments can be interpolated at will. A second microphone permits audience participation.

The Entel MegaMonitor. You're in control

With a wireless remote control in hand, you are literally the boss.

Besides, all the controls are simple. There is no need to have a technician hanging around.

There are no wires to trip over. None of the inelegance of front-projection video. None of the clumsiness of a separate sound system. (And of course, none of the miniaturising of the domestic TV.)

The Entel MegaMonitor. It's state-of-the-art

Behind the simplicity, there's high technology. From NEC, naturally. Pioneers in professional communication systems.

You name it, and the Entel MegaMonitor has it. PAL and NTSC options. Channel coverage from VHF 2 to UHF 69. Direct access channel selection. Voltage synthesised electronic tuning. Woofers and tweeters. Provision for external speakers. And more.

Professional features, put together cleverly — for amateur handling.

The Entel MegaMonitor. Is it too big for me?

Despite the screen size, it can be viewed comfortably from as close as 1.8 metres.

And it's no deeper than the domestic TV. The Entel MegaMonitor can fit snugly into a small boardroom. (Just as it can cope with an audience of hundreds, across 30 metres.)

The picture is so bright, you don't have to dim the lights. The audience can take notes — and interact.

The idea, as you can see, is effective communication. A cornerstone of every successful enterprise.

Join the Successful Communicators

Don't wait. Come for a free demonstration of the Entel MegaMonitor. See what it can do for you, and your organisation.

ENTEL COMMUNICATION PRODUCTS PVT. LTD

532 Sandhurst Bridge, Opera House
Bombay 400 007.
Telephone: 811 2541, 811 5245
Telex: 011-73965 FFFF IN

Sales & Service Offices all over India

- ☐ Please send us more information
- ☐ Please have your representative call on us
- ☐ Please arrange a demonstration.

Name: _____

Designation _____

Address _____

_____

_____

_____

Telephone: _____

Entel MegaMonitor

In the best company

In electrical components the critical difference is the high quality

With a track record of over a decade for reliability. Here are the products of rare quality

KEN ELECTRICALS LIMITED

Now we introduce India's foremost silver bearing copper commutator blanks profiles & section and contact tips

Discerning consumers like BHEL have put their faith on our experience and proven reliability thus meriting us as the best producers of above silver bearing copper products thus making us virtually leaders.

Besides this leadership we are also ahead in quality or in reliability with other prestigious products like copper winding strips, copper bus bars, copper sections, commutator strips and segments, paper covered varnish bonded fibreglass covered aluminium/copper teflon/kapton/nomex/ asbestos covered copper strips and wires.

Our name is your guarantee and your satisfaction is our moto.

TUMUS ELECTRIC CORPORATION LIMITED

Transformer Laminations & Strip Wound Cores of all types viz. Toroidal and Rectangular Cores as well as 'C' & 'E' Cores and also E & I Laminations & Stampings from C R G O Steel. Manufactured to highly specialised techniques and under strict quality control.

VINDHYA ENTERPRISES

- Aluminium Alloy Wires & Strips.
- PTFE/Paper covered Aluminium / Copper Wires and Strips manufactured to highest precision standards.
- Varnish bonded Glass Fibre, Tape covered Copper Wires & Strips.

KEN ELECTRICALS

A.A.C., A.C.S.R. & A.A.A.C. Conductors of unmatched reputation.

MERCHANTS INDIA

- DPC & Multi paper covered Aluminium and Copper Wires and Strips.

AMA-KL-15 R

Please do mail your enquiries to: Rani Baug, Chorahata, Rewa-486 006 (M.P.)

XIMSCRIP

Tailored to Indian priorities

ne current balance of payments situa-on and even more so that expected in ne near future is cause for considerable vorry. Restricting imports has proved im-ractical and has even hampered na-ional development. The only practical olution, other than inviting increased oreign equity to provide these foreign-exchange funds, is to increase exports dramatically. This may necessitate a change in the business culture and think-ing so that exports become a way of life with business, rather than a rarity practised by a few of the brave or fool-hardy.

The current import-licensing mecha-nism is predicated on fairly automatic rights to import goods based on indus-trial licences for promoting domestic manufacture — because they are re-quired for an approved (say manufactur-ing) programme or because they are not made in India and are widely needed (OGL). The problem with this approach is that it encourages irresponsible im-ports (for instance personal computer clone components). In fact there is al-most a dichotomy of enterprises: a large number of enterprises primarily exploit-ing the domestic market, merrily expen-ding most of the nation's foreign exchange importing their requisites. And a much smaller number earning most of the foreign exchange for the country in export markets.

The key to dramatic increases in ex-ports thus lies in involving the larger number of enterprises who are today un-concerned about the export effort. In the process, there can be direct control over the quantum of foreign exchange spent on imports in terms of export earnings. Moreover the cost to the nation in admin-istering import licences to the large nu-mber of domestic-market oriented enterprises in delays, harassment and manhours of policing/checking can also be reduced.

Incentives better

Earlier experiments at forcing enter-prises to export through export obliga-tions have proved, not surprisingly, to be ineffective. Obligations, like other con-straints imposed by the Indian environ-ment, primarily invoke the vast creativity of the Indian entrepreneur. Incentives work much better; no penalty if you don't earn, but distinct advantages if you do. On the other hand, most monetary incen-tive schemes such as CCS to encourage exports (except to the extent they are only unrebated taxes) run the risk of retaliation as violation of GATT or other treaties/agreements or negation as a re-sult of shrewd bargaining by overseas buyers who are knowledgeable of these explicit incentives.

The concept of 'EXIMSCRIP' provides a strong and widespread incentive to all enterprises to export. It envisages substi-tuting automatic import rights by export-based import privileges (EXIMSCRIP). The mechanism serves to accomplish both self-restraint over imports, as well as provision of the requisite incentives to every enterprise to export in fulfilment of its own needs; in fact it even encourages exports in excess of these needs by offer-ing the enterprise the true opportunity-cost value of the dollars earned instead of a statutory low value. The mechanism proposed is flexible enough to handle the current as well as more fortunate future situations and also to effect national in-dustrial policies.

> As EXIMSCRIPs represent fiscal rather than physical control, administration is both simple and flexible. The cost of administration of import licences is avoided in the proposed scheme; the cost currently incurred in handling export related banking transactions, would be diverted to the granting of EXIMCRIPs

An EXIMSCRIP is a transferable scrip which permits the holder to import, sub-ject to the import tariffs set, any permiss-ible goods up to the value of the scrip. In a sense it is like a restricted foreign-exchange currency only available in the form of bank balances, whose use is re-stricted to India and to imports of per-missible goods. It is earned by exporting goods and services, and being a form of currency it is transferable to other eligi-ble persons.

The national ratio of total EXIMSCRIPs to be issued during the year to the value of exports anticipated is set each year on 1 April and is called the annual balance of trade target (BOTTARGET) which may well exceed 1, to permit imports to ex-ceed exports, as at present. Although the concept permits different ratios for dif-ferent types of exports, simplicity is the key to administration of the massive vol-ume of imports and exports and it is advisable to have a single ratio apply to all exports. Other than government's own purchases (departmentally), EX-IMSCRIPs would be the only currency with which imports of any goods can be paid for and would substitute completely for import licences as well as the OGL.

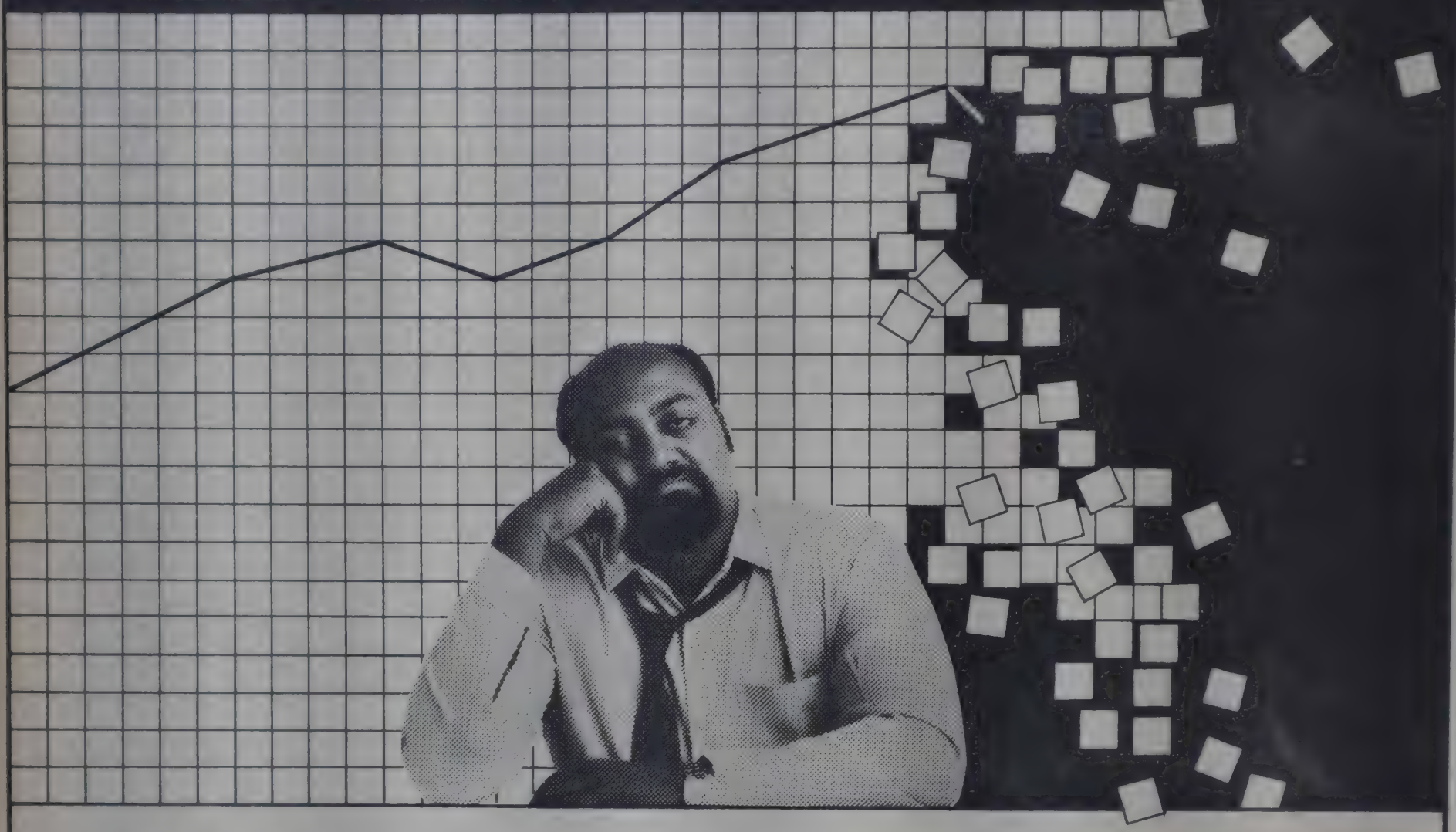
Transferable and flexible

As the scrips would be transferable, they can be given to other organisations to import their needs up to the value of the scrips; the monetary basis rather than physical-item basis of import licence permits this transferability freely. Of course, premia on transfers of EX-IMSCRIPs are both to be expected and encouraged. The government can exer-cise a fair degree of control over the pre-mium by controlling the BOTTARGET.

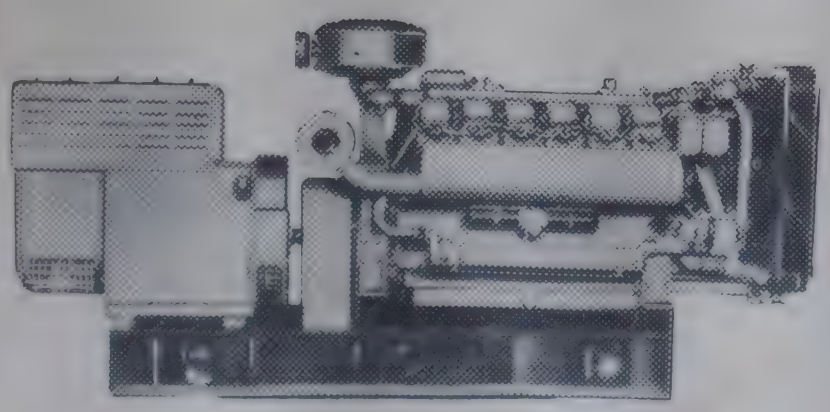
The entire process is quite indepen-dent of the mechanism of today's Re-Book, or the import tariff setting mecha-nism, to specify goods permitted to be imported at all, by anyone. It merely re-places individual detailed physical li-cences by broad value-limited impo-privileges. And unlike REP licences whic-are restricted in terms of shopping lists items permitted to be imported and thu-subject to cornering and other anti-com-petitive practices, EXIMSCRIPs are li-money and so quite general, permitti-say a shoe manufacturer to use an ele-tronic company's EXIMSCRIP to impo-his requirement of soles or other requi-ments. This generality also limits the pr-mium chargeable by an EXIMSCR-holder because there are many holde-that an importer could approach.

The non-specific and transferal properties of the EXIMSCRIP should a help reduce the inflexibility faced manufacturers when changing sources supply, model mixes and features acco-ing to market changes. Instead of go-back to the authorities each time to the item-list in the import licen-

"If only I had planned for an MWM DIESEL GENSET before production began..."



MWM DIESEL GENSET
Your guarantee for uninterrupted power supply



Make a wise investment. While setting up your manufacturing plant, install an MWM Genset – your security against production losses due to sudden power failures.

An MWM Genset undergoes rigorous tests at every stage of assembly. And is perfected for 'round-the-clock performance at full load capacity.

It is rugged, compact. Easy to operate and maintain. Extremely fuel efficient. And runs for longer periods between overhauls... The most reliable buy for captive power supply.

The complete genset is backed by a warranty period. And Greaves' nationwide network of 21 branches for prompt after-sales service and supply of spares.

SOLD & SERVICED BY
GREAVES

GREAVES COTTON & CO. LTD.
MWM Division

- 1, Dr. V.B. Gandhi Marg, BOMBAY 400 023
- Thapar House, 25, Brabourne Road CALCUTTA 700 001
- Express Building Annexe, 9-10 Bahadur Shah Zafar Marg, NEW DELHI 110 002
- 13, Second Line Beach, MADRAS 600 001

The Thapar Group

Alfred Allan 4783

mended in terms of descriptions, quanties or country of origin, the importer ow merely orders different components/ aw-materials from the most economical ource at the time and uses up his import rivileges to that monetary extent.

Implementation of phased manufacturing policies would be through the list of nationally permissible items for import and through import tariffs, not through individual company PMPs. The expected premium on EXIMSCRIPs would provide its own discouragement for unnecessary import, as does the tariff mechanism. Moreover, the BOTTARGET ensures that overall national imports do not get out of hand as the current PMP mechanism is unable to do (e.g. large personal computer component imports).

Ensures balance

As EXIMSCRIPs represent fiscal rather than physical control, administration is both simple and flexible. The cost of administration of import licences is avoided in the proposed scheme; the cost currently incurred in handling export related banking transactions, would be diverted to the granting of EXIMSCRIPs.

Unlike export obligations in which a manufacturer merely promises exports to balance his imports, the EXIMSCRIP would ensure that exports and imports are in reasonable balance. A manufacturer who might otherwise have been subjected to export obligations may now generate no exports; however someone or the other in the country has to generate those exports and EXIMSCRIPs for him to be able to purchase the scrips for his imports. The premium mechanism ensures that the exports that he generates always provide him his imported inputs at a much cheaper price than purchased EXIMSCRIPs do; this is incentive enough.

A major reason for not floating the rupee in relation to foreign currencies is the major impact on costs of imports, especially government imports. As government imports (not to be defined to include public sector corporations as well) would not be subjected to the EXIMSCRIP mechanism, the government would have to pay no premium on imports although all other importers do. This premium too can be varied by the government by control of the BOTTARGET from year to year, thus preventing drastic impacts on costs of imports.

No restrictions

Let us now answer some questions that will be asked about EXIMSCRIP. Is not the EXIMSCRIP like the IMPORT-EXPORT PASSBOOK? No it is not. Passbooks are private entitlements of individual exporters and do not convey any transferable privileges; thus a non-exporter involved in import-substitution activities cannot utilise the passbook privileges.

Is not the EXIMSCRIP like an REP licence? No it is not. REP licences primarily replenish the exporter's raw material requirements, and so comes with a restricted shopping list. In contrast, EXIMSCRIPS have no restrictions on what can be imported with them, other than the contents of the entire RED Book. Moreover, REP licences are a small fraction of exports in their value; in contrast EXIMSCRIPs are equal to or more than the exports in value in order to provide adequate resources for imports.

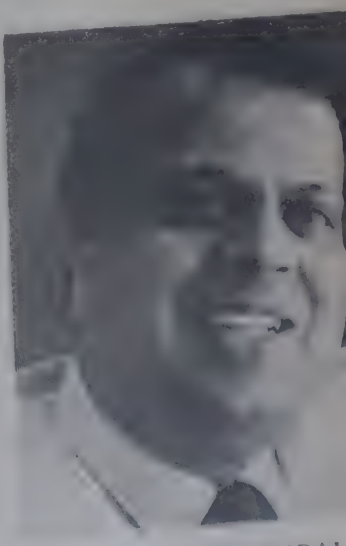
Is not the EXIMSCRIP idea like floating the rupee? No it is not. First of all, direct government imports do not need EXIMSCRIPs and so would not be at increased cost as would be the case if the rupee were floated. Secondly, if the rupee were floated, the price of a US dollar (say) would rise, to reflect the greater demand than supply, until imports were discouraged sufficiently for demand to fall to match exactly the supply of dollars. In contrast, the supply of EXIMSCRIPs at a macro level is controlled by the government through the BOTTARGET and can exceed the export value by any amount the government wishes, thus permitting a managed imbalance in the (import-occasioned) demand for EXIMSCRIPs and the value of export earnings. In this respect, EXIMSCRIP management is like money supply management inasmuch as it is to be managed at a macro level, while the micro-level activity is completely free.

Enough safeguards

Will not the EXIMSCRIP concept hurt import-substitution industries? No. It will not. EXIMSCRIPs earned by an exporter have only three uses — use for own imports, save for later imports (more on this later) and sale to someone who needs them. Thus EXIMSCRIPs that cannot be utilised by an exporter himself, must be sold for them not to be worthless. Through the BOTTARGET, the government can ensure at a macro level that the total supply of EXIMSCRIPs is adequate to service all imports, especially those of import-substitution activities. Thus there will always be scrips available to import the requirements of non exporting enterprises. Incidentally, what about EXIMSCRIPs saved, one might ask. These would earn no interest and would in any case remain with the banking system, providing a sort of forward cover of scrip-supply for the exporter against future needs; the zero interest would ensure that it is advantageous to the exporter to sell the scrip rather than keep it unutilised.

Would not there be a danger that EXIMSCRIPs could be forged? No. EXIMSCRIPs would be handled only as bank accounts and no more precautions are necessary than are already required to manage rupee accounts in the banking system.

There are schemes similar to EXIMSCRIPs in other countries, but most have disadvantages that EXIMSCRIPs do not have. Thus the French dual exchange rate mechanism for trade-related flows and capital-flows had some of the opportunity-cost-valuation characteristics of the EXIMSCRIPs but are messier to handle. Yugoslavia permits its exporters to import differing amounts of goods from different countries to which exports have been made, creating a more direct coupling of exports and imports as EXIMSCRIPs do; however their motivation appears to be more to implement modified rupee-purchase type buying preferences. Australia has an 'offset programme' that provides an incentive to export by similarly coupling import privileges to exports at least in some areas however their balance of payments situation is quite different from ours. Ultimately, our solution must of course be Indian one, tailored to Indian circumstances and priorities; this is what EXIMSCRIPs represent.

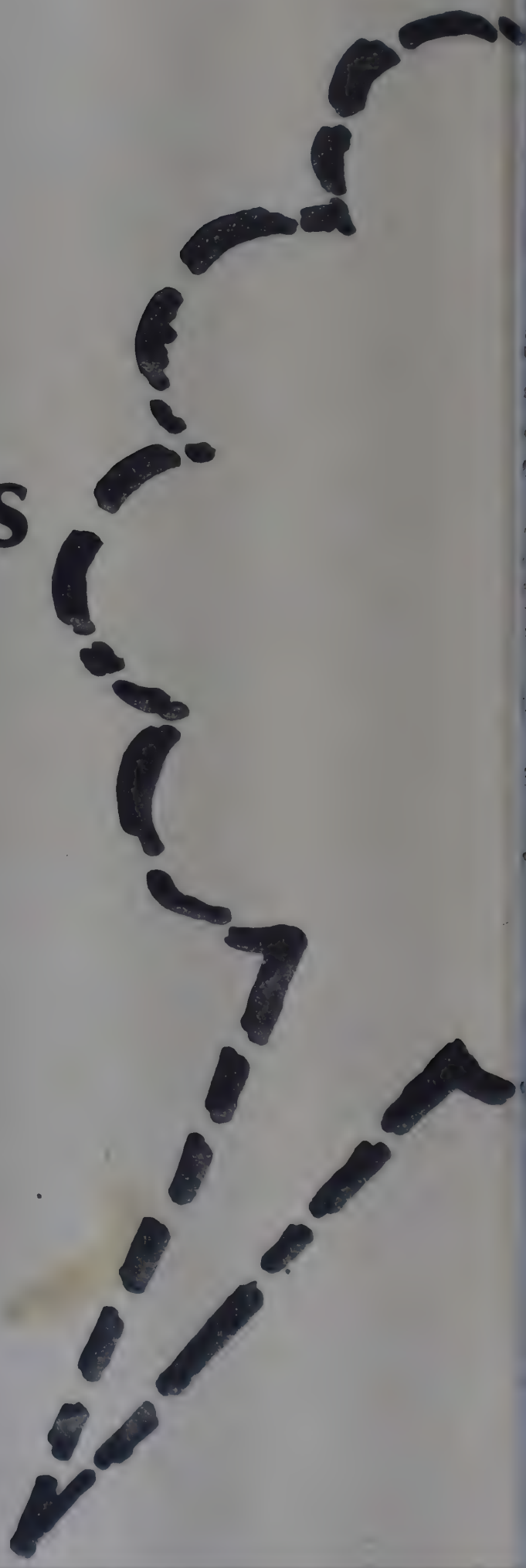


PRAKASH HEBAI

■ *The author is senior vice-president at Tata Unisys*

PERIWAL GROUP

How the country's premier cable company let the steam out of its system.



To bring you superior cables.

The process that makes the difference

The Cross Linked Polyethylene (XLPE) cables from Premier Cables are manufactured through a revolutionary process : the CDCC process.

This Completely Dry Curing and Cooling process, developed by Nokia of Finland, uses nitrogen gas as the curing and cooling medium.

And not the conventional steam used by other cable manufacturers elsewhere.

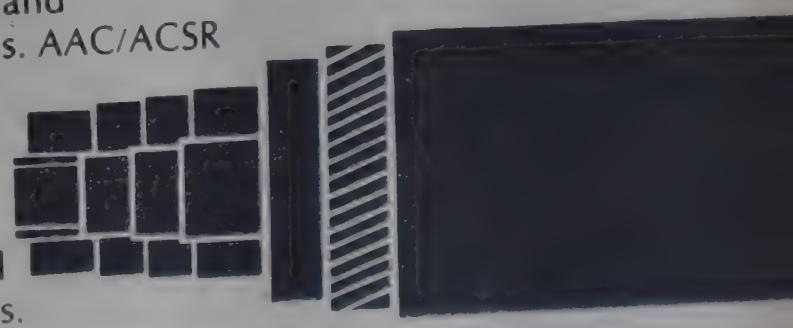
The advantages are several.

Homogenous insulation totally free from microvoids and water trees. Higher AC breakdown strength. Higher impulse breakdown strength. Smooth insulation, free from undesirable charges. Longer cable life. Low transmission losses. And virtually maintenance-free service.

From EHV downward, total capability in cables

For EHV applications, Premier Cables manufactures XLPE cables up to 132 KV.

Other cables include PVC, Power, Control and Signalling cables. AAC/ACSR and aluminium alloy overhead conductors. Cotton and paper-covered wires and strips.



Fire Resistant Low Smoke (FRLS) cables are manufactured with special compounds and smoke suppressants – the outer jacket resists even intense heat and helps contain the fire from spreading.

The latest additions to the range of Premier Cables are the Remote Temperature Detection (RTD) cables and Aerial Bunched Cables (ABC).

RTD cables are capable of measuring temperature remotely through resistance comparison bridge, enhancing safety.

ABC cables are the ideal solution for rural electrification projects in India offering several advantages like higher reliability, lower transmission losses and lower installation costs.

And now, turnkey projects

Premier Cables now offers you its cable-laying expertise through its Contracts Division. The services include pre-installation advice to selection of switchgear and transformers, on-site cable laying and jointing.

Making Premier Cables not only your prime source for cables but also for cable-laying expertise.

THE PREMIER CABLE COMPANY LTD.

(A member of the Periwal Group)
Premier Cable House
M G Road Ernakulam
Cochin 682 016

Cables that make all the difference.

THE INSTITUTE OF CHARTERED FINANCIAL ANALYSTS OF INDIA

ADMISSION NOTICE

THE CFA PROGRAMME

(In collaboration with the Institute of Chartered Financial Analysts, USA)

The CFA Programme is designed to provide specialised training in Corporate Finance, Investment Management and Financial Services leading to the designation of '**Chartered Financial Analyst**'. More than 8000 candidates have already enrolled in the CFA Programme from all over the country.

National institutions like IDBI, ICICI, IFCI, UTI and many companies have approved the CFA Programme for reimbursing the fees.

ELIGIBILITY

Graduates (any discipline). Final year degree students may also apply. Exemption from the Admission Test is granted to certain categories of candidates like CAs/AICWAs/ACSs/MBAs/First Class Graduates etc.

For Prospectus and Application Form please write to The Admissions Officer giving your address and enclosing a DD for Rs. 50 favouring ICFAI, payable at Hyderabad.

The Institute of Chartered Financial Analysts of India
Road No. 3, Banjara Hills, Hyderabad - 500 034.

Can you spot Littlemore's Client?

The gentleman, sitting comfortably on the chair, is one of Littlemore's client. Today, he has very few worries and has all the reasons to smile.

For, Littlemore, Detectives and Investigators, has made his business secure. Thanks to Littlemore's team of exceptionally talented investigators, advanced diffusion techniques and over 28 years of experience.

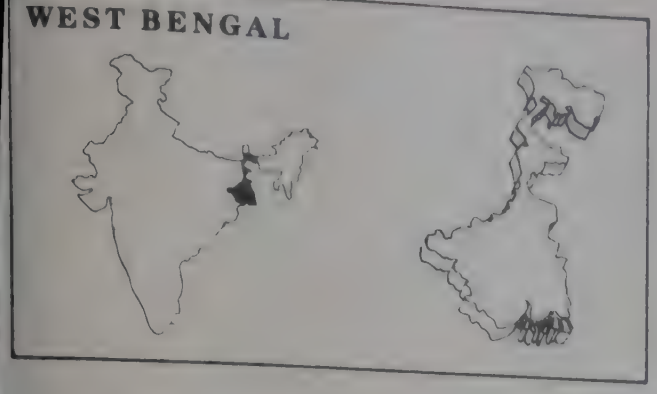
So, whatever be your problem - **strike settlement, violence, wage negotiation, industrial investigation, leakage of technical information etc.**—pay Littlemore a visit today, to discuss the same in a confidential atmosphere.

You can also appoint Littlemore on retainership basis, for just Rs. 2 per employee, per day.

LITTLEMORE
SERVICES PVT. LTD.
Detectives & Investigators

A-15 Sea Lord, Cuffe Parade, Bombay 400 005.
Gram: LITSERDET. Telex: 011 4407.
Phone: (022) 214047/216176/8221936.

Sai—L-536



Labour bites the dust

The trade union movement in West Bengal appears to have come full circle. The state's fiery trade unions which, during the late sixties considered 'gherao' their constitutional right, appear to have been tamed at last. The traditional call for a strike has now been replaced by requests for collective bargaining.

In the six prominent union-management disputes during 1988, the unions have come off worst. Whether it be in profit-making Bata and Dunlop or in sick Metal Box and Guest Keen Williams (GKW), the unions have just not been able to assert themselves during negotiations.

Metal Box: meek union submission

The union in Bata failed to call the management's bluff when it threatened to close down operations at the Batanagar factory employing over 9,500 workers; it meekly signed an unprecedented 230 point settlement considered historic in industry circles. The Bata Mazdoor Union had successfully picketed all Bata retail stores in Calcutta during the festive season when sales are at the highest. Even then, the management did not back down, and simply dismissed the union's demand for the lifting of the lockout as a precondition to any negotiation.

GKW: sick and closed

No major gain

Similarly, a strike by the Dunlop union at the company's oldest factory at Shahgunj since August this year had to be withdrawn, and the unions failed to wrest any significant gains beyond what was offered by the management prior to the strike. Corporate gossip has it that the Dunlop strike was prompted by the Goenkas once they realised they could not hold on to the company. The Chhabrias on the other hand were keen to resolve the strike once they took over Dunlop — hence the quick solution to the strike.

Both the Bata and the Dunlop settlements are being perceived as instances of failure of the trade union movement. Will a similar union debacle be witnessed in Pieco Electronics and Electricals also? On 15 December, a wholly owned subsidiary of Pieco, Electric Lamp Manufacturers of India Ltd, declared a lockout at its factory in Taratolla, which employs around 1,200 people. Its unit at the Salt Lake electronic complex is also in trouble. The unit is unviable and a drain on the company's finance. A labour settlement is a possible way out.

Managements look at the situation in a different light. "It is not a question of winning or losing, but a question of making the factory viable," says K.V. Shanbogue, general manager, corporate affairs, Bata. "The recent agreement would not have been concluded unless the logic of the management's stand was understood. From the outset it was never a negotiation but rather a straightforward discussion aimed at the survival of Bata through the restoration of manageability, viability and discipline."

Industry experts feel that the trade unions have far too long been entrenched in their traditional ways of thinking. The day of the strike is over and go-slows are no longer the best methods to extract optimum results.

"Trade unions are no longer keeping in tune with management practices," adds a senior official of Dunlop. Says Mani Shankar Mukherjee, vice president, corporate relations at Dunlop, "This is the era of productivity linked wages, and the workers must condition themselves to this."

The West Bengal government has come in for much criticism. Its mediatory efforts to secure a better deal for the workers have not amounted to much, it is said. There is a feeling that in its determined bid for industrial revival it has turned its back on militant unionism.

Shanti Ranjan Ghatal, minister of state

5 GOOD REASONS WHY YOU SHOULD TAKE THE MACHINERY BREAKDOWN INSURANCE POLICY FROM UNITED INDIA

1 The Production Reason

"One important machine down and the whole assembly line comes to a standstill. Production schedules go awry. Targets can't be met. Downtime goes up. Everything goes haywire."

2 The Finance Reason

"Cash flow disruption. Short-term financing. Locked-up working capital. All this can make a big difference to profits."

3 The Personnel Reason

"Deployment of labour becomes a problem. Overtime later to make up for production loss. Employee morale goes down. If we can't manage machines, we can't manage men!"

4 The Marketing Reason

"Availability and flow of products into the market can make or break a company. Loss of credibility among distributors and customers will allow competitors to get their foot in. It'll be marketing suicide!"

5 The Maintenance Reason

"Turbines,compressors, pumps, generators, transformers — all costly equipment. I can control routine repairs, but not unforeseen breakdowns or losses. I'm not God, I'm only a man. I'm not even a machine!"

Avoid management by crisis. Make insurance a part of your policy.

Any kind of mechanical and electrical machinery — at work; at rest; or being cleaned, inspected, overhauled, removed or re-erected within the insured premises... UI covers them against any unforeseen loss or damage. This policy can also be extended to cover loss of profits following breakdown.

So whether you are the manager of a big factory or a small scale industrialist, make sure sudden loss of machinery and lack of re-financing doesn't bring your operations to a standstill.

UNITED INDIA INSURANCE CO. LTD.

(A subsidiary of the General Insurance Corporation of India)

24 Whites Road, Madras 600 014

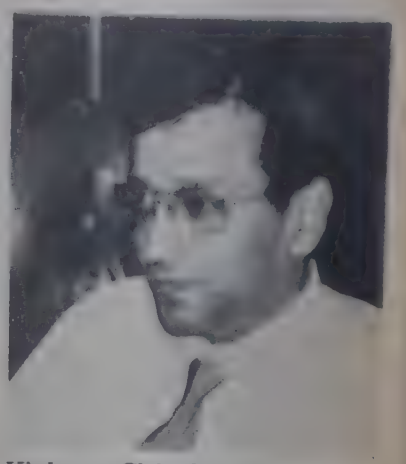
Act now. Contact any of our 1000 offices.

HTA 7014

or labour, however, says, "At least the West Bengal workers have been spared sweeping retrenchment as in the textile mills in Maharashtra and Gujarat." Calling the recent settlements "a temporary setback," Ghatak says that under the circumstances the unions have not done too badly in wage increases — especially in the case of Dunlop. The other wage benefits were already a part of a settlement negotiated by the labour minister and concluded before the strike. Ghatak does say disapprovingly, "After the state government's successful negotiation earlier there was no need for the unions to go on strike."

Ghatak: workers in Bengal better off

Mukherjee: for "responsible unionism"



Kishore Chhabria: keen to resolve issues

Financial failure

"The recent events are being falsely seen as trade union failure, when there has been no such thing," says Sabyasachi Sen, the West Bengal labour commissioner. "The present situation is more directly a result of management and financial failures, rather than any case of labour indiscipline."

Reactions from the trade unions vary. Says Monoranjan Roy, president CITU (Centre of Indian Trade Union), "It is not that the workers have become defensive. The recessionary economy, a result of faulty economic policies coupled with the mishandling of capital by industrialists, has perpetrated the present situation. The workers as usual bear the brunt of it."

Some consider the recent happenings as signs of an unequal battle, and rationalise their defensive stance as "responsible trade unionism".

Saugata Roy, a prominent Congress (I) leader and a well known unionist, is of the view that "workers, given the current economic situation, have become much more realistic. They have to stage a rearguard action in the face of the massive employers' offensive".

The change in attitude is clearly reflected in the sharp reduction in the number of mandays lost. In 1981, strikes contributed to about 27 per cent and lockouts 77 per cent of the total mandays lost. In 1987 only 6.8 per cent of mandays lost were on account of strikes and lockouts accounted for 93.2 per cent. The average duration of a strike, which in 1981 was for about 36 days, came down to 17 days in 1987, while the average duration of a lockout over the corresponding period increased from 69.4 days to 137.9 days.

Fate undecided

The fate of the two companies under lockout, GKW and Metal Box, is yet to be decided. Even the phased reopening hinted at is doubtful, unless the workers agree to accept the golden handshake offered. The funding agencies have said that voluntary retirement by a large section of the workers is a must if funds are to be pumped into the companies for revival.

Besides these large units, about 70 large and medium units in West Bengal in the organised sector are lying idle today; over 150,000 workers are jobless. And the number of small ancillary units which have closed shop runs into thousands.

Trade unionists don't quite know how to respond to the new management militancy. Unions in the state grew with the early days of industrialisation and were comfortable till the mid-sixties, when heavy investment in the core sector steadily created employment and the skilled labour market was buoyant.

The main thrust of the unions at that time was to wrest a better deal for the workers. The movement has found itself trapped by its inability to go beyond the "we want more" syndrome.

The late sixties witnessed a sharp rise in union militancy in the state with the communists coming to power. Also, it was around this time that jute began to lose out to synthetic packaging materials. Most of the engineering giants like Jessop and Texmaco, which had played a pivotal role in the state's economy, fell by the wayside for want of funds. The state witnessed a massive flight of capital.

All this upset the normal economic

Bata: the strike ended in a whimper

Dunlop: scene of a corporate battle

conditions in the state and the workers found themselves facing a tough situation. But right through the seventies the rigid labour laws made it difficult for employers to get rid of the workers and the state government's policy sheltered the agitating workers of a sick industry by nationalisation of sick units. However, both were artificial props, and in the eighties, when the 'state sector' became an unfashionable concept, the government woke up and decided not to resuscitate its terminally ill industries.

Prop removed

In West Bengal itself, Bengal Potteries and Sree Durga Cotton and Spinning Mills, previously protected by the government under the Industrial Development and Regulation Act (IDRA), have been denotified. According to Saugata Roy, it is the sudden removal of such props that destroyed the basis on which the workers were earlier fighting.

The managements on their part are realising the need for the flab to be trimmed and for modernisation of their plants to make them more competitive and commercially viable. And modern technology has little place for a large labour force.

It is against this backdrop that the unions are searching for a solution — and not finding any. Much rethinking is called for in the state today. There is a need for specialised advisors, trained business managers and accountants who know the ropes and can promote easier management-union relations. "The unions can afford to hire professional consultants which is much better than relying on politicians to solve their problems," says one observer. Monoranjan Roy of CITU, however, dismisses the idea of hiring professional consultants, saying that it could work in highly developed countries, but would be "impossible in an industrially undeveloped or developing country".

A more promising alternative is the Kamani way, where a workers' co-operative now runs the unit. But this example has by and large failed to inspire the workers in West Bengal. Some unionists feel that "in a market economy, mere ownership will not solve problems". Others like Saugata Roy say: "Our workmen do not seem to have enough confidence. We are not ready for it yet."

One thing is clear. The unions are unlikely to take the militant postures of old. As Subrata Mukherjee says, "Irresponsible trade unionism is a luxury we can't afford now".

■ MADHUMITA BOSE

3-day Educational Program on
STRATEGIC MARKETING
Based on
STRATEGIC MARKETING MANAGEMENT PROGRAM OF HARVARD BUSINESS SCHOOL
Offered By
Prof. KASH RANGAN of Harvard Business School
with support from
Dr. Manesh Shrikant, DBA (Harvard) and others.
For senior managers in Consumer and Industrial sectors.

Content : Product Policy, Channel Management, Market Segmentation, Pricing, Consumer Behaviour
Venue : The Taj Mahal Hotel, BOMBAY
Date : January 5-7, 1989.
Fees : Rs. 5,000/- per participant (Non-Residential)

Organised by BHARTIYA VIDYA BHAVAN'S
S P JAIN INSTITUTE OF MANAGEMENT & RESEARCH
Munshi Nagar, Andheri (West) BOMBAY - 400 058.

Nominations/Enquiries be sent to:
The Program Co-ordinator at the above address. Tel: 6287454 / 6280396

Flying high

Suitings exclusive
for all seasons

In Quest of Nehru's Dream...
BIC Weaves

Lal-imli
Dhariwa

The Unforgettable Twin

Presenting a track record of higher productivity.

The Hindustan D6H Crawler-Tractor. Elevated sprocket design, powershift transmission, sealed and lubricated tracks and redesigned push arms help it move material faster, better.

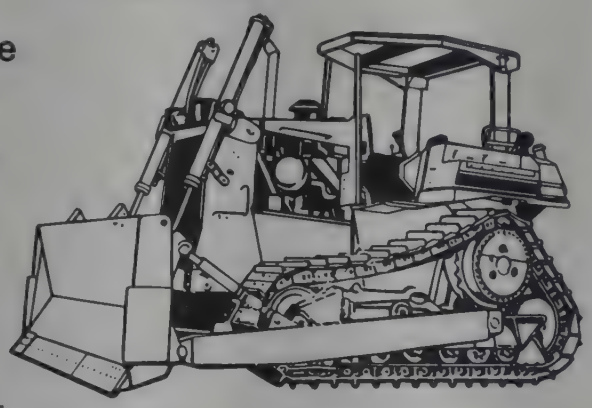
Better ground contact

The D6H has an elevated sprocket design. Among the many benefits: more track is on the ground at any moment improving flotation; the roller-frame mounting location has been shifted to optimise balance and centre of gravity is pushed forward, at a correct height. What's more, ground clearance is better, so the D6H Crawler-Tractor can work on terrain that would defeat any other.

38% more pryout force

Redesigned 'L' shaped push arms hold the blade closer to the body. This, in combination with the forward centre of gravity improves penetration. Pryout force is increased by making the lift cylinders nearly vertical. Control too, is superior because of very limited sideways blade movement.

Digging and moving out material can be done much more efficiently. Finishing too, is improved.



Electronic monitoring for safety

Vital functions of the D6H are monitored constantly. Three warning levels alert the operator well in time to take corrective action to prevent damage to the machine.

Frugal on fuel, low on maintenance

A direct fuel injection system with 'scroll type' metering enhances fuel efficiency. A high torque rise of 25% increases lugging power and speeds response to changing loads.

Maintenance gains by the modular design of the powertrain. Each major assembly can be removed independently of the others. Components can be assembled and tested before installation. ***Downtime is therefore reduced, significantly.***

Of course, Hindustan supports customers with better parts availability, service, tooling and training.

A range of equipment

The Hindustan range of earthmoving equipment comprises dumpers, loaders and crawler-tractors. It's a blend of Hindustan Motors' experience and Caterpillar technology.

The sum : productivity

Hindustan Motors stretches your investment to its fullest. It provides the best in technology. And offers a range of hard-working, reliable machines to choose from, whose performance has been proven in the toughest spots world-wide.

Get Hindustan. Get productive.

For more information, contact:

HINDUSTAN

Moving into now technology

Hindustan Motors Limited
Earthmoving Equipment Division
P.O. Melnallathur 602 004
Tiruvallur, Tamilnadu.

Marketed & Serviced by :

GMM CO General Marketing & Manufacturing Co. Ltd.

Madras • Bombay • Calcutta • Hyderabad • Nagpur • Goa • Baroda • Bilaspur • Ranchi • Singrauli

TIL TIL Limited

Calcutta • New Delhi • Dhanbad • Asansol • Lucknow • Jaipur • Chandigarh

Caterpillar, Cat and CB are Trademarks of Caterpillar Inc, USA

Disagreeing with the boss

A crucial question of managerial ethics is when to differ from one's superior or employer. An extreme form of this ancient problem was faced by Thomas Beckett. Those who saw the film starring Richard Burton or, better, read "Murder in the Cathedral" by T.S. Eliot, will recall that Beckett was King Henry's man. He had risen from humble origins to chancellorship; along the way, he had become Henry II's confidante and companion — even in adventures not fit for publication in this journal. But eventually, upon being made Archbishop of Canterbury, Beckett felt obliged to take a stand against his King. The rewards were death — and immortality and canonisation as a saint. In business life, we do not expect such drama though, for example, an audit clerk was murdered in Dhanbad, apparently because he was too diligent.

A boss has many claims upon one: he may be an elder, a relative, a guru, a protector. Usually, he has greater power, social standing and experience. A subordinate may feel uncomfortable even thinking at variance from his superior.

Didn't feel right

Robert McNamara, one of president John Kennedy's "best and brightest" as defence minister and still later head of the World Bank, was once president of the Ford Motor Company. He was member of a group of analysts who sold themselves to Henry Ford II to cure his giant, ailing business. Subsequently, to cut costs, large Ford plants in Massachusetts and Texas were shut down. McNamara called a meeting of top executives to consider further closures. No one could really fault the impressive recommendation before the even more impressive boss. But it did not feel right. Finally, a veteran joked, "Why don't we close down all the plants and then we'll really start to save money?" There were no more closures and the company went to a new peak of performance.

This illustrates not only when to disagree but how. There could be other times and ways. As a freshly articled clerk I was asked by a senior, under pressure of time, to sign off on my section of an audit before I was satisfied. "After all," he said, "I am finally responsible for even your work." The Eichmann trial being still fresh in our memory, my boss was shaken when told that the Nuremberg doctrine did not allow me to abnegate all responsibility on his instruction. (At Nuremberg international jurists condemned Nazis who had committed atrocities, rejecting the defence that they had acted on instruction from superiors.) In the event I got away by working all night to beat the deadline. And youth and cheek were mitigating factors. However, I believe the principle is defensible: one can never wholly avoid individual responsibility. The idea of "neutrality" in bureaucracy (ie policy is made at the top and faithfully executed at all other levels) is seriously in doubt.

The difficulty arises because organisations are set up to do that which cannot be done, or done efficiently, by individuals acting independently. Hence organisational rules and norms restrict independent action. They also restrict individual responsibility since otherwise no one would accept a constraint on action. However, this can go too far so that stupidities or atrocities are perpetrated.

Each player in an organisation could analyse each disagreement as follows. Firstly, is it a difference of opinion or a point of principle. For example, a difference of opinion might arise if the boss wants to paint all doors red whereas I think muted colours would be appropriate. In such a case, I might argue briefly and then drop the issue.

A matter of principle might arise if someone insisted that all painting contracts be given to a particular party ignoring the offers of others more competent and cost effective. I would be justified in giving battle in such cases, especially if substantial matters are involved.

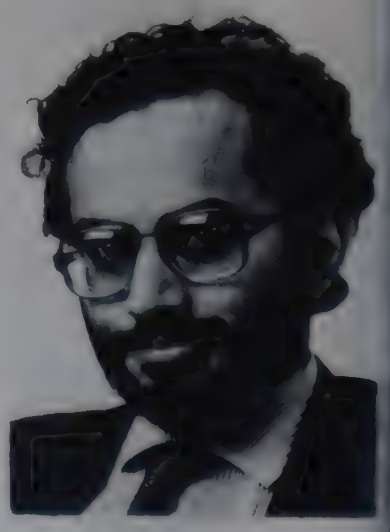
Principled fight

It can be tricky deciding what is substantial, when the fight for principle is non-trivial. A new accountant once queried a Rs.600 taxi voucher. It turned out to be the claim of the chairman of the company, who brushed aside the query, publicly stating that he had hired the cab all evening to entertain a lady of easy virtue! Six hundred rupees was easily overlooked in such a large company. However, many such oversights may have conjoined and been compounded for, after a period of hubris, the chairman and other directors of the company were accused of fraud and crime (especially under FERA and COFEPOSA). Matters were hushed up, but not before the principal actor was found dead with a suicide note saying that he had lost control. Perhaps strong dissent after his early transgressions would have helped this chairman.

Even a significant single point of dispute may not be worth a serious fracas. I may, generally, enjoy my job, feel my organisation is worthwhile, have constructive relationships with my colleagues. So, if one of them has a serious disagreement with me, it may be undesirable to carry the conflict to the departure or incapacity of either of us.

Traditional advice

How then does one disagree with the boss? Humour, surprise and charm have been exemplified. Persuasion and tact would be the traditional advice. This would include the dicta that one may argue in private until a decision is taken: thereafter one must close ranks to implement the decision (theorists refer to this as the ethic of "structure") or resign where the occasion demands. In our *kalyug*, this seems unfit for universal application. If a chief minister resigns, a considerable point is made. However, the resignation of a middle manager usually passes unnoticed. So it may be necessary to battle the evil from within. How exactly that would be an issue of managerial politics rather than ethics is best left for another time. But simple tactics such as stalling or asking written instruction have proved remarkably effective. In extreme cases, persons have quit and continued the fight from the outside.



■ NANDAN MALUSTE

The author, a former financial controller of Lintas Advertising, is now an independent management consultant

GURPREET S. BAJAJ
BUSINESS REAL ESTATE

"THE GOPALSONS BUSINESS SUIT IS A CLASSIC. THE CLASSIC. IN STYLE, CUT, FABRIC, WORKMANSHIP. IT'S NICE TO KNOW A TAILOR YOU CAN TRUST FOR YOUR MONEY. THAT'S GOPALSONS TAKE IT FROM ME..."

Gopalsons

mens wear par excellence

PLAZA CINEMA BLD. CON. CIRC. S. NEW D

The finest in international luxury, comes to downtown New Delhi.

Hotel Holiday Inn

You can feel it in the air.
The difference is care.

Connaught Plaza

The Capital's latest Premier Luxury Hotel brings you the finest in international caring. Yes! In the heart of the city's commercial and entertainment district you'll discover the spirit of the Holiday Inn magic. A fine tradition of warm hearted hospitality reflected in each one of the unique offerings of the hotel.

- *450 luxuriously appointed and spacious King Leisure/Double Double rooms; a choice of 55 deluxe suites to be opened shortly.*
- *Business Centre with comprehensive executive and secretarial services, private offices and meeting rooms.*
- *"Club Select" — Two floors of luxury accommodation to be opened soon.*
- *"No-Smoking Floor".*
- *Specially designed wheel-chair accommodation.*
- *A selection of 3 restaurants serving Indian, Continental and Chinese cuisine and a 24 hour restaurant. A Thai food restaurant & a discotheque to be opened soon.*
- *A regal ballroom accommodating upto 1000 persons and six individual function rooms.*
- *Health and Fitness Centre.*
- *Beauty parlour and barber shop.*

Holiday Inn*

Connaught Plaza New Delhi

Barakhamba Avenue, Connaught Place, New Delhi-110 001, India
Telephone : 3320101, Telex : 031-61186 HIND IN, Telefax : 3325

THE POWER OF

HEADING FOR THE TOP WITH

The fast changing world of computers now has a name with the power to take over the No.1 position. PCL Computers.
It's the one year old venture that's taken the entire Indian computer industry by storm.

Setting up an astounding installation base of more than 5500 computers in this short span. And today, increasing that figure at a monthly rate of virtually 500 computers!

That's an achievement born out of the people's faith in not just our hardware, but also our service and support systems that are unquestionably one of the best in the country.

Proof of which is PCL's exclusive uptime record of 99.8% on all machines, and repeat order track of almost 70%!

Here, take a closer look at all that PCL offers you :

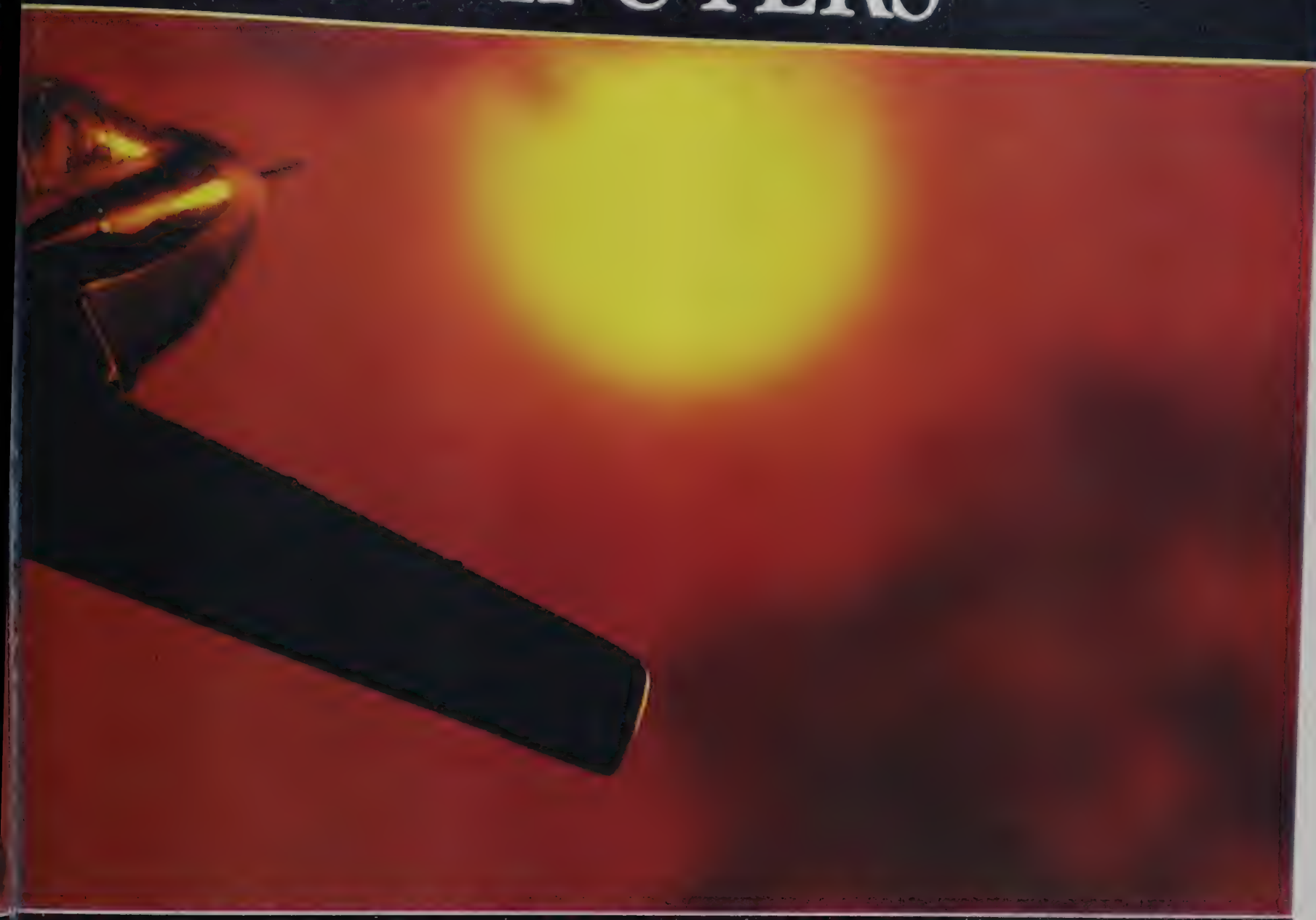
The fastest growing hardware range

Five years ago, PCL started by offering you basic office equipment like electronic typewriters. In July '87, after establishing the strong and efficient infrastructure absolutely essential for a service-oriented industry like computers, PCL launched its Computer Division. And now, within a year of its inception, it offers you a complete range of PCs, PC-XTs, PC-ATs, 80386-based systems, mini computers, office publishing systems, electronic telex systems, modems, CAD/CAM/CAE, LAN, EWS and printers. And of course, the whole host of peripherals ranging from special cards to plotters, digitizers and even constant voltage transformers!

The fastest growing support network

PCL has grown tremendously since it started with a small team of just 15 people; today it has a massive workforce of more than 800 people

PCL COMPUTERS



THE FASTEST GROWTH RATE

working with commitment in every part of the country, from PCL's nationwide network of 48 offices.

Each of our professionals has been carefully selected from India's premier technological and management institutes. Then, in accordance with their talents, inducted into specialised groups – Industry Marketing, Customer Services, System Engineering, Customer Engineering and Application Support.

And, with over 50,000 man months of industry experience, who better than them to advise you on everything, from site selection to choosing the right computer and software?

In addition, they will help you make optimal use of your computers and, as and when the need arises, upgrade them in the most cost-efficient way.

Of course, if it's special software you need, they will even develop customized packages for you!

Small wonder that the PCL promise is almost impossible for the others to match, leave alone beat!

PCL

India's fastest growing computer company.

Corporate Office:E-46/10, Okhla Phase-II, New Delhi-110 020. Tel:6837379, 6841860, 6841864, 6846472.Telex:031-75163 PCL IN

Will the grey in a grown man's wardrobe die a silent death?

Sobriety and understatement. Virtues of the best-dressed men in every decade.

Virtues that a grown man will always find alive and thriving in a readymade package: Park Avenue.

From the fabric that has been subjected to 250 'Perfect Fabric' tests to the genuine horse-hair buckram interlining. And from the expensively hand-stitched look of the lapels to the superb notch collar. Park Avenue Suits, you discover, still emphasize the one thing that survives every antic of fashion:

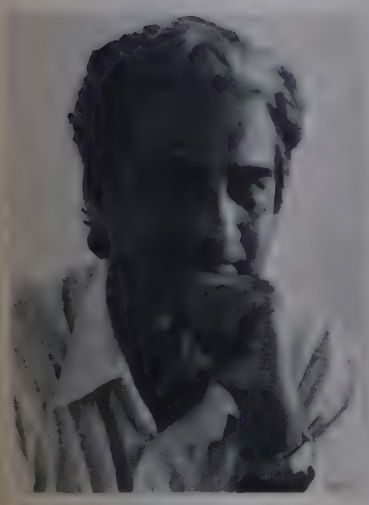
Style.

Style ...
it never goes out of fashion.
The Park Avenue Collection.
Readymade for you:

Suits, Jackets & Blazers

Safaris
Trousers
Shirts
Kurtas
Jeans
T-shirts
Woollen Knitwear
Ties
Scarves & Cravats
Handkerchieves
Socks
Belts & Leather Articles
Men's Toiletries

For a free Park Avenue booklet
write to J.K. Bombay Ltd.
P.O. Jekegram, Thane - 400 601.



E.A. RAMASWAMY

The price of appeasement

A strange coalition is emerging in segments of the public sector between top management and the trade union. The management is learning to cope with industrial relations without plunging into headlong confrontation with the union. The policy is simply to appease.

Together, the union and management keep up a facade of industrial harmony. There are skeletons in the cupboard, but the union and management are so much in it together that they strain every nerve to keep the skeletons from spilling out. It is a strategy which, in due course, evokes protest from both ordinary managers and ordinary workers, but who cares for them so long as appearances can be kept up?

Here is an interesting case: The scene is one of our largest and most successful public enterprises some years ago. So popular is the union president that graffiti extolling his virtues is scribbled on walls for miles around the plant. Union office bearers, some three to four hundred of them, punch in and out as they please. Proxy punching is a well developed practice.

The unit has a rather queer notion of production. The months from November to March are recognised as "production months". This is the time production shifts to top gear to meet targets. During the rest of the year, you wouldn't believe that the place really employs the thousands of people that it claims to. The few people who are around are sitting together in clumps and chatting away.

As the winter months approach, the union begins to bargain. It demands guaranteed additional payments to meet production targets. The demand has naturally escalated from one year to the next, but the management has always agreed to pay — overtime, production incentives, and other ad hoc or ex-gratia payments. It does not matter what the payment is called so long as it is made.

Demoralised management

There is a deep sense of demoralisation and frustration among managers. Their ability to manage is in serious doubt. Charge sheets invite threats and abuse. Workers have torn and thrown back charge memos. They have assaulted managers who pulled them up for proxy punching. Managers have jumped out of windows and run away to escape irate workers.

The managers have an association, whose primary objective is to give its members a modicum of protection from workmen. But the top management takes the view that executives have no right to form an association. They take no notice of the association, whether formally or informally. It is a situation where individual managers are fearful, and the collectivity of managers is ignored.

Interestingly, even the workers are not together in this game. Two other unions control nearly fifty per cent of the workers, but the management steadfastly refuses to deal with them. The unit has all kinds of participative fora. It is committed to quality circles. There are shop councils to discuss productivity, safety and so on. The firm even has a trade unionist on its board. But all these fora are restricted to the recognised union. The recognised union is seen by many workers as simply an instrument for the leadership to take care of its personal interests.

A journalist who did an article on this public sector behemoth for the *Far Eastern Economist* chanced upon a case study on industrial relations which narrated the above events. He had visited another unit of the same firm located more than a thousand miles away, but found more or less the same practices. Struck by the similarity, he wrote, 'The case may be an imaginary one but, at first glance, the unit at... bears an eerie resemblance to the scene described.' The case he had read was not imaginary, but real. What a fine art the business of managing industrial relations through appeasement has become!

The crowning irony is yet to come. In a situation where the top management stands emasculated, the majority of managers wish for open conflict instead of this humiliating acquiescence, and the workers themselves feel disenchanted, the union president has been collecting awards for leadership. And the recommendation comes from none else than the management. I quote from a letter written by the top boss to an awards committee:

'Dear Sir: I thank you for the letter regarding the award for excellence in public enterprise trade union leadership. I am proposing the candidature of Shri... Being the most popular trade union, the... has an enviable record of more than two decades and is extremely fortunate to have a man of vision, appreciation and involvement at its helm. Known for his leadership, workmanship, fairness, frankness, freeness, Shri... is the kingpin for patience, tolerance and right judgement for establishing excellent industrial relations and harmony throughout.

Is this good management or good trade unionism? Neither. It is an abominable apparition of both.

The author is chairman, Administrative Staff College of India

Tiles with a splash of romance

SPARTEK SENSATIONS

Attractive new size
305 mm. × 152.5 mm.

INTRODUCING

THE Rain Song SERIES

Soft, gentle rain. Sensuous. Evocative.
The romance of rain captured on a tile.
The Spartek Rain Song Series. In three
subtle shades to add magic to the mood.

SPARTEK

52 Chamiers Road, Madras 600 024

India's largest selling ceramic floor tiles

LINTAS M SCL P38 2820

or

by the

OMC

OMC COMPUTERS LIMIT

4th Floor, Surya Towers, 104, Sardar Patel R
Secunderabad - 500 (
Tel: 848338/848470/841851/841852. Telex: 425-6091 OMC

Regional Offices:

83, Mahatma Gandhi Road
Bangalore - 560 001
Tel: 568211. Tlx: 0845-2504 OMC IN

C/o. Voltas Limited
NKM International House
178, Backbay Reclamation
Bombay - 400 020
Tel: 2028360

162/B/240, Near Super Market
Lake Gardens, Calcutta - 700 045.
Tel: 467126

71, Nungambakk
High R
Madras - 600
Tel: 4710

2nd Floor, 31, Basant
Vasant Vi
New Delhi - 110
Tel: 6872
Tlx: 031-72427 OMCI

5th Floor, Chenoy Trade Ce
116, Park L
Secunderabad - 500
Tel: 825178/823

Hammered the ANVIL* Omega Designer

ANVIL 5000pc from the Computersmiths. Created in the 70's by the father of MCAE, Dr. Patrick Hanratty and refined over two decades by the technology leaders. Now, available from OMC Computers.

NVIL 5000pc is a high performance mechanical design software. It offers iperior facilities to model in space - designing in 3D,auxiliary planes, defined -ordinate systems, multiple view ports. Buttressed by fine tuned anufacturing drafting - unlimited conics, associative dimensioning, trimming, ometric tolerencing.

lodels can be built with revolved, ruled, lofted and developable surfaces. mplex shapes with Bezier and Coon's blend surfaces, curve driven and let surfaces. And NURBS for the exceptional user. All manufactured with bsolute integrity on the numerically controlled machine.

NVIL 5000pc, the ultimate in mechanical design. A software which is nown for its **power, compatibility, modularity** and **expandibility.** Yet nother, from the company that has offered so many innovative solutions in AD/CAM. With competence, reflected in its client list which reads like who's who of the Indian industry.

*ANVIL 5000pc™ from

MCS
The Computersmiths

OMEGA DESIGNER. The CAD workstation
t your desk.

Mudra/H/OMC/8/258

PERFECT DEBURRING IS AN INVESTMENT IN YOUR PRODUCT RELIABILITY.

MICO OFFERS TWO WAYS OF DOING IT.

Burrs in metallic components often choke your product's performance. As a quality conscious manufacturer, you are only too aware of the need for precision deburring. Imperfect methods push up rejection rates. And affect customers' confidence in your products. You need the right deburring solution for each situation.

THE ECM WAY

ECM (Electro Chemical Machine) is a technology from Robert Bosch GmbH, West Germany that has proved itself in applications worldwide. MICO-built ECMs, integrated with high production lines, have already established their efficacy.

If your search is for an objective deburring method that is free of manual or other influences, the answer is ECM.

Highly adaptive, ECM equipment configuration can be engineered to exclusive needs. The system is discrete and can deburr in precisely pre-selected areas. And it is effective on most metals.

ECMs have proved their reliability in over 300 installations worldwide. In a broad range of industries, where flawless components are vital to the final application.

THE MICO SPM RANGE

Also from MICO, who know microns better: High accuracy SPMs designed for low cycletimes. Auto part feeding and disposal. Pre-and post-process gauging. Multi-layer safety. Operator and Maintenance friendliness.

Technologies for precision fine boring, gun drilling and high accuracy grinding.

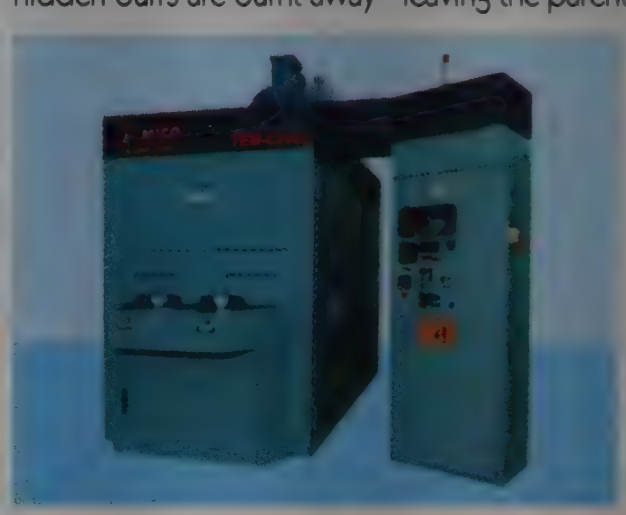
Manual and automated assembly stations. Modular in concept and fully ergonomic. For use in mass production industries.

Checking, measuring and classification automats. Indispensable for high volume inspection.

THE TEM WAY

TEM (Thermal Energy Machine), also developed and patented by Robert Bosch GmbH, West Germany represents by far the ultimate in critical and intricate deburring applications. In lightning quick time, TEM produces a flash of thermal energy which reduces burrs to a powdery residue.

In 20 milliseconds, internal, external and even hidden burrs are burnt away - leaving the parent



component intact. TEM offers one of the fastest set-up changeovers in flexible automation. And it accepts components of almost any metal, in any condition and of any profile.

TEM: It makes product excellence not a distant target but an instant reality.

MICO

LICENCE BOSCH

MOTOR INDUSTRIES CO LTD
ADUGODI BANGALORE 560 030

TEL: 22 00 88 (10 lines)
TELEX: 0845-203, 0845-797.

everest S88/213

The copier warriors

This marketing war might set standards for others to copy. And when it ends, the copier market in India will probably never be the same again. In a characteristic street smart blitz, HCL Ltd has launched a frontal attack on Modi Xerox's dominance of the copier market. The USP is a claimed Rs.30,000 difference in price, plus a boxful of trappings. Not surprisingly, observers are waiting for all hell to break loose.

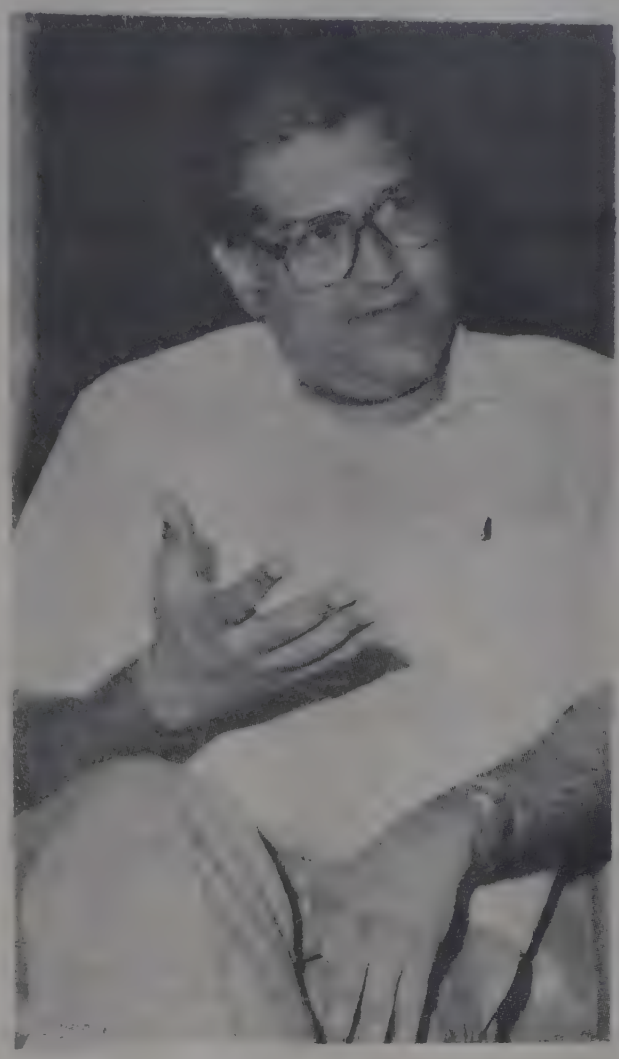
Modi Xerox managers don't seem to have lost their cool, yet. The chairman, B.K. Modi, is his usual brash and confident self. "Others have made claims before but where are they now?" he asks. But Arjun Malhotra, vice-chairman of HCL has other ideas. "Henceforth, we will drive the copier market," he asserts. The rest are keeping their fingers crossed.

Provocative ads

What triggered this storm in the hitherto somnolent copier market were four provocative ads in the dailies. The missile fired by HCL proclaimed that HCL had better technology, lower prices and a larger range to offer. If the campaign is to be believed:

- HCL has six varieties to offer as compared to Modi Xerox's two;
- A comparable HCL copier costs Rs.30,000 less than the one offered by Modi Xerox.
- HCL's heavy duty machine gives 120 copies a minute at 5 paise per copy. The Modi Xerox heavy duty machine gives fewer copies and that too at 17 paise per copy.

Modi: brash and confident



Malhotra: unfazed

Certainly the claims have been extravagant. "And why not?" asks an HCL spokes-person, adding that much is at stake here. There is. The copier market in India is worth Rs.200 crores now. And Modi Xerox is the undisputed leader with a hefty 40 per cent share — a fact which even HCL concedes. There are several other players in this game: Canon, BPL Sanyo, Kores, Gestetner for instance, but none have been able to withstand the Modi Xerox pitch: impeccable quality and service. And the Xerox pedigree.

But the big question now is: how will the latest HCL offensive affect the Modi Xerox market share supremacy? Despite adopting a public stance to the contrary, Xerox managers are definitely shaken and have been holding private strategy meetings.

A couple of years back a company had claimed that its copier could churn out 100,000 copies a month. But it has remained a small time player in the mar ket", says B.K. Modi commenting on the HCL campaign. "The consumer will now automatically compare the products. And I'm sure he will choose reliability an service over unproven claims" he adds.

On the contrary, HCL has set an annua turnover target of Rs.100 crores by 199 for its xerographics division. That's abou one third of the copier market and quantum jump from what HCL com mands today. While reliable HCL marke share figures are hard to get by, the hug gap between Modi Xerox and HCL is evi dent from sales figures. Modi Xerox sale crossed Rs.80 crores in 1987-88 while th xerographics division of HCL manage only a meagre Rs.17 crores.

But the equation is bound to change the crucial factor being price. Says Mal hotra, "If a consumer gets a workhorse copier for Rs.30,000 less, why should he go for anything else?"

However, according to Karl Kummer, resident director in India, Rank Xerox, consumers have preferred Xerox copiers despite the existence of cheaper competitors in the past. Besides, asserts Modi, "When we launch our low end copiers, they will be as competitive as HCL's". Xerox, which has had two low end copiers in the pipeline for two years, will now be forced to launch them fast. Advantage HCL and benefit; the consumer.

Stiff competition

The other copier manufacturers probably will soon find the pace getting too hot for them. One Modi Xerox was bad enough. Another major player might drive them away from the market.

Till then, Modi Xerox and HCL will fight it out to fault each others' claims. For instance, Kummer insists that the Risograph launched by HCL — the machine which will churn out 120 copies a minute at 5 paise a copy — is not a copier. "It's a modern version of an offset printing press. How can anybody compare that with a copier?" he says. Kummer also feels that the 5 paise per copy claim is dubious.

Malhotra is however unfazed: "Call it by any name, but our new machine does give more copies cheaper. This is akin to Hindustan Motors going about saying that Maruti is not a car," he says.

Who wins this copier war will be clear in a year's time. Without doubt it promises to be a photocopy of the computer wars fought earlier

SATANU GURU

Master of Finance & Control Programme

UDSC

UNIVERSITY OF DELHI SOUTH CAMPUS

Benito Juarez Road
Dhaula Kuan
New Delhi - 110 021

Applications are invited for admission to the third batch of the two-year full time professional course : **MASTER OF FINANCE AND CONTROL (MFC)** for the academic session 1989-90 beginning from July, 1989. The main objective of the course, offered by the Department of Commerce, University of Delhi at the South Campus is to equip the participants with requisite skills in financial planning, control and decision-making. It offers career prospects in corporate finance, investment management, financial services, and related areas.

Minimum Eligibility Requirements :

(i) Bachelors (Hons.) degree in Arts, Commerce, Social Sciences with 50% marks.
(ii) Bachelors (Hons.) degree in Maths, O.R., Statistics, with 60% marks, or any branch of Science with 55% marks.
(iii) Bachelors degree in Engineering and Technology with 60% marks.
(iv) B.Com.(Pass)/B.A.(Pass) with 55% and B.Sc.(Gen.) with 60% marks.
(v) CA/ICWA/ICSI with 50% marks in the Bachelor's degree examination.

NOTE : In the above categories Bachelor's Degree in subjects other than Engineering/Technology should be in the 10+2+3 stream.

Admission to the course shall be made on the basis of performance of the candidates in written test, group discussion and interview.

The prospectus and application form may be obtained from Prof. R.A. Sharma, Professor-in-charge, Department of Commerce, University of Delhi South Campus, Benito Juarez Road, Dhaula Kuan, New Delhi-110021 personally on payment of Rs. 10/- in cash or through post by sending a crossed Indian Postal Order for Rs. 10/- in favour of Director, University of Delhi South Campus alongwith a self addressed and stamped envelope (6"x9") bearing stamps of Rs. 2/-.

Applications duly completed should reach Prof. M.Y. Khan, Programme Coordinator, Department of Commerce, University of Delhi South Campus, latest by January 30, 1989.

The written test will be held on Sunday, 19th February, 1989 at 10.00 AM at the University of Delhi South Campus, Benito Juarez Road, Dhaula Kuan, New Delhi - 110021. Depending upon response, test centres can also be at Bombay, Bangalore and Patna.

Candidates appearing for the final year of Bachelors Degree examination may also apply.

SHARDHA NAND
Officer on Special Duty

MMG-147

A cure for hospital ills

Patients being admitted to Bombay's Breach Candy Hospital now don't need to sign cumbersome registers. Their names and deposit amounts are entered into a terminal at the reception desk itself. After that all expenses incurred by way of room rent, medicines, tests, etc are continuously posted so that bills can be presented within minutes of the patient being discharged.

At the more modest sized Cumballa Hospital, surgeons wishing to use the operation theatre call to check for time slots. The counter clerk at the reception has the OT schedule displayed on his terminal and can indicate the exact time.

It will not be long before that nurses at the Kothari Scientific Research Institute and Hospital (to open in Calcutta by the middle of next year) will be able to key in patient data on terminals placed in the wards for diagnoses and treatment during the patients stay and for retrieval later for research purposes.

Increasing efficiency

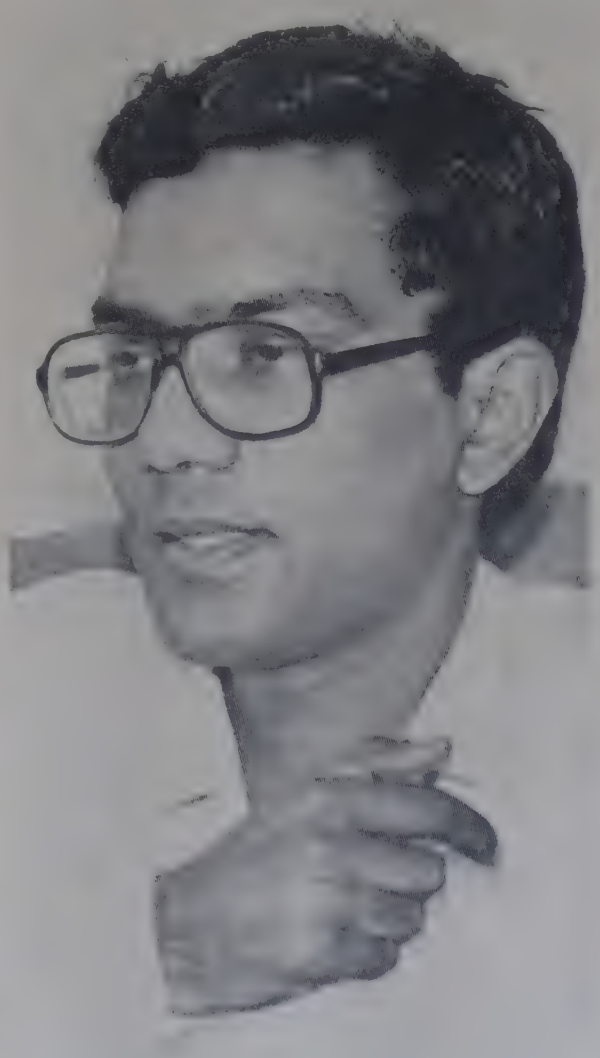
The common factor in all three instances is that of a management wanting to increase efficiency without proportionally increasing manpower and accepting computerisation as the only means of achieving it. "In 1983-84 when the load was getting difficult to handle manually we decided to computerise," says K.R. Coorlawala, chairman emeritus of Breach Candy and the first to push for computerisation in hospitals in his capacity as honorary chairman. Having decided to computerise, Coorlawala called upon the Bombay based Kale Consultants (set up in 1980, March 1988 turnover Rs.60 lakhs) to undertake a study.

Kale was chosen because of their experience in computerising the Taj group of hotels and because the company promised to complete the assigned work in considerably less time compared with other consultants Coorlawala had spoken to.

For Kale, the contract meant a hefty financial commitment. Says Vipul Jain, director of Kale Consultants and head of the hospital computerisation team, "We approached ICICI for venture capital (Rs.30 lakhs) and were the first company to get it." Having put in 30 man years of learning at Breach Candy, Jain says his team now has got the hang of basic hospital requirements, with every new contract since then adding to their experience and expertise in the field.

Consequently, Kale developed standardised modules of hospital computerisation based on their experience in Breach Candy. The basic module which both Breach Candy and Cumballa have in place currently is inpatient and outpatient management by which registration, admission and discharge is computerised. This is linked to pathlab and pharmacy — ie, as and when patients use these facilities, the relevant bills are posted on-line in the patients' file making billing quick and accurate. "Before we had this system in place, there used to be at least 2 to 5 per cent revenue loss because of late charges and collating errors," says an EDP person at Breach Candy, adding that such discrepancies have now been wiped out. Computerisation of the pharmacy and pathlab, besides being necessary for patient billing, also streamlines inventory control of these two important hospital facilities.

The second module is essentially for back office or for the hospital's own accounting purposes. Besides revenue audit and payroll computerisation, this module enables greater inventory control and better equipment maintenance. As Jain explains, a lot of the equipment in Indian hospitals is imported and obtaining spares is often a problem. A number of expensive machines gather dust for want of a small part. Computerised data helps in bringing these into focus. Also, for equipment which has recurring problems, a record of the number of times and occasions of breakdown can influence purchase decisions.



Jain: his team has the savvy

Most ambitious

The third module is by far the most ambitious — computerised nurse stations for inputting patient data. Case histories can then be retrieved if the patient returns to the hospital for tretment. Besides, medical records can provide useful data for research purposes.

The three modules comprising the total package can currently be in place for Rs.30 lakhs — including hardware and software. However, each hospital can start with any one particular stand-alone module which can be integrated later with others. "The module which a hospital chooses to begin with depends on priorities," says Jain. Hospitals can be divided into private or voluntary hospitals, government hospitals and teaching hospitals. In the first, where service and revenue are of prime importance, the patient administration and billing module is most appropriate.

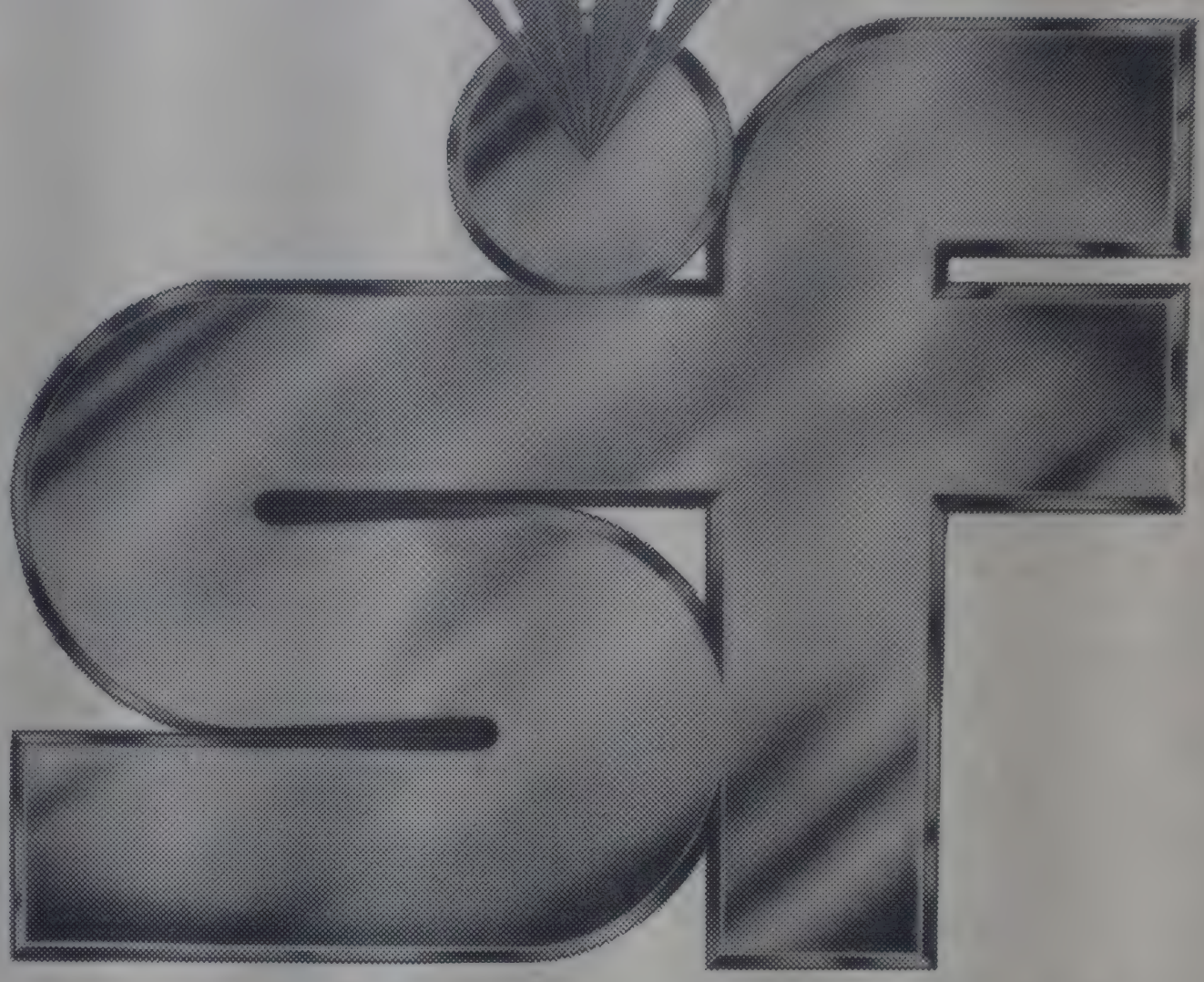
The back office module is most important for government hospitals while teaching hospitals will necessarily have recourse to the medical records module. "Our hospital will start with total computerisation including nurse stations," says Colonel D.B. Ray, medical director of Kothari Hospital, stressing its research orientation.

Breach Candy, Cumballa, Harkisondas, Nair, Kothari — the hospital contracts which Kale is currently implementing, are all within the 50 to 300 beds size. According to the latest (1983) data available, of the nearly 7,400 hospitals in India about 1,200 are within this size range. Other consultancy firms are also looking at this area, but as even they admit, "Kale understands hospitals". For Jain, his team's commitment over the last two or three years will now pay dividends.

KEYA SARKAR

Our latest honours ...

AAA



... your guarantee of the safest investment.

Sundaram Finance has been awarded the prestigious 'FAAA' (F Triple A) certification by CRISIL, the rating that signifies the highest safety for depositors' money ... the first finance company in the private sector so recognised.

CRISIL Fixed Deposit Ratings represent the degree of safety regarding timely payment of interest and principal by a company accepting fixed deposits. The ratings and their concise significations are:

FAAA Highest Safety ✓

FAA High Safety
FA Adequate Safety
FB Inadequate Safety
FC High Risk
FD Default

CRISIL may apply + (Plus) or – (Minus) signs for ratings from FAA (F Double A) down to FC to indicate the relative position within the rating category.

SUNDARAM FINANC

CRISIL — Credit Rating Information Services of India Limited — is promoted by the Industrial Credit and Investment Corporation of India Limited and the Unit Trust of India with the primary objective of rating debt obligations of companies.

The ratings, designed to guide the investor in determining the risk attached to any particular security — a practice in vogue in the US, the UK, Canada, European countries, Australia and Japan — take into account not only the financial health of an organisation but also its competitive position, strength and weakness, its management and business strategies.

The pillars of strength of Sundaram Finance

1. Sundaram Finance's total resources, built over the years by its prudent and dynamic policies, exceed Rs. 275 crores, the highest among Hire Purchase Finance Companies.

2. Its hire purchase portfolio consists mainly of road transport vehicles, which are easily marketable. It has an effective collection machinery which ensures good recoveries. Over 90% of receivables falling due in any year are collected within the same year.

3. Sundaram Finance maintains liquidity at 1/3rd of the total deposits, providing an extra margin of security for depositors, as against 1/10th of the deposits, statutorily required. This ensures prompt repayment of deposits as well as premature payments, whenever needed.

4. Its depositors now exceed 1,20,000. Over 90% of the depositors have placed their deposits for 3 years, the maximum permissible period under the RBI rules. More than 80% of such deposits are repeatedly renewed, reflecting the trust and confidence built up over three decades.

5. Sundaram Finance provides computerised and personalised service backed by a team of experienced and dedicated professionals.

No wonder, Sundaram Finance has met the rigorous standards set by CRISIL on every count ... The 'FAAA' rating is a sure proof that Sundaram Finance today is the strongest amongst the finance companies — and by far, the safest investment proposition.

Sundaram Finance Limited

21 Patullos Road Madras 600 002

A C C E P T S P U B L I C D E P O S I T S

SCHEME I: CUMULATIVE DEPOSITS

Amount	Period	Maturity Value	For every additional sum of Rs.1,000/-	Annual Yield
		Rs.	Rs.	
Rs.3,000	2 years	3,957	1,319	15.95%
	3 years	4,545	1,515	17.17%

SCHEME II: FIXED DEPOSITS

PERIOD	1 YEAR	2 YEARS	3 YEARS
Rate of Interest per annum	13%	13½%	14%

1. **Minimum amount Rs.3,000/- for a deposit account. Additions in multiples of Rs.1,000/-.**
2. **Deposits are accepted at our Head Office and at our Madurai, Bangalore, Trichy and Tirunelveli Branches. Deposits can also be made through all other branches of the Company.**
3. **Outstation cheques are accepted at Par.**
4. **The repayment of deposits are made at Par.**
5. **In Scheme I, interest compounded bimonthly at 14% p.a. will be credited to the depositors' account as on 31st March every year and will be payable on maturity.**
6. **In Scheme II, interest will be paid once in two months of a calendar year by warrants on State Bank of India, payable at Par by all their branches in India.**
7. **Interest paid/credited under both the Schemes will be subject to deduction of tax at source in accordance with the Law in force.**
8. **Deposits are also accepted from Non-Resident Indians.**

Application forms containing detailed terms and conditions can be had from the Registered Office of the Company at 21 Patullos Road, Madras 600 002, and also from the Branches/ Offices mentioned below.

Deposits accepted are subject to the directions issued by the Reserve Bank of India in respect of Non-Banking Financial Companies.

Particulars required to be specified as per Non-Banking Financial Companies & Miscellaneous Non-Banking Companies (Advertisement) Rules 1977 are given below:

a) Name of the Company : **SUNDARAM FINANCE LIMITED**

b) Date of incorporation of the Company : 11th August, 1954

c) Business carried on by the Company and its subsidiaries with details of branches : Hire Purchase on cars, jeeps, light and heavy commercial vehicles and machinery and Equipment Leasing and allied activities.
BRANCHES: Ahmedabad, Bangalore, Bellary, Bombay, Calicut, Cannanore, Coimbatore, Cuddapah, Ernakulam, Erode, Guntur, Hubli, Hyderabad, Kottayam, Kumbakonam, Kurnool, Madurai, Mangalore, Manjeri, Mysore, Namakkal, Nellore, Palghat, Pondicherry, Pune, Quilon, Raichur, Rajahmundry, Salem, Tirunelveli, Trichur, Trichy, Trivandrum, Vellore, Vijayawada & Visakhapatnam.
SUBSIDIARY: India Equipment Leasing Ltd., 21 Patullos Road, Madras 600 002
Mainly Equipment Leasing

d) Brief particulars of the management of the Company : The Company is managed by its Whole Time/ Managing Directors under the Supervision of the Board.

e) Name, address and occupation of Directors:

NAME	ADDRESS	OCCUPATION
Shri T S SANTHANAM (Chairman of the Board of Directors)	Gopal Bagh" 180 Mount Road, Madras 600 006	Businessman
Shri T N PADMANABHAN, M.A., B.L. (Vice Chairman)	4 Bazullah Road, T. Nagar Madras 600 017.	Company Director
Shri N E S RAGHAVACHARI, I.C.S. (Retd.)	Plot No. 62, First Avenue, Indira Nagar, Madras 600 020	Retd. Govt. Official
Shri R K SESHADRI	71 Pachayappa's Hostel Road, Off McNichols Road, Madras 600 031.	Retd Govt Official
Shri S NARAYANAN	15 Parthasarathy Gardens, Madras 600 018.	Company Director
Shri S VIJI	33 Poes Garden, Madras 600 086.	Company Director
Shri S RAM	29 Prithvi Avenue, Madras 600 018.	Company Director
Shri T RAMADHADRAN	9A Madhuban, AJ Bhonslae Marg, Bombay 400 021.	Bank Executive
Shri G K RAMAN, B.Sc., B.L., Dip. in B.M. (Deputy Managing Director)	10, 12th Cross Street, Indira Nagar, Adyar, Madras 600 020.	Company Director
Shri S RAGHAVAN, B.Com., F.C.A., A.C.S. (Deputy Managing Director)	16 North Street Sriram Nagar Madras 600 018	Company Director

f) & g) Profits of the Company, before and after making provision for tax and dividends declared by the Company for the three financial years immediately preceding the date of advertisement.

Year ended	Profit before provision for tax (Rs. in lakhs)	Profit after provision for tax	Dividend declared
31.12.1986	288.23	267.23	16%
31.03.1987 (3 months)	122.09	115.34	4%
31.03.1988	555.57	468.07	20%

h) Summarised financial position of the Company as appearing in the two latest audited Balance Sheets:

LIABILITIES	As at 31.3.88	As at 31.3.87	ASSETS	As at 31.3.88	As at 31.3.87
	(Rs. in lakhs)			(Rs. in lakhs)	
Share Capital	600.00	600.00	Fixed Assets*	3,335.97	2,844.05
Reserves & Surplus	1,507.82	800.00	Investments	211.55	191.38
Secured Loans	2,456.28	2,674.33	Current Assets	18,253.97	16,188.23
Unsecured Loans	12,792.55	10,839.01	Loans & Advances	673.29	451.52
Current Liabilities & Provisions	5,118.13	4,761.84	Miscellaneous Expenses	—	—
			Profit & Loss Account	—	—
TOTAL	22,474.78	19,675.18	TOTAL	22,474.78	19,675.18

* Depreciated under Written Down Value method.

	31.3.1988	31.3.1987
	Rs.	Rs.
NOTE. Brief particulars of Contingent Liabilities:		
i) Estimated amount of contracts to be executed on capital account and not provided for	65,03,190	1,08,19,811
ii) On cheques discounted but not realised on the date of Balance Sheet	22,16,114	1,05,81,985
iii) Counter Guarantees to Bankers	38,24,038	37,87,438
iv) Liability under Letters of Credit	5,51,543	90,31,000
v) Claims against the Company not acknowledged as debts	11,13,642	10,86,641
vi) Uncalled liability on partly paid shares	–	16,650
vii) Income-tax demand on the Company not paid, against which appeals are pending	96,32,777	1,77,214
i) a) The amount which the Company can raise by way of deposits under the directions	Rs 210.78 crores	
b) The aggregate of deposits held as on 31.3.88	Rs 127.93 crores	

j) The Company has no overdue deposits other than unclaimed deposits

k) The Company hereby declares that:
i) The Company has complied with the applicable provisions of the directions;
ii) the compliance with the directions does not imply that repayment of deposits is guaranteed by the Reserve Bank of India and
iii) the Deposits accepted by the Company are unsecured and rank *pari passu* with other unsecured liabilities

By Order of the Board
For **SUNDARAM FINANCE LIMITED**
S VENKATESAN
Secretary

Place: Madras
Date : 25th November 1988

Issued under the authority of and in the name of the Board of Directors of the Company who have by a Resolution dated 25th November 1988 approved the above text.

OVER THREE DECADES OF LEADERSHIP

India's largest joint sector integrated fertilizer and petrochemical complex takes deep root in excellence.

GSFC, India's first joint sector company has been for years a household name and a legend in Indian industry. As far back as 21 years, GSFC began with a unique product mix of vital fertilizer inputs for agriculture – Urea, Ammonium Sulphate and Diammonium Phosphate.

The fertilizer plants were initially set up at a cost of Rs. 63 crores and completed ahead of schedule and within the project cost. The GSFC SARDAR fertilizers have since been a heart's choice of the Indian farmers, because it was they who first heartily responded to the GSFC door to door public subscription call and enabled the Company to raise farmers' investment of over Rs. 1 crore in the Equity Capital.

GSFC today records its gratefulness for this overwhelming response. Over a period, the investment in GSFC has been profitable and rewarding for thousands of shareholders.

Since then the story of GSFC has been a growth of profitable diversification and expansion.
From Fertilizers to Petrochemicals, Industrial Gases, Plastics and Fibre.

GSFC – a triumphant

story of industrial growth

Unequalled achievements

GSFC has set up

- **India's first Caprolactam Plant (1974)**
- **the largest capacity Purge Gas Recovery Plant (1980)**
- **the largest capacity Nylon-6 Plant (1981)**
- **the first and largest capacity Melamine Plant (1982)**

GSFC has co-sponsored

- **Gujarat Narmada Valley Fertilizers Company Limited (GNFC)** – the world's largest single-stream Urea Plant.

GSFC has participated in a major way in setting up

- **Gujarat Industries Power Company Limited.**

GSFC has taken over

- **GIIC sponsored Polymers Corporation of Gujarat Ltd. (PCGL).**

GSFC has also been a major partner in the establishment of

- **a 55 km-long closed effluent channel scheme** as part of its commitment to cleaner environment.

GSFC has expanded its organisational infrastructure by adding new Institutions of R & D Centre, Training Institute, Applications Development Centre and Bio-Fertilizer Unit, offering a well-integrated package of human resource development, pioneering innovations, dynamic applications, and development of new products and services in diverse fields. With its reputation for quality and consumer service through a network of over 400 Farm Information Centres, and Sales & Service outlets, GSFC has won the prestigious ASSOCHAM Award for Consumer Service in 1983.

GSFC has thus grown into a giant multi-plant, multi-product, multi-technology and multi-service organisation catering to the needs of agriculture and industry and touching every aspect of the life of the people.

'Basic to India's progress' is the corporate motto of GSFC and in harmony with the spirit of this motto, GSFC has been trying to achieve the highest standards of excellence in various fields. The Company has maintained its leadership in productivity, marketing, quality, environment and safety. GSFC was established with the primary objective of achieving self-sufficiency in food production and acting as a catalyst for the industrial growth. In retrospect, GSFC feels proud to have achieved these objectives in full measure.

GUJARAT STATE FERTILIZERS COMPANY LTD.

Regd. Office: P.O. Fertilizernagar 391 750, Dist. Vadodara

Creating lasting values

Concept

What makes BERGER PAINTS come out with flying colours?

Strong Brands

Strong brands are the surest proof of a Company's ability to feel the pulse of the marketplace,the best assurance of long-term growth.

With 60 years of experience in Indian paints, Berger has a whole array of strong brands spanning all application areas.

Its decorative paints include everything from distemper to acrylic emulsions. And they feature trend-setting products that have merited competition's sincerest compliment – swift imitation. Like Luxol Silk, the premium acrylic emulsion. Vinyl, the first economy wall-finish. Tartaruga, the first textured exterior-wall coating. And now Rangoli, the first acrylic emulsion with an ethnic identity.

Berger's industrial paints carry the pedigree of the finest technologies worldwide. From Herberts, Stolllack and Vianova of the international Hoechst group; from Valspar Corporation of the USA, and Teodur NV of Holland. Adding up to a huge bank of valuable know-how and ready advice on which Berger R&D can draw to develop its constantly upgraded, updated range of products, including the most specialised protective coatings.

Berger's brands have enabled it to take its place among the high performers of the UB Group, one of the fastest growing in the country. And at a time when the rest of the paint industry has been going through a pretty colourless phase, Berger has emerged with flying colours – registering the highest growth in profitability!

BERGER PAINTS INDIA LTD
32 Chowringhee Road, Calcutta 700 071
A member of the UB Group

UB

PRESSMAN

No one can ... *like* BERGER can.

A special section
on global affairs prepared for
Business India

WorldPaper

WEIGHING THE LEGACY

A world without Reagan

TO A BRITISH MP, he's a candidate for Mount Rushmore. A Japanese correspondent twice entertained at the White House takes the yin-and-yang approach, weighing his amiability against his tendency to bring the world dangerously close to superpower confrontation. A US expert concludes that the best thing that happened to him was Mikhail Gorbachev. And a French journalist decides that his successor has an even bigger job to do because of him.

Whom are they talking about? Ronald Reagan. His departure this month from the White House signals the beginning in this *WorldPaper* and elsewhere a flood of appraisals of the legacy this actor-turned-politician left the world after eight years as the US president.

A British nomination: Ron for Mount Rushmore

MP sees retiring president as one of the greatest

BY JOHN BROWNE
in London, England

AS THE WORLD prepares to bid farewell to President Reagan, people are beginning to realize what a very hard man he will be to replace.

When President Reagan took office, the United States economy was in tatters with both inflation and unemployment high and rising. Productivity and output were stagnant. What was worse, US morale was at an historically low ebb after a humiliating defeat in Vietnam and a more recent insult and ridicule over the Iranian hostages. East-West relations were dominated by Soviet advances. Strategic peace was threatened.

President Reagan has endured much criticism, even ridicule, in the Western media and yet after eight years as president of the United States and chief negotiator of the free world, he hands over to his successor an unprecedented level of peace and prosperity not only at home but throughout the West.

People have criticized his administrative abilities. Yet he hands over an economy where rising unemployment has been replaced by the record creation of new high technology jobs; inflation is under control and the economy has provided the engine for world economic recovery and the longest period of sustained economic growth in history. President Reagan has given the United States back its pride. What more could you ask from the leader of any great country?

President Reagan has peacefully reversed the imbalance of power and by negotiating from a position of strength, has instituted the first genuine strategic disarmament for decades. The key to this achievement was his handling of the Russian superstar—Mikhail Gorbachev. Had President Reagan appeared too hard or too arrogant, Gorbachev would not have negotiated. Had he been too soft or submissive, Gorbachev would have walked all over him.

I have met personally both Gorbachev and Reagan.

Gorbachev impressed me overwhelmingly as a potential superstar, capable of talking over the heads of Western leaders directly to people at the grass roots throughout the world. Today, he is known not just as Gorbachev but as "Gorby." From our first meeting in December 1984, I was convinced that Gorbachev would herald an era posing new challenges to Western leaders.

My overwhelming impression of Reagan, in the spring of 1985, was of a man of outstanding integrity with great powers of persuasion, a man of genuine, straight-up, James Stewart cowboy charm. When he winks and smiles at you at the same time, you feel yourself falling out of the tree.

From the outset, Gorbachev tested both Reagan's integrity and his power of persuasion. Who else would have refused the initial Soviet offers at Reykjavik and then been able to return to his electorate and successfully shrug off the media label of "warmonger?"

President-elect Bush's victory was no accident. It reflected both his own ability and a grass roots support for Reagan ethics. His greatest test will come in demonstrating his strength of will. First he must convince the US people and financial markets that he has a "safe pair of hands". He must then show that he has a "global" as opposed to merely "nationalist" view. This will be particularly important when he faces the problem of growing global trade regionalization. It will be fatal for long-term world peace if, in 1992, Europe becomes a fortress, and the United States-Canada and Japan form competing economic regions of privilege in a world where hundreds of millions of people still know real poverty.

Secondly, he must convince Gorbachev that he too can maintain continuing grass roots support for his ethical negotiating position.

The key test for Western leaders will be how to continue playing the Gorbachev card in a world without Reagan. They must ensure that an internal crisis of expectation does not overwhelm Gorbachev either by revolution or by a backlash from the *Nomenklatura*, the entrenched Soviet establishment. The Gorbachev card is awesome in both its power and delicacy. Initially, Bush will have the enthusiastic support of the American people and of key Western leaders. At "long-stop" he will have ex-President Reagan. That will be a cause for comfort. For the headlines of history will probably record President Reagan as one of the very greatest of US presidents and leaders of the free world.

Within 50 years, I fully expect to see Reagan's face carved in stone in a place of honor, alongside those other revered US presidents —on the cliff of Mount Rushmore.♦

John Browne is a Conservative member of the British House of Commons.

WORLD WITHOUT REAGAN

The yang and yin of Reagan legacy

Oriental view questions peacemaker role

By Akiyuki Konishi
in Washington, USA

IN ORIENTAL PHILOSOPHY, the yang is the positive, the yin the negative. As Ronald Reagan retires into history, his yang is at its most powerful. His immense popularity, coupled with his seniority in age to most active politicians in the United States and throughout the world, has made him a King President.

His popularity grew not only because as an actor he has mastered the art of TV politics more than anybody else, but because his humanity impressed those who met him. Having been received by him in the Oval Office twice for interviews, I can attest to his being a "great communicator."

Some call Ronald Reagan the greatest president since Franklin Delano Roosevelt a half century ago. Although they traveled in almost opposite political directions, FDR and Reagan both changed the course of history. By so doing, they restored the self-confidence of the American people.

Like a popular king, or even an emperor, President Reagan has not been held responsible for his mistakes. His subordinates instead were held responsible. Contrary to the experience of many monarchs, he has received ample credit for his successes.

• Indeed, his "peace through strength" policy succeeded in turning the Soviets around to a new detente symbolized by the INF Treaty. Soviet forces started withdrawing from Afghanistan. Peace erupted everywhere.

• Double-digit inflation was conquered. Interest rates were brought down into single-digit range. The US economy has grown for more than 60 consecutive months. The unemployment rate has recorded a 15-year low.

• "Big government" bureaucracy was jostled by a spate of deregulation which set the pace for other countries like Japan.

But amid the multitude of praise for the yang is the yin side of the Reagan legacy.

First, the legacy of peace. Although coming to terms with the Russians was an historic achievement, President Reagan's confrontational rhetoric while building up the US "position of strength" was far too scary for the innocent people around the world.

What if Russians had not produced Gorbachev? What if Mrs. Thatcher hadn't found out that "we can talk business" with Gorbachev? What if Nancy Reagan, as conservative Republicans suggest, hadn't talked her husband into the superpower summits?

The harsh "evil empire" rhetoric of his first term was a risky gamble that paid off. But it produced tragic victims—the passengers and the crew of Korean Airlines 007, shot into the Sea of Japan by a Soviet jet fighter in September 1985.

While the Russians were to blame, the Cold War atmosphere aroused by Reagan's rhetoric was also responsible.

The "Reagan Doctrine," designed to roll back Soviet influence in the Third World, was conducive to the eruption of peace in Afghanistan, Angola-Namibia, Cambodia, and to some extent in Nicaragua. While its emphasis on freedom had unexpected side-effects in the Philippines, Haiti, Korea and Chile, the Reagan obsession with Nicaragua produced the Iran-contra scandal and dirty dealings with drug traffickers.

Despite Reagan's strong rhetoric, actual use of mighty US military power was limited to Grenada, Libya, the Persian Gulf and to a tragic extent in Lebanon. They left serious doubts about whether the US adheres to international law.

The legacy of "prosperity" also has its yin side. The "Reagan Depression" at the start of his first term shot up interest rates. This ironically strengthened the dollar. The US public received the impression that the nation again was strong economically. The strong dollar annihilated the export industry and produced a "hollowed out" economy.

His second term witnessed a weaker dollar, especially against the yen. Economic growth is mainly supported by loans and investments from Japan, West Germany and other "surplus nations." During President Reagan's watch, the United States plunged from the biggest creditor to the world's biggest debtor nation.

Despite the pride they have about their country, most Americans remain insensitive to the homeless, the sick, and the poor. There are many reasons why Bush had to say, "I want a kinder, gentler nation."♦

Akiyuki Konishi is senior Washington correspondent for Japan's *Mainichi Shimbun*.

WorldPaper

Featuring fresh perspectives from around the world on matters of global concern.

President & Editor in Chief Crocker Snow, Jr.
Publisher Barry McMennamin
Managing Editor Arnold Zeitlin
Business Manager Lena Granberg
Sales Director Carla Wright
Director of Design Elizabeth Fullon
Classified Ad Mgr Melissa Mills
Spanish Edition Laura Eastment
Chinese Edition Xinhua (New China News Agency)

WorldPaper
424 World Trade Center
Boston, MA 02210 USA
Tel: (617) 439-5400
Telex: 6817273

Volume XI, Number 1
© Copyright World Times

WorldPaper appears monthly in English, Spanish or Chinese in the following publications:

NORTH AMERICA
Journal of Commerce *New York*

ASIA
China & the World *Beijing*
Singapore Business *Singapore*
Mainichi Daily News *Tokyo*
Philippine Daily Inquirer *Manila*
Executive *Hong Kong*
Hongkong Standard *Hong Kong*
Korea BusinessWorld *Seoul*
Business Review *Bangkok*
Daily Observer *Colombo*
Business India *Bombay*

LATIN AMERICA
Actualidad Económica *San José*
Gerencia *Guatemala City*
Estrategia *Bogotá*
El Diario de Caracas *Caracas*
Daily Journal *Caracas*
Debate *Lima*
Hoy *Quito*
Cronista Comercial *Buenos Aires*

MIDDLE EAST
Cairo Today *Egypt*

New world looms during Bush's rule

By Jacqueline Grapin
in Geneva, Switzerland

IN FOUR YEARS, George Bush will have presided over changes amounting to the birth of a new world that will be partly the result of positive US influence and partly the result of US mistakes.

• European unification scheduled to begin in 1992 will have been carried out. The role of Europe will have become quite different, transformed more so by what has happened outside Europe than what has happened within.

• The great international trade negotiation called the "Uruguay Round" and taking place in the framework of the General Agreement on Tariffs and Trade (GATT) will also have ended. Depending on the US economic and financial performance under Bush during the coming months, this negotiation will lead either to the increase in free trade that most states say they desire or the return to a world divided by new forms of protectionism already looming on the horizon.

• Relations between the United States, the world's largest debtor state, and Japan, which has become the world's largest creditor, will probably have settled amidst increased cooperation. There can be no doubt about this trend.

• Although no one can predict now what will happen to the debtor states of the Third World, we know that changes in the Soviet world will have become more apparent. We may not know how these changes will evolve but we know that even if Mikhail Gorbachev's reforms fail, the Soviet world by the end of the century never again will be the same.

The political stakes in these changes are considerable. All the leaders of Europe nervously remember that at Reykjavik in 1987 President Reagan, in discussing with Gorbachev the elimination of all nuclear arms from Europe, all but abandoned the nuclear defense of Western Europe. In addition, US financial deficits make a major renegotiation concerning a redistribution of the burden of the Western alliance unavoidable. Such a negotiation may lead to a new definition of the role of the United States in European affairs.

In spite of Western Europe's difficulties in organizing its own defense and of a lingering mistrust of the Soviet Union, the West is ready for a more or less collective deal with the Soviet. Collective bargaining with the Soviet Union enables the Europeans to appear stronger and helps prevent West Germany from drifting away from the European Community in search of possible reunification with East Germany.

Unlike his predecessors, Gorbachev is taking advantage of this West European attitude to try to use the framework of the European Community to seek "Pan-European" cooperation. As a result, the next round of talks on disarmament will no longer be a bilateral dialogue between the two superpowers. It will include the 16 states of the North Atlantic Treaty Organization (NATO). Bush and Gorbachev will find that round more difficult to handle than the European "no man's land" of Ronald Reagan.

The difficulties are only starting to surface for the new president. The question Europeans ask is whether the domestic economic policy of the United States has become an international problem in itself? Traditionally, domestic priorities have determined US economic policy. But the country's deficits have poured excess liquidity into the world financial markets, which have taken on a life of their own, out of the control of their own governments. US economic policy now hurts everybody.

Europeans worry that conflict between the Democratic Congress and the Republican president will block a compromise on critical domestic issues such as reducing a deficit that the United States finances by selling 30 percent of its bonds outside the country, mostly to rich Japan. The weakening of US power and the strengthening of Japan really concern Europe.

Bush's electoral campaign failed to win him the confidence and the popular support of the people of Europe. Since his election, Bush has proclaimed a "desire to lead" that had not been apparent before. Europeans, who remember how little popularity President Reagan enjoyed at the beginning of his first term in office, wonder if Bush will become the great president that the entire world, not only the United States, needs and if the international changes that will occur during his presidential mandate will be for better or for worse.♦

Jacqueline Grapin is *WorldPaper* associate editor for Western Europe.

Harvard this summer

June 26–August 18
1989

Harvard Summer School offers open-enrollment in day and evening courses. The curriculum includes courses that fulfill college degree requirements and programs designed for personal and professional development.

Our international student body has access to Harvard's outstanding libraries, fine museums, well-equipped laboratories, and cultural activities.

We feature a college-level program for secondary school juniors and seniors,* as well as a Dance Center and special programs in Health Professions,** Drama, Writing, Ukrainian Studies, and English as a Second Language.

(*admission required; ** for minority and economically disadvantaged students)

For more information return the coupon below or call (617) 495-2494 (24-hour line). Please allow 4-5 weeks for delivery.

☐ YES, please send a 1989 Harvard Summer School PREVIEW BROCHURE and/or specific information about the following programs:

☐ Secondary School Program ☐ Dance Center ☐ Writing
☐ English as a Second Language ☐ Health Professions ☐ Drama

Name _____

Address _____

City, State, Zip _____

HARVARD UNIVERSITY SUMMER SCHOOL
Dept. 509, 20 Garden Street, Cambridge, MA 02138, USA

What's all this talk about *WorldPaper*?

As part of our 10th anniversary year, which culminates this month a decade after the appearance of the first regular edition in January 1979, we asked our readers around the world what they think of ***WorldPaper***.

Did *you* tell us off! In more languages than the four—English, Spanish, Chinese and Russian—in which ***WorldPaper*** appears this month in two dozen countries around the world.

Thousands took the trouble to fill out and mail—at their own cost—questionnaires in the 10th anniversary issue last May to tell us how we can be better and what we do right.

Taken together, the questionnaire produced a profile of the prototypical ***WorldPaper*** reader. Here's what *you* look like:

Job: Holding a middle-top-senior level position in the professions or in business and industry.

Education: A college graduate, with more than a quarter holding postgraduate degrees.

Age: under 50 years old, and probably under 35.

Sex: Three out of four readers are male.

From a modest beginning, WorldPaper has consistently improved its content, size and perspective. I have been reading it for years and hope to continue. It is a valuable part of the news world.

W. Rathzert, **Daily Journal (Caracas)** reader
Edison, New Jersey, USA

Better than Time magazine.

Gonzalo Nideas, **Philippine Daily Inquirer** rea
Makati, Philippines

Brilliant commentaries on current issues, with truly exceptional insight.

R. Poon, **Hongkong Standard** reade
Hong Kong

En su género es u excelente información, los col del más alto nivel intelectual Mis felicitacione

Carlos A. Rossie Paz, **El Cronista**
Buenos Aires, Argen

This paper opened my eyes to t future of the world. It enables me know what people in other countr think about the issues facing Japa I wish I could read it every day.

Kiyoshi Kawate, **Mainichi Daily News** rea
Kyoto, Japan

Excelente publicación, me agrada la variedad de temas que trata y la manera que los enfoca. Elegante diagramación y presentación.

Adriana Pena V., **Estrategia** reader
Bogotá, Colombia

DEMOGRAPHICS

What is your occupation?

business/industry:	31%
finance:	9
professions:	21
government:	9
academics:	11
other:	18
na:	1

sition?

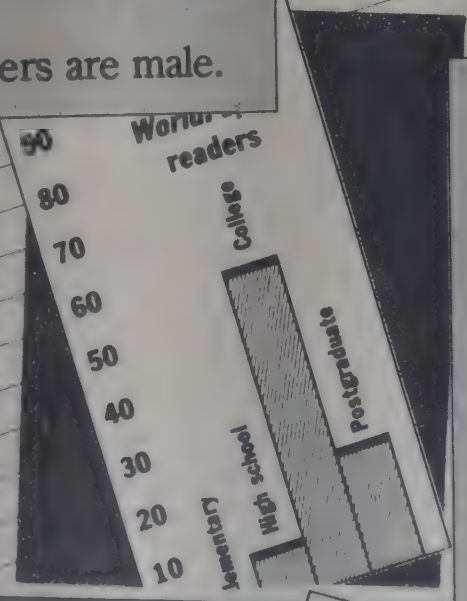
agement: 22%

What is your highest level of education?

high school:	10%
college:	62
postgraduate:	27
na:	1

What is your age?

under 24:	22%
24-34:	38
25-49:	27



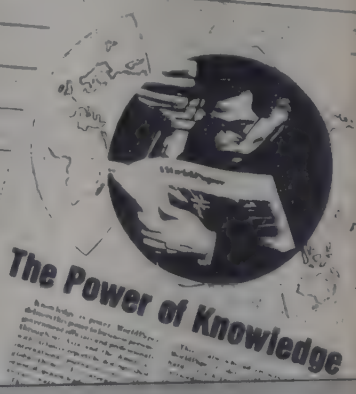
READER APPRECIATION

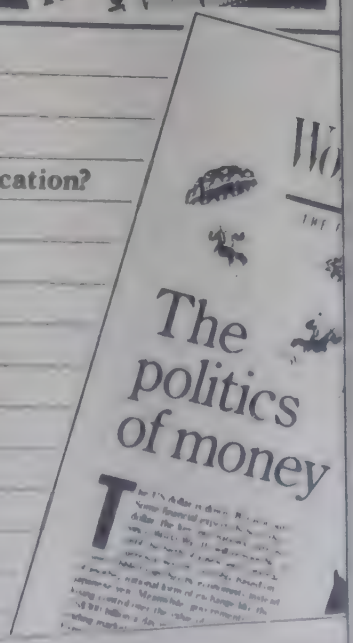
Is *WorldPaper* an important addition to this publication?

yes:	97%
no:	2
na:	1

Would you like to see more *WorldPaper* on:

politics:	32%
business:	31
finance:	26
culture:	43
travel:	36





You let us know what you wanted—with such enthusiasm about so many subjects that when we added up your preferences for editorial emphasis in ***WorldPaper***, the total came up 200 percent. This included 43 percent who wanted more culture and 36 percent more business.

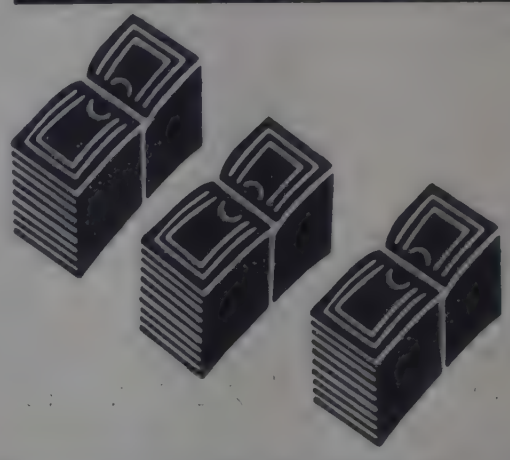
For our part, we want to let you know, "We hear you!" With the start of the New Year, ***WorldPaper*** plans more business and technology articles under a new heading, *The World's Business*. We plan sections on the search for the new sound of Global Pop and on the surge of interest in aboriginal art in Australia, Latin America and Canada; on superconductors—the ones that will revolutionize science as well as the ones who direct symphony orchestras; on how tourism has become a stable staple for regions that once were the world's poorest.

So next time, don't wait for a questionnaire. If you see a way to make ***WorldPaper*** serve you better, let us know right away. We hear you talking!

Is US better off than 8 years ago?

Compare the figures between Reagan's election and departure from office

	1980	1987
National debt	US$1 trillion	US$2.6 trillion
Height if debt stacked in US$1 bills	106,665 km	277,329 km
Earth to moon	382,171 km	382,171 km
Federal expenditures as % of GNP	21%	22.5%
% taxes consumed by debt interest	22%	38%
Top tax bracket	70%	28%
Inflation rate	10%	4%
Interest rates	16.5%	10%
Value of US$ against yen	213.8	122.2
Japanese direct investment in US	$4.2 billion	$14.7 billion
College students learning Japanese	11,506	23,454
Trade deficit	$31.4 billion	$102.9 billion
Agricultural exports	$48 billion	$27 billion
Farms in the US	2,432,510	2,176,110



	1980	1987
Number of jobs in the US	99,303,000	112,440,000
Agricultural jobs	3,364,000	3,208,000
Unemployment rate	7%	6.3%
Unemployment rate for whites / blacks	6.3% / 14.3%	5.3% / 13%
Total union membership	20.1 million	16.9 million

	1980	1987
Defense spending	$146.7 billion	$293.6 billion
Federal research dollars out of every $10 that go to Pentagon	5	7
% of soldiers with high school diplomas	55%	92%
Warheads on US ICBM's	9,400	13,200
Warheads on Soviet ICBM's	7,000	11,000
% of Americans who believe the US is behind the USSR in overall military strength	40%	39%
Latin American military rulers	8	3

	1980	1987
Social Security/Medicare spending	$151 billion	$285 billion
Americans without health insurance	30 million	37 million
US infant mortality rank among industrialized countries	15	16
Federal support for low-income housing	$30 billion	$7.5 billion
Recorded US abortions	1,553,900	1,588,550 (1985)
% of children living in poverty	16%	20%
"Points of light" in the US	0	1,000

	1980	1987
Personal income	$2.2 trillion	$3.7 trillion
Personal consumption expenditures	$1.7 trillion	$2.9 trillion
People living below the poverty line	24.5 million	32.5 million
Jelly beans the Herman Goelitz Co. sold the White House	0	12 tons
% Americans approving / disapproving of the way Ronald Reagan has done his job	51% / 13%*	54% / 37%*

*Gallup Poll from Jan. 1981 and Nov. 1988

Compiled by Brad Durham, WorldPaper assistant editor

A big *spasibo* from Gorby for US boost

How Reagan spurred Soviets

By Thomas H. Naylor
in Durham, North Carolina, USA

IN SPITE OF the Soviet Union's severe economic problems, most CIA reports indicate that, ironically, it is stronger economically and militarily than at any time in its history. And President Reagan played a key role in creating precisely the kind of psychological environment in the Soviet Union to make this possible.

President Reagan's March 1983 "evil empire" slur may have done more to pull the Soviet people together psychologically than any single event since the end of World War II. As the Soviets constantly remind us, World War II was very serious business for them. They suffered 20 million casualties in contrast to 300,000 for the United States.

Then in 1984, rehearsing for a weekly radio broadcast, Reagan said to a microphone he didn't know was open, "My fellow Americans, I am pleased to tell you I just signed legislation which outlaws Russia forever. The bombing begins in five minutes." Americans loved every minute of it.

What particularly enraged the Soviets about these events was their belief that Reagan was attempting to deny them the respect and influence to which they felt they were entitled by virtue of having achieved military parity with the West, an accomplishment the Soviets consider to be their single greatest.

Even before Soviet leader Mikhail S. Gorbachev came to power in 1985, the effects of Reagan's evil empire slur were already in evidence in Moscow. Once their anger had abated, Soviet leaders strengthened their resolve to prove to the United States and the rest of the world that the Soviet Union was indeed a global superpower.

Thomas H. Naylor, professor of economics at Duke University, is the author of *The Gorbachev Strategy*.

AP-WIDE WORLD

Giving Reagan the gate in a blaze of glory.

Although restrictions on the export of US technology to the Soviet Union are not new, the Reagan administration's export control policies knew no equal. A National Academy of Sciences panel concluded that the administration's technology transfer policy had essentially failed and was costing the economy over US$9 billion annually.

In fact, evidence increasingly suggests that Reagan's obsession with denying the Soviet Union access to Western technology inadvertently may have technologically strengthened the hand of the Russians. Scientists in Moscow routinely give highest priority to projects that are most closely related to the technologies that the Pentagon tries the hardest to deny them.

Reagan's effort to regulate, manipulate and control the Soviet Union has helped create in the United States one of the world's two largest and most unwieldy military bureaucracies as well as the largest budget and foreign trade deficits in history.

Reagan repeatedly says that Gorbachev has come to the bargaining table only out of fear of the Strategic Defense Initiative. Nothing could be farther from the truth. Soviet scientists, not unlike many of their US counterparts, know that SDI is a technological fantasy.

SDI is to Gorbachev what Sputnik was to John F. Kennedy in the 1960 presidential election. Just as Kennedy played on US fears of Soviet superiority in space, so too does Gorbachev use SDI to urge the Soviet people to make even greater sacrifices for the Motherland to close its technological and economic gap with the West. Gorbachev also used SDI as a ploy in depicting Reagan as an inflexible warmonger with an unyielding commitment to SDI at any price.

Everytime Reagan opened his mouth about SDI, Gorbachev's task of reforming the Soviet economy became a little bit easier. If Gorbachev had written Reagan's script over these eight years, he would not have changed one word. To President Reagan, General Secretary Gorbachev owes a very big *spasibo*.

But what, if anything, has President Reagan gotten out of all of this? A lot! Gorbachev may have single-handedly saved Reagan's presidency and paved the way for Vice President George Bush's election.

In November 1987, Reagan was in deep trouble—the Iran-contra hearings, the Oct. 19 stock market crash, and the Senate's rejection of Robert Bork had taken their toll. Not only did the INF Treaty and the Washington and Moscow summits save Reagan's presidency, they enabled Bush to project himself to the US people as a man of peace. What could be more ironic than the general secretary of the Communist Party in Moscow, providing the escape mechanism for the most fearless, anti-communist cold warrior of all time to leave office in a blaze of glory rather than in international disgrace?♦

• INTERNATIONAL EDUCATION MARKETPLACE •

Master business in

BERKELEY.

Be one step ahead of the world.

Learn management in one of the most advanced business centers in the world. Earn your degree in Berkeley.

Master of Business Administration Degree Programs Available majors include Finance, Marketing, International Business, Management and Accounting.

Armstrong also offers undergraduate degrees in: Accounting, Management, International Business, Computer Management Science, Finance and Marketing.

English as a second language is offered to help international students prepare for TOEFL.

ARMSTRONG UNIVERSITY

Send coupon for application, brochures and free 128 page catalog.

2222 Harold Way Berkeley, CA 94704 (415) 848-2500 WP-20

Please send free 128-page catalog. My interest is:

☐ MBA ☐ Undergraduate degree programs ☐ ESL

Field: _____

Name: _____

Address: _____

City: _____

Accredited by Western Association of Schools and Colleges

MARKETING MANAGEMENT PROGRAM (MMP)

The World's Premier Multinational Marketing Seminar

June 18 - July 28, 1989

30 ANNIVERSARY

Please contact:

Dr. Jerome B. Brightman
Executive Director
International Marketing Institute
314 Hammond Street - HH
Chestnut Hill, MA
02167-1206 USA
Telex: 951750 IMI CAM
Fax 617-552-2730
Telephone: 617-552-8690

OFF-CAMPUS DEGREE PROGRAMS

Individualized programs arranged by acknowledged faculty lead to American Bachelor's, Master's and Doctor's degrees in a wide range of subjects.

For a catalog send US$8 to the International Administrative Center

Somerset University
Independent
Ilminster
Somerset TA19 0BQ
England
Tel (0460) 57255

FULLY APPROVED UNIVERSITY DEGREES

Economical home study for Bachelor's, Master's, Ph.D., *fully approved* by California State Department of Education. Prestigious faculty counsels for independent study and life experience credits (5000 enrolled students, 400 faculty).

Free information:

Richard Crews, M.D. (Harvard), President, **Columbia Pacific University**, Department 3G51, 1415 Third Street, San Rafael, CA 94901. Toll free: (800) 227-0119; California: (800) 552-5522; or (415) 459-1650.

BOSTON
MASSACHUSETTS

One of America's most historic cities!

Come to Boston, one of America's most prestigious cities. In just 2 years you can earn an Associate degree in any one of 37 courses of study, after successfully completing our comprehensive English speaking course.

Call or write today for a FREE Brochure and additional information.

Director of Admissions
Mount Ida College
777 Dedham Street
Newton Centre, MA 02159
USA
(617) 969-7000

UNIVERSITY DEGREE
for work, academic and life experience

-YOU MAY QUALIFY-

BACHELOR'S • MASTER'S DOCTORATE

send detailed resume:

Pacific Western University
600 N. Sepulveda Blvd.
Los Angeles, CA 90049
Dept. 157 - USA

RVB International

Spend a year in Holland and earn an MBA

A unique MBA programme with a mix of strategy and operation. Starting September 11, 1989.

Two streams:

Industrialisation and Management stream:

- Industrial Policy
- Strategic Management
- Behavioural Science
- Management Information Systems

Accounting and Finance stream:

- Advanced Accounting
- International Managerial Finance
- Security Analysis and Portfolio Theory

Write or telex for more information to:

The Head of the MBA Department
Netherlands International Institute for Management

P.O. Box 143
2600 AC Delft, The Netherlands
Telex 38323 RVB NL
Telefax 31 15 566831

The English Language Institute

Queens College, The City University of New York

Full-time (18 hours per week) English language instruction for foreign students, businessmen, diplomatic personnel.

Established 1945.

Campus in suburban Queens yet only 45 minutes from the cultural center of New York City. Now accepting for the current semester.

QUEENS COLLEGE

For application:
English Language Institute -WP
Queens College
Flushing, N.Y. 11367 USA
Telephone: (718) 520-7495

Earn **UNIVERSITY DEGREES**

Utilizing work, life & academic experience; for evaluation and information forward resume to:

PACIFIC SOUTHERN UNIVERSITY
9581 W Pico Blvd Dept 11
L.A., CA 90035 USA

SHORT-TERM GROUP PROGRAMS
ENGLISH FOR SPECIAL PURPOSES
SAINT MICHAEL'S COLLEGE

A leader for 30 years in English/Professional Development Programs • Year-round Training Options • Experienced Faculty • Small classes • Special Housing/Instructional Center • Programs Designed to Meet Group Needs.

CENTER FOR INTERNATIONAL PROGRAMS
Saint Michael's College, WPD
Winooski, Vermont 05404, USA
Telex: 5102990013 Fax: 802-655-3680

RVB International

Managerial skill development in Holland

Post-graduate, skill-oriented international courses in:

- **Financial Management**
- **Small Entrepreneurship Promotion and Industrial Assistance**
- **General Management for State Enterprises**

August 14 - November 16, 1989

Enrollment deadline: May 15, 1989

Financial assistance may be available from Dutch or other sources.

For further information write or telex to:

The Head,
Executive Development Programmes
Netherlands International Institute for Management
P.O. Box 143
2600 AC Delft, The Netherlands
Telex 38323 RVB NL
Telefax (31) 15 566831

— Business —

SURPLUS PLANTS—SALE
Oxygen - Nitrogen - Argon

Modern Liquid — Excellent Condition

25 T (750M) 5 T (150M) 1/2 T (15M)
75 T (2250M) 1 T (30M)

LOW PRICES WITH FINANCING

Nicolai Joffe Corp. Dept. P, P.O. Box 5362, Beverly Hills, Calif. 90210 USA. Tlx: 674638

— Hotels —

The Coburg Hotel

Reasonable rates. Prestigious location, TV, telephone, trouser press, hairdryers, coffee/tea makers, English Breakfast. Bar, restaurant and conference rooms.

129 Bayswater Rd, Hyde Park
London W2 4RJ
Tel 01-229-3954
Telex 268236, Fax 01-229 0567

— Books —

AUTHORS WANTED BY NEW YORK PUBLISHER

Leading subsidy book publisher seeks manuscripts of all types: fiction, non-fiction, poetry, juvenile, scholarly and religious works, etc. New authors welcomed. *Ask for free booklet R-83.* **Vantage Press**, 516 West 34th Street, New York, NY 10001

Readers

Please make appropriate inquiries before entering into a binding commitment financially or otherwise in relation to an advertisement. World Times Inc. shall not be liable to any person for loss or damage incurred through any advertisement published in WorldPaper.

HOW TO REDUCE NOISE IN SILENCE ZONES

The new TRANZIT ACOUSTIFLOOR foam backed vinyl flooring actually lowers noise levels by about 15 decibels. It is smooth surfaced, easily maintained, durable, long wearing, with chemical resistance, sound control and underfoot comfort properties. What's more, TRANZIT ACOUSTIFLOOR is stain resistant, dirt resistant and water resistant.

PLACES FOR USAGE

Hospitals • Schools • Recording Studios • Commercial Centres • Offices

NEW TRANZIT ACOUSTIFLOOR

With a low density closed cell foam layer for maximum sound insulation

From: ROYAL CUSHION VINYL PRODUCTS PVT. LTD.

Regd. Office:Ramkrupa, 25, Parekh Street, Prarthana Samaj, Bombay 400 004. Phone: 352497

Delhi Office: 415, 4th Floor, World Trade Centre, Barakhamba Lane, New Delhi 110 001. Phone: 3315300.

VIDE

Fasten your seat belts...
VIDEOCON
APPLIANCES LIMITED
will be taking off shortly

OCON

A TRACK RECORD THAT SPELLS SUCCESS:
Videocon entered the highly competitive CTV market in 1982. And today, in just six years, it has become a market leader.

The Group introduced its Washing Machines, in 1987, in a market that was still infantile. And to the surprise of everyone, Videocon Washing Machines have more than succeeded. Leading with over 60% market share.

Videocon recently introduced Audio range which has been showing every sign of becoming a rage. As if to epitomise this spell of success, Videocon has been awarded this year the letter of intent to manufacture VCRs.

THE COMMITTMENT TO SHAREHOLDERS:
Videocon International Ltd., the flagship company of the Videocon Group, declared 18% interim dividend to its shareholders. In less than a year after going public. Also the share price has soared to Rs.70 (as on 2nd December, 1988 on Bombay Stock Exchange) as against the face value of Rs.10.

THE DYNAMIC MANAGEMENT:
The management has, time and again, exhibited its dynamism in every aspect of business. It stands apart because of its unique ability to read correctly the market situations. And act with precision. That's why it could render everybody happy. The Customers. The Dealers. The Investors.

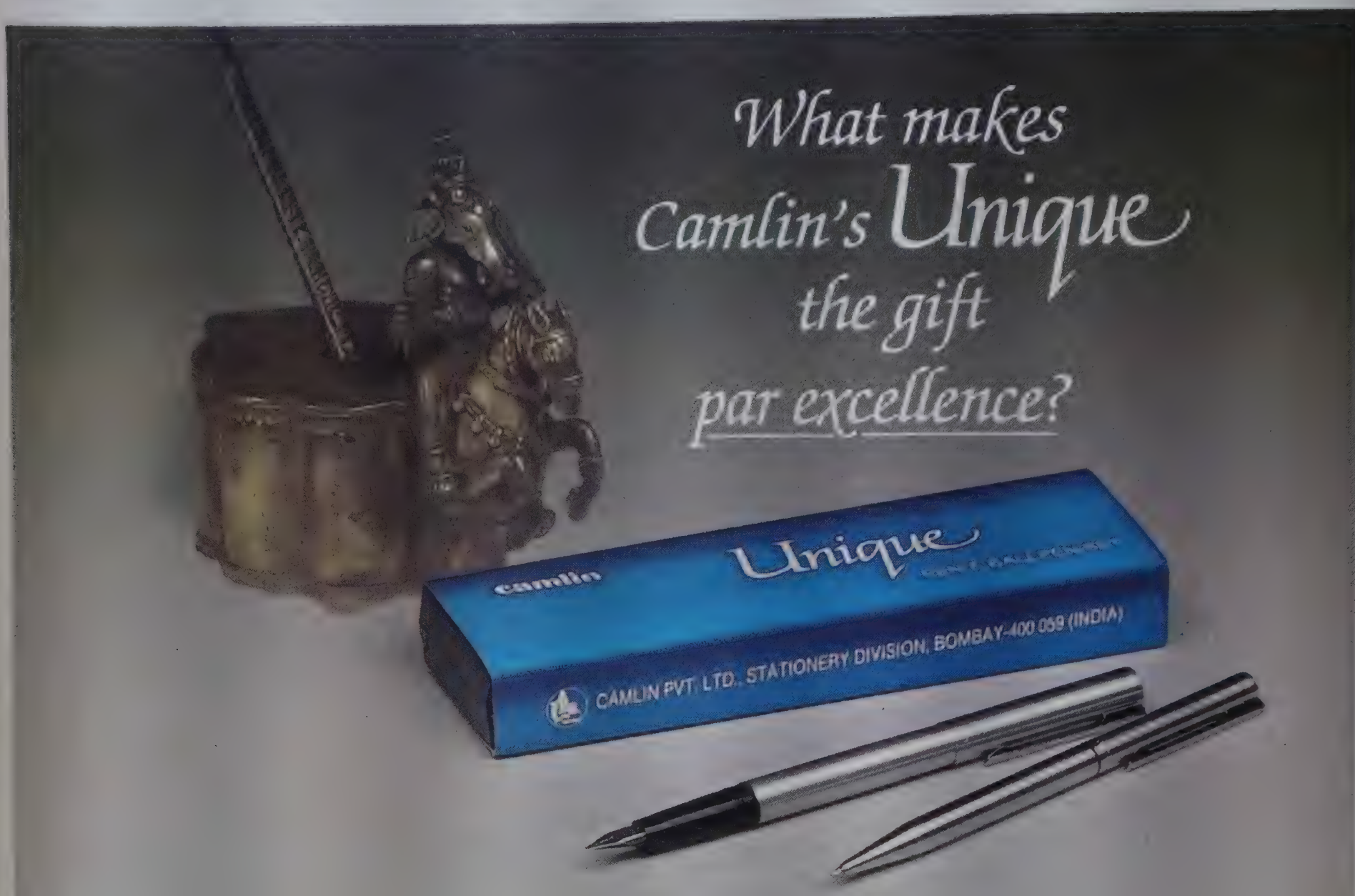
VIDEOCON APPLIANCES LTD – ALL SET FOR SUCCESS:
Drawing confidence from such trail blazing performances, Videocon Appliances Ltd is now all set to capture the ever-growing market of Washing Machines and other home appliances. With the coveted collaboration with Matsushita Electric Industrial Co. Ltd., Japan, the brand name owners of **National**

VIDEOCON
APPLIANCES LIMITED

Regd. Office
14, K.M. Stone, Paithan Road, Village Chitegaon, Tal. Paithan, Aurangabad 431 005
Admn. Office.
168, Atlanta, Nariman Point, Bombay 400 021

Come, share the excitement!

CLEA



Exclusive features, perfected for the first time in India by Camlin, put **Unique** writing instruments in international class.

The pen incorporates a unique Converter mechanism perfected by Camlin, and found only in famous international pens. The Converter unit can also be easily replaced by disposable, Continental-size ink cartridges. Unique capillary action ensures uniform ink flow without clogging.

The matching, elegant ballpen features an easy-to-use twist mechanism.

Qualities like these make Camlin's **Unique** truly exclusive writing instruments that speak of your thoughtfulness... reflect your personality.

Ask to see the full range of Camlin Pen & Ballpen Gift Sets to suit every taste, every pocket!

camlin

Unique — in so many ways!

CAMLIN LIMITED, STATIONERY DIVISION, BOMBAY 400 059.

NAARDEN BECOMES QUEST INTERNATIONAL

You've known Naarden. They're the company that has given India some of its finest flavours and fragrances for the past 40 years.

Today Naarden has bloomed and grown bigger than itself. To become Quest International. Already famous the world-over as leaders in flavours and fragrances. In 80 countries in 5 continents. And now in India too.

Quest International brings you its brilliant repertoire of creativity, matched by a sophisticated armoury of top-of-the-line technology, research and marketing expertise.

Working with you to develop flavours and fragrances that are unique. Exciting. Irresistible. And sure winners.

Quest
INTERNATIONAL

Maker Chambers IV, 10th floor
222 Backbay Reclamation
Nariman Point
Bombay 400 021

LINTAS Q P 2 2318

Nagarjuna Finance Limited

Nagarjuna Hills, Panjagutta, Hyderabad - 500 482.

FINANCIAL RESULTS (UNAUDITED)

FOR TWELVE MONTHS, PERIOD

ENDED 30TH SEPTEMBER, 1988

	Current period ended 30th Sept. 1988	Previous period ended 30th Sept. 1987
	(Rs. lakhs)	(Rs. lakhs)
GROSS INCOME	1045	878
PERSONNEL & ADMINISTRATION	127	124
INTEREST	596	462
MISCELLANEOUS EXPENSES WRITTEN OFF	40	40
GROSS PROFIT	282	252
DEPRECIATION	131	93
PROFIT BEFORE TAX	151	159
PROVISION FOR TAX	23	25
PROFIT AFTER TAX	128	134

Stock-on-hire	3402	3269
Assets on Lease	1173	998

Current Accounting period has been extended to March 1989 to fall in line with uniform accounting year.

Imageads/NFL-28688

CC

rginally higher income; profits ghtly better; the cost of critical inputs her; modernisation on to exploit the ning boom

C has recorded a slightly better perfor-nce during the year ended 31 July 88. Income has gone up only by Rs.0.50 res to Rs.6.86 crores mainly because of gher input costs. Power, coal, railway ight, royalties and the wage bill be-me costlier during the year. The com-ny constituted a separate task force der the R&D division, to reduce the use coal and power at the various plants. Of the two six monthly periods, the cond half performance was much bet-r. In fact all the profits (Rs.9.28 crores) ere earned in the second half, while the rst half ended with a loss of Rs.2.42 rores — an indication that the current ear will be much better.

There is a marked improvement in ca-acity utilisation. As a result of on-going odernisation, the company was able to stain the production of grey cement at .84 million tonnes (7.9 million tonnes) ven after selling three of its plants dur-g the year. Also the lowering of levy bligation and increase in retention price ave improved profitability.

While the production of white cement as increased, production of refractories nd refractory products has marginally eclined.

But grey cement constitutes a lion's hare (over 90 per cent) of the total sales. So the company still depends on its sales for profitability. The sales realisation per tonne this year was nine per cent higher at Rs.1000.72 (Rs.889) per tonne while cost increased by 20 per cent to Rs.807.64 (Rs.671.89) per tonne. But white cement showed improved profitability as sales realisation was 13 per cent higher at Rs.3171.70 (Rs.2811.50) per tonne and at the same time costs declined marginally by 1.5 per cent from Rs.2421.79 per tonne to Rs.2385.83 per tonne.

The costs of major raw materials, limestone, granulated clay and gypsum have increased. This has restricted the company's net profit to Rs.6.86 crores.

But for a non-recurring loss of almost Rs.4.5 crores on the sale of the plants, results would have been still better.

Deferred revenue expenditure of Rs.3.14 crores includes Rs.2.66 crores incurred in the current year on the voluntary retirement scheme, to be deducted over a period of time. Further, the company has not admitted claims against it ammounting to Rs.7.16 crores. It is encouraging to note that even after selling three of its plants (at a loss of Rs.4.5 crores) the company has managed to increase gross block to Rs.567.98 crores (Rs.551.91 crores).

The recent broadbanding of cement can be a boom, if the company grabs this opportunity to enter into speciality cements. Other areas open to it are sulphate resistant cement, portland cement, oilwell cement, waterproof cement etc.

The cement market has also shown revival and experts predict an emergence of a sellers' market during the early 1990s. So ACC with its on-going modernisation and cost cutting exercises would be well prepared to exploit the coming boom.

	(Rs crores)	
Year ended 31 July	**1988**	**1987**
NET SALES	601.74	562.46
RAW MATERIALS	182.18	169.52
OPERATING PROFIT	75.42	68.55
INTEREST	34.88	34.72
DEPRECIATION	33.68	33.34
TAX	—	0.15
NET PROFIT	6.86	0.34
CASH PROFIT	40.54	33.68
DIVIDEND (%)	10.00	10.00
EQUITY	55.95	40.85
RESERVES	105.21	106.59
LOANS	265.88	244.60
GROSS BLOCK	11.69	11.00
MARKET PRICE (Rs)		
CURRENT	382.00	
1988: HIGH	399.00	
LOW	129.00	

Ceat Tyres

Higher sales, combined with even higher profitability; company emerged as undisputed leader

The major tyre companies have performed exceedingly well and CEAT is no exception. Sales are 16 per cent higher at Rs.279.41 crores. Profitability is higher at 37 per cent, rising from Rs.37.88 crores to Rs.51.82 crores. The net profit looks even better at Rs.20.72 crores (Rs.12.30 crores), 68 per cent higher.

During the year CEAT manufactured 2.8 million automotive tyres and 1.42 million automotive tubes, against the last year's 2.43 million and 1.38 million respectively. It sold 2.63 million (2.44 million) automotive tyres and 1.48 million (1.38 million) automotive tubes. The closing stocks of both of these are substantially lower.

	(Rs crores)	
Year ended 30 June	**1988**	**1987**
GROSS SALES	364.37	316.07
OTHER INCOME	8.25	4.13
OPERATING PROFIT	51.60	37.88
INTEREST	10.60	8.89
DEPRECIATION	5.59	7.29
TAX	15.33	9.44
NET PROFIT	20.08	12.26
EQUITY	25.67	19.55
RESERVES & SURPLUS	87.67	65.95
NET BLOCKS	31.73	33.40
INVESTMENTS	18.09	1.55
EPS (%)	136.04	131.54
DIVIDEND (%)	27.50	25.00
MARKET PRICE (Rs)		
CURRENT	115.00	
1988: HIGH	140.00	
LOW	52.00	

The wage bill and the raw material costs have increased. Selling and distribution expenses are marginally higher. The company also serviced a higher interest burden. The company has reduced its tax provision substantially to Rs.5.80 crores (Rs.7.29 crores).

The operating margins are higher, as they stand at 18.55 per cent (15.74 per cent of tax). The second half's performance has been better than the first half of the year and better than that in the corresponding period the previous year.

The sales at Rs.145.52 crores (Rs.133.89 crores) are one per cent higher. Operating profit is 47 per cent higher than the first half's figure of Rs.20.97 crores. The margins were 15.66 per cent and 21.20 per cent in the first and the second half respectively.

The company, with a production of 2.6 million tyres, has emerged as the undisputable leader in the Indian tyre industry. The new generation LCVs, cars and two wheelers has increased the demand for high performance tyres resulting in an excellent response to the company's Formula-I radial tyres for cars. Further, the company is finalising plans to introduce steel-belted radials for cars and light trucks.

The glass fibre division has shown a 5

The transport industry's most inexpensive business insurance.

Transport vehicles are hard workers. Heavy loads over long hauls are part of their daily lives. Over-heating and excessive wear are the major hazards they face.

That's why the lubricant in a heavy duty transport vehicle often spells the difference between up-time and down-time, between long life and early death.

Your vehicle is your investment. Protect it with the most advanced lubricant available – VEEDOL. From Tide Water. You can't afford anything less.

TIDE WATER OIL CO. (INDIA) LTD.
(A member of the Andrew Yule Group)
CALCUTTA ■ BOMBAY ■ DELHI ■ MADRAS

Performance Oils. Nothing less.

ARMS-TW-V

r cent increase in sales. Cost efficiency .s greatly contributed to the prof- ıbility of this division. The market for is product is expected to grow by 15 to per cent in the next few years. The ompany exported Rs.12.90 crores worth tyres during the year under review.

Mahindra Ugine Steel (MUSCO)

Silver jubilee dividend; bonus issue; lower interest burden with better inventory control; firming up of diversification plans

The company ushers in the twenty-fifth year with a maiden bonus issue in the ratio of 1:2 combined by an increase of five points as silver jubilee dividend for the year ended 30 June 1988.

The production of finished steel increased by 2,336 tonnes whereas sales increased by 3,684 tonnes. The value of gross sales moved up to Rs.93.73 crores (Rs.85.69 crores), an increase of Rs.8.04 crores. Of this, increased sales volume and price hike contributed Rs.5 crores and Rs. 3 crores respectively. The cost of raw material inputs, mainly melting scrap, ferro alloys etc has increased by 20 per cent at Rs.32.01 crores (Rs.26.61 crores) thereby reducing the operating profits marginally by 3 per cent.

The company has changed its basis of providing depreciation for the concern as a whole to depreciation based on actual utilisation of assets. This has reduced depreciation provision by Rs.1.90 crores, while increasing inflated profits by Rs.1.76 crores. The provision for tax has been higher at Rs.2.97 crores (Rs.0.63 crores).

Total investments have increased to Rs.4.24 crores (Rs.0.15 crores) with 2.8 million units and Rs.0.50 lakhs of low yielding Indira Vikas Patra securities purchased during the year.

Judicious control of inventories including finished stock coupled with close monitoring of sundry debtors has lowered the interest burden. The flexibility of changing the product mix in line with the market demand and quick response to customers' requirements has helped the company optimise its product-mix.

The company plans to expand the installed plant capacity from 75,000 tpa to 100,000 tpa by 1990 with a targeted turnover of Rs.150 crores. Besides, the company is entering into the hotel and real estate business to reduce dependence on a single industry. MUSCO has tied up with Days Inn, US, for managing and running two or three star hotels in the country. Initially it will set up hotels in the South, besides offering technical and management services for existing hotels which could become part of the Days Inn chain.

	(Rs crores)	
Year ended 30 June	**1988**	**1987**
GROSS SALES	93.73	85.69
OTHER INCOME	3.17	2.46
RAW MATERIAL	32.01	26.61
OPERATING PROFIT	14.80	15.23
INTEREST	3.13	3.99
GROSS PROFIT	11.67	11.24
DEPRECIATION	3.74	5.66
TAXATION	2.97	0.63
NET PROFIT	4.96	4.95
CASH PROFIT	8.70	10.61
EQUITY	7.30	7.30
RESERVES AND SURPLUS	20.74	17.76
GROSS BLOCK	58.04	57.38
INVESTMENTS	4.24	0.15
EPS (%)	66.44	66.30
DIVIDEND (%)	25.00	20.00
MARKET PRICE (Rs)		
CURRENT	97.50CB	
1988: HIGH	100.00	
LOW	48.00	

Lakme

Lower sales; improved export performance; lower interest burden; improved outlook

The year ended June 1988 has been one of mixed fortunes for Lakme. Sales have dropped by 16.8 per cent to Rs.45.52 crores although the drop in profits was not substantial.

But lower interest at Rs.1.34 crores (Rs.1.45 crores) and depreciation provision at Rs.0.79 crores (Rs.1.09 crores), has helped the company improve net profits.

This has allowed the management to increase dividend from 25 per cent last year to 27.5 per cent on an increased capital of Rs.2.10 crores (Rs.1.83 crores)

The company's performance was a mix — between dwindling sales in the medical equipment division and higher export sales. Sales realisation for perfumes, cosmetics and toiletries has improved dur

	(Rs crores)	
Year ended 30 June	**1988**	**1987**
GROSS SALES	45.52	55.19
OTHER INCOME	1.00	0.72
OPERATING PROFIT	3.28	3.49
INTEREST	1.34	1.45
GROSS PROFIT	1.94	2.04
DEPRECIATION	0.79	1.09
TAX	0.03	—
NET PROFIT	1.12	0.95
CASH PROFIT	1.91	2.04
EQUITY	2.10	1.83
RESERVES & SURPLUS	6.87	5.81
GROSS BLOCK	11.69	11.00
INVESTMENTS	0.15	0.11
EPS (%)	53.33	51.91
DIVIDEND (%)	27.50	25.00
MARKET PRICE (Rs)		
CURRENT	135.00	
1988: HIGH	120.00	
LOW	59.00	

ing the year by 11.5 per cent. After three years of increased sales of medical equipment, they have suddenly fallen drastically to a mere 55 units, against the peak of 292 units achieved last year.

Major raw materials cost have decreased, as a result raw materials cost as a percentage of sales has been almost halved to 22.6 per cent from 40.30 per cent last year.

The major improvement has been due to exports of cosmetics, which have become highly remunerative. The company has during the year introduced several new products in the market.

Most of the company's formulations are now under price control, thanks to the new DPCO. Besides, the production of cheoroquin phosphate was at lower levels, due to restricted demand. The company hopes for a price hike, which last came in 1985.

TRENDS

Tata Chemicals

The company has shown remarkable improvement in sales and profitability. Besides the costs have been under control.

The turnover of the company in the first six months of the current year amounted to Rs.129.67 crores, which is 24 per cent higher than the corresponding period last year.

The profits have more or less kept pace with higher sales. The operating profit

			(Rs crores)
	Apr-Sep 1988	Apr-Sep 1987	1987-88
SALES (Net)			
OTHER INCOME			
TOTAL INCOME	129.67	104.47	230.40
RAW MATERIAL COST	18.84	17.53	37.11
SALARY & WAGES	8.10	7.09	16.52
INTEREST	15.74	15.11	32.12
GROSS PROFIT	30.07	22.70	51.65
DEPRECIATION	9.97	8.26	16.45
TAX	4.07	2.12	8.00
NET PROFIT	16.03	12.32	27.20
OP SALES (%)	35.33	36.19	36.36
RM SALES (%)	14.14	16.78	16.11

has risen to Rs.45.81 crores against Rs.37.81 crores. The net profit, too, is 30 per cent higher at Rs.16.03 crores.

Direct expenses have marginally increased. Raw materials costs have increased by a mere 5 per cent to Rs.18.34 crores, while the wage bill is higher at Rs.8.10 crores. The interest burden amounted to Rs.15.74 crores (Rs.15.11 crores). Depreciation has risen to Rs.9.97 crores and so has tax provision to Rs.4.07 crores (Rs.2.12 crores).

It is significant to note that raw materials cost was only 14.14 per cent of sales. This allows the company to enjoy a plum 35.33 per cent operating income. This has enabled the company to announce a 12 per cent interim dividend, which will absorb Rs.5.39 crores.

The company is implementing two prestigious projects — a refinery and a fertiliser project. The total investments required for this project will be around Rs.2,200 crores.

Remington Rand

The first half results announced by the company are at par with the results of the period last year. There has not been any major change, either in sales or in profitability.

Sales at Rs.6.96 crores are almost level with sales of Rs.6.94 crores in the corresponding period last year. The operating profit is Rs.108 lakhs (Rs.85 lakhs) and net profit stands at Rs.35 lakhs (Rs.32 lakhs). The bottom line is stagnant.

The raw materials cost have risen substantially. From Rs.1.17 crores it has shot up to Rs.1.74 crores, which is 25 per cent of sales, against 16.86 per cent during the corresponding period last year. In contrast, the other direct expenses (excluding salaries) showed a steep decline from Rs.2.04 crores in the corresponding period last year, to Rs.1.13 crores now. Besides, the company's interest cost has risen to Rs.14 lakhs (Rs.5 lakhs) and depreciation provision to Rs.19 lakhs (Rs.10 lakhs). Tax provision at Rs.39 lakhs (Rs.38 lakhs) is constant.

			(Rs crores)
	Apr-Sep 1988	Apr-Sep 1987	1987-88
SALES (Net)	6.96	6.94	15.88
OTHER INCOME	0.21	0.21	0.50
TOTAL INCOME	7.17	7.15	16.38
RAW MATERIAL COST	1.74	1.17	2.83
SALARY & WAGES	3.22	3.09	6.57
INTEREST	0.14	0.05	0.24
GROSS PROFIT	0.94	0.80	2.10
DEPRECIATION	0.19	0.10	0.21
TAX	0.39	0.38	0.80
NET PROFIT	0.35	0.32	1.09
OP/SALES (%)	15.52	12.25	14.74
RM/SALES (%)	25.00	16.86	17.82

The company plans to manufacture around 1500 electronic typewriters. Its Rs.6 crore plant to manufacture electronic push button telephones in collaboration with Siemens of West Germany is expected to start commercial production in mid-89. The plant has a capacity for two lakh telephones but in the first year production will be of 50,000 only.

Bombay Dyeing

The first half of the current year has not been a good one for the company. Though sales have improved profitability has taken a beating.

			(Rs crores)
	Apr-Sep 1988	Apr-Sep 1987	1987-88
SALES	154.37	142.71	304.54
OTHER INCOME	2.24	1.29	3.70
TOTAL INCOME	156.61	144.00	308.24
RAW MATERIAL COST	83.64	60.76	126.46
SALARY & WAGES	16.97	16.33	33.02
INTEREST	9.12	10.01	18.45
GROSS PROFIT	16.34	21.64	41.74
DEPRECIATION	9.71	10.94	18.80
TAX	1.04	1.69	3.59
NET PROFIT	5.59	9.01	19.35
GP/SALES (%)	16.49	22.18	19.76
RM/SALES (%)	54.18	42.15	41.03

The net sales of the company stood at Rs.154.37 crores which is 8 per cent higher than the sales achieved last year during the corresponding period. The operating profit slumped by as much as 20 per cent, to drop to Rs.25.46 crores (Rs.31.65 crores). The profits have further deteriorated, after making various provisions. The bottom line has eroded 38 per cent to Rs.5.59 crores (Rs.9.01 crores).

The costs have been on an upswing, due to the government's decision to raise the duty on paraxylene from 85 per cent to 110 per cent, on a substantially higher price of this imported raw material.

Raw materials costs rose to Rs.83.64 crores (Rs.60.76 crores). The wage bill is almost constant at Rs.16.97 crores. But the company has managed to reduce the selling and distribution expenses to Rs.25.46 crores (Rs.31.65 crores).

The interest burden has come down to Rs.9.12 crores (Rs.10.01 crores). Depreciation provision too is lower at Rs.9.71 crores (Rs.10.94 crores). Tax provision stands at Rs.1.04 crores (Rs.1.69 crores).

The operating margins have declined to 16.49 per cent (22.18 per cent) of sales. Raw materials, viz, methanol and paraxylene have also become more expensive.

This trend of lower profits has now been controlled to a certain extent because the company has been allowed to raise the prices of its DMT. So in August 1988 it raised the price by Rs.6,000 per tonne, and in October again by another Rs.3,700 per tonne.

TISCO

The company has shown a dramatic improvement in profitability, alongwith higher sales. During the period it managed to sell 776,000 tonnes (753,000 tonnes) of steel while, it also increased the production of saleable steel to 905,200 tonnes (900,700 tonnes). On this level of sales, it achieved a total turnover of Rs.804.09 crores (Rs.661.71 crores) — an increase of 22 per cent.

The company has managed to earn an operating profit of Rs.148.98 crores, which is 49 per cent higher — a substantial improvement in profitability. Thus, in this half the company has earned an operational profit of 18.53 per cent on total income, against 15.07 per cent in the corresponding period last year.

Though the fixed charges have in-

STEP BY STEADY STEP
BY STEADY STEP

See Deepak shine on a profitable past, a dynamic present and a glorious future.

C.K. Mehta, the vision and force behind the Deepak Group started manufacturing industrial chemicals in 1972. His company Deepak Nitrite soon won rapid acclaim for quality products. For shareholders it was a goldmine – an appreciation of over 150% every year.

A new era begins

In 1979, Deepak Nitrite promoted Deepak Fertilisers and Petrochemicals Corporation Ltd. to convert Bombay High gas into profitable products.

DFPCL is the first and only private sector unit to own a gas pipeline.

The first to operate a merchant Ammonia plant consistently exceeding the national average for capacity utilisation.

The benefits flowed to all – consumers, shareholders & the exchequer.

Fast forward into the future

Now, Deepak is embarking on a Rs. 346 crores Forward-Integration-Programme that will propell the turnover to over Rs. 250 crores

Setting up 5 integrated plants to manufacture chronically scarce Petrochemical, Industrial Chemicals & Fertiliser products.

Methanol. Nitric Acids. Prilled Ammonium Nitrate. Ammonium Nitrophosphate Fertiliser.

Yes, the foundations have long been laid. The products well known. The markets growing. The framework fast taking shape. The future spells great wealth. Mahadhan.

Yours... for generations to come.

Deepak Fertilisers and Petrochemicals Corporation Ltd

- Petrochemicals
- Industrial Chemicals
- Fertilisers

			(Rs crores)
	Apr-Sept 1988	Apr-Sept 1987	1987-88
SALES			
OTHER INCOME			
TOTAL INCOME	804.09	661.71	1526.78
RAW MATERIAL COST	136.02	105.48	227.28
SALARY & WAGES	141.05	130.01	267.53
INTEREST	33.04	31.23	67.42
GROSS PROFIT	115.94	68.50	186.13
DEPRECIATION	44.0	34.50	73.98
TAX	18.00	5.85	20.00
NET PROFIT	53.94	28.65	92.15
OP/TI (%)	18.53	15.07	16.61
RM/TI (%)	16.92	15.94	14.89

creased, the company has managed to earn Rs.53.94 crores as net profits, which is 88 per cent higher. Raw material costs rose from Rs.105.48 crores to Rs.136.02 crores. The wage bill at Rs.141.05 crores is also higher. Other operating expenses have also increased by 16 per cent to Rs.378.04 crores. The interest burden has increased to Rs.33.04 crores and the depreciation provision to Rs.44 crores (Rs.34.50 crores).

RESULTS ANNOUNCED

Greaves Cotton

The year ended June 1988 had been moderately successful for Greaves Cotton. Sales has grown by 17 per cent to Rs.154.42 crores (Rs.131.86 crores). Operating profit at Rs.8.30 has risen by 12 per cent (Rs.7.38 crores). Inflation, apparently, has hit the cost of manufacturing more than proportionately.

Provisions of Rs.2.02 crores (Rs.1.53 crore) for depreciation and Rs.2.70 crores (Rs.1.90 crores) for tax, 30 and 42 per cent higher, respectively, reduces operating profit to a post tax figure of Rs.2.66 crores. After adding the balance of Rs.2.90 crore brought forward Rs.1.51 crore (Rs.1.38 crore) and Rs.3.94 crore (Rs.4.25 crore) have been appropriated for dividend and general reserves.

The year had been kind to Greaves Cotton shareholders. The board of directors has recommended an increased dividend of 22 per cent (20 per cent) and bonus to the shareholders in the ratio of one share for every two equity held.

The directors expect a brighter performance in the current year (nine months from July 1988 to March 1989) after considering the general rise in the economy and the backlog of orders the company has at hand. Further, areas for new ventures are being actively explored, particularly in portable diesel gensets and industrial materials.

Sudarshan Chemicals

Sudarshan Chemicals reports improved performance for the year ended June 1988, with turnover increasing by 27 per cent to Rs.49.20 crores (Rs.38.65 crores) and gross profit by 18 per cent to Rs.4.43 crores (Rs.3.75 crores). After deducting Rs.2.48 crores (Rs.2.05 crores) as depreciation, the profit before tax is Rs.1.95 crores (Rs.1.69 crores), a respectable 4 per cent of the gross turnover.

After a provision of Rs.85 lakhs for taxes, the net profit after tax is Rs.1.60 crores (Rs.1.46 crores) and Rs.0.33 lakhs has been written back from investment allowance reserve. Of the total appropriable amount of Rs.1.93 crore, Rs.53 lakhs (Rs.48 lakhs) has seen set aside for dividend, Rs.63lakhs (Rs.19 lakhs) for general reserve and the balance transferred to various provisions.

The company has been able to make significant inroads in markets abroad and exports have increased by 72 per cent. A modernisation plan of Rs.7.70 crores is on the anvil to update plants at Pune and Roha.

Spartek Ceramics

Spartek Ceramics, has performed well and stepped up dividend by five points to 25 per cent for the year ended 30 June 1988.

The company logged a 12 per cent increase in net sales at Rs. 11.44 crores (Rs.10.21 crores) with an equal leap in gross profit before interest and depreciation to Rs.5.51 crores (Rs.4.95 crores). After providing higher interest, depreciation and tax, the net profit stands at Rs.2.85 crores (Rs.2.71 crores).

During the year 1987-88, the company expanded its capacity at a cost of Rs.7 crores. This was completed in mid-April 1988 and its full benefits will accrue in the next accounting year of nine months ended March 1989. The proposed investment of Rs.1 crore in Spartek Granites, a 100 per cent export-oriented unit is awaiting the central government's approval. This will enable the company t acquire controlling interest in Neiveli Ce ramics & Refractories.

Supreme Industries

Supreme Industries has maintained it dividend for the year ended 30 June 198 at 36 per cent on an enlarged equity bas after a liberal bonus issue of 1:1 issue during the year.

Although the turnover increased by 3 per cent at Rs.68.91 crores (Rs.51.2 crores), the profits after tax slumped t Rs.2.23 crores (Rs.3.39 crores). The com pany has provided for lesser tax o Rs.3.50 lakhs (Rs.35.93 lakhs).

During the year, the company spen Rs.6 crores on technology upgradation establishment of a modern tool room an addition of new capacities in existin product lines. The company expects t cross Rs.67 crores of turnover within th next nine-month period ended 31 Marc 1989.

IN BRIEF

Bajaj Auto Ltd expects to reach a turn over of Rs.650 crores during the curren nine-month period, against Rs.552 crore in the previous twelve-month financia year. The number of vehicles planned t be manufactured are 539,000 tw wheelers (460,995) and 51,000 thre wheelers (49,640). Further, three new models are being developed, and may b in the market sometime in 1989.

Approval from the government to ru its plant at Waluj at its full licensed ca pacity of 300,000 vehicles per annum pending clearnace of transfer of selected assets (and also corresponding lia bilities) of Scooter India, Lucknow, has been received. The application to expand capacity at Waluj from 300,000 to 1,000,000 vehicles is, however, still pending.

Carborundum Universal has recommended a higher dividend of 25 per cent (18 per cent) for the year ended 31 August 1988. Sales went up by 18 per cent to Rs.64.21 crores. Similarly, the profit before tax at Rs.9.32 crores and profit after tax at Rs.5.72 crores were substantially higher than the previous year. The progress of expansion activities and technical upgradation of bonded abrasives and new facilities for micro grit is satisfactory.

The Kirloskar Electric Challenge Series

Anybody who has even a passing acquaintance with electrics knows that Kirloskar Electric is a leader in specialist welding equipment.

But did you know that we are the first Indian company to design and develop a tyre flange re-building plant that increases the life of a railway wheel by at least a 100%?

Railway wheels account for a major part of the inventory of rolling stock as well as costs in the Indian Railways. The tyres of wheels are made from alloy steel, a substantial part of it imported. The cost of a wheel is thus very high. Because of the heavy load while negotiating curves, the flange wears out much faster than the tread. In the past the only method of salvaging such wheel sets was to give a substantial cut to both the tread and the flange and get the required profile. This not only consumed costly lathe-man hours but also reduced the life of re-profiled wheels.

In 1979, the railway authorities asked Kirloskar Electric if, based on the initial work done by RDSO Lucknow, we would design and develop a machine for re-building flanges. The process would use submerged arc-welding techniques and increase the life of a wheel from eight years to almost twenty. We were highly excited but the problems involved were truly daunting.

The welding knowhow required for the job was not only advanced but depended on a complex set of electrical and electronic parameters. The client wanted to maximise automation to ensure almost assembly line re-building speeds, as well as operator safety. Were we then rushing in where angels fear to tread? Quite likely. But, we reckoned, nothing ventured, nothing gained. We said yes.

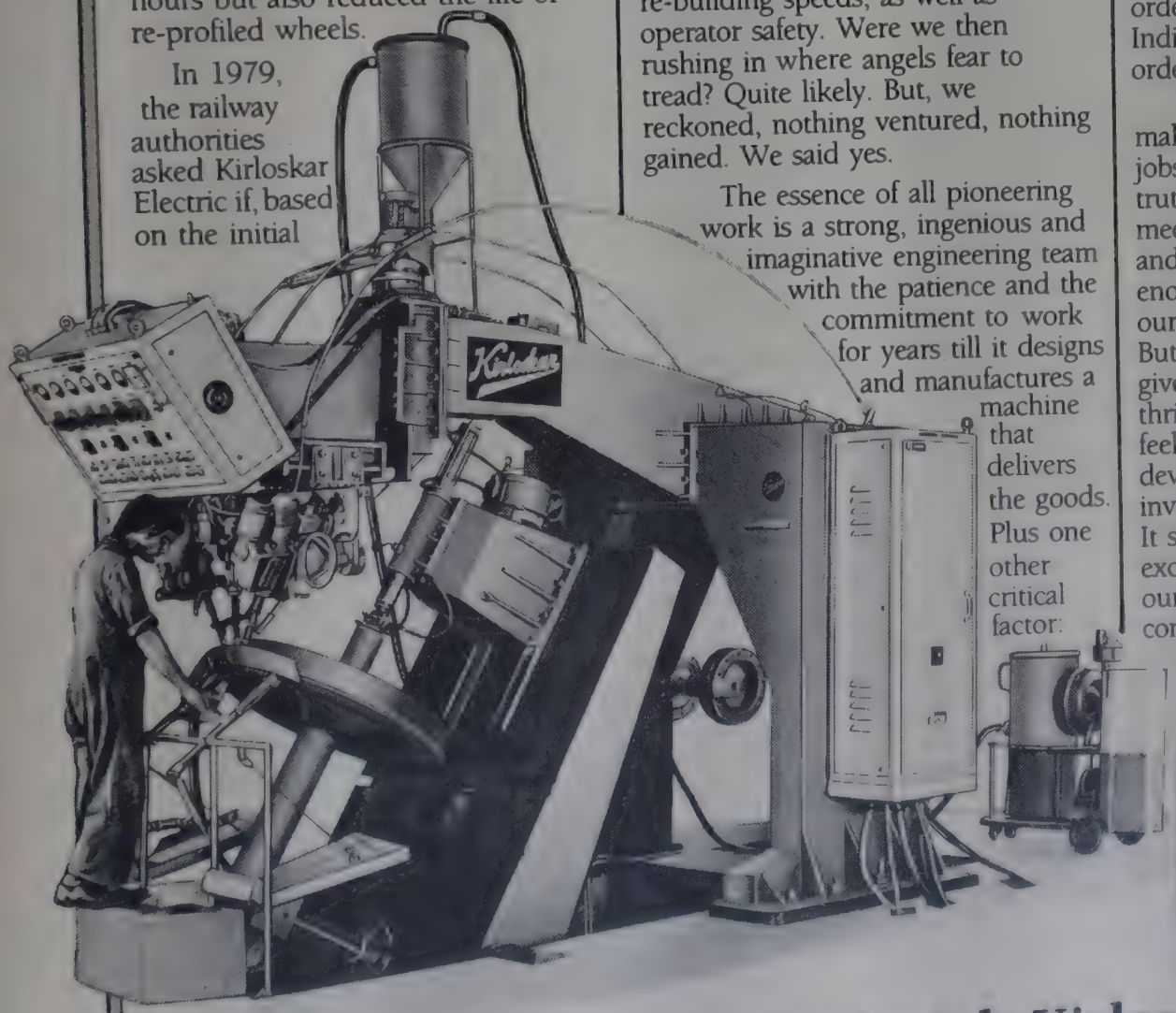
The essence of all pioneering work is a strong, ingenious and imaginative engineering team with the patience and the commitment to work for years till it designs and manufactures a machine that delivers the goods. Plus one other critical factor: the total involvement and continuous guidance and insights of the client. We were lucky. We had both.

Here are some examples of the special demands in this job:

- Difficulties involved in re-building flanges of special high carbon steel.
- Re-building flanges without preheating.
- Automating the entire process with electronic logic and also using three welding heads simultaneously for high productivity.

We must have done a pretty good job. Because after the trial order of 5 machines in 1979-81, Indian Railways placed another order for 13 more machines in 1984.

What, you may well ask, makes us take on such challenging jobs that others won't touch? The truth is standard motors — small, medium and large — are our bread and butter. We make them with an enormous amount of care because our livelihood depends on them. But it's the really tough jobs that give us our kicks. We don't just thrive on them, we need them to feel alive. What we are doing is developing technological muscle and invaluable expertise and experience. It saves the country crores in foreign exchange. And it does wonders to our self-confidence and the confidence our customers have in us. They know that when nobody else can do the job, Kirloskar Electric will.



KIRLOSKAR ELECTRIC COMPANY LTD

Regd. Office: Industrial Suburb, Rajajinagar Bangalore 560 010

When nobody else can do the job, Kirloskar Electric will.

THE ORIGINAL AMERICAN JEANS. NOW IN INDIA.

Slip into your Wrangler jeans. Feel it snuggle against your skin. Mould itself into your body shape. As only Wrangler can.

Simply because it's made so painstakingly. Thread by thread. So the special polyester core of the thread makes sure it doesn't shred for the entire life of the jeans. The button, the zipper, the rivets, the label are all pure, original Wrangler. Even the material is the same. As many as 70 cruel and minute checks precede any pair of jeans being branded Wrangler. From the classic regular 'Blues' to acid-wash to stone-wash jeans. After all, they are made for rather special people. People who would never accept second best. So when someone says you're looking so free, easy and extremely desirable in your Wrangler jeans, you know it'll stay that way.

WRANGLER IS THE REGISTERED TRADEMARK OF BLUE BELL INC.
A SUBSIDIARY OF V.F. CORPORATION, U.S.A.

SPEER 20 101 88 B

1 December 1988
eja Vu

know I've seen it all somewhere before
ut, somehow, I can't seem to quite put
y finger on it. This big empty ring was
ll of people a few minutes ago — full of
xpectations and hope. Unfortunately, he
idn't show up. But these brokers seem to
e getting used to it. I mean, there they
ere waiting for investors for two long
ears between 1986 and 1988 before some
uys finally decided to show up in the hot
ummer months of April and May and
ave some fun.

"Quantity in numbers", my paternal
ncle always warned me, "has no mean-
ng unless one is talking about the quan-
ity of money." I couldn't agree more with
hat grand old man, God bless his soul. I
mean, in this day and age, who cares
whether a bunch of misguided zealots
troll into the ring and begin buying ev-
erything that has the name "Limited"
attached to the end of it. But volume is
volume and brokerage income is broker-
age income and I would be the last person
o turn any of it away. Fulfil any order, is
what I always say, as long as it earns
commissions.

Of course, it does get irritating to re-
mind these cash rich customers — who
already have their share of cash stashed
away in Swiss bank accounts, and as-
sorted assets like real estate, diamonds,
and gold — that "87 limited" is a bus and
not a company and that any intentions
the government may have of privatising
the Bombay Electric Supply and Trans-
port company is a long way off. I mean,
just look at the flak they have got for
attempting to privatise a few defence
deals! Patience, my man, patience — it
will all be done in good time.

But there are many rumours floating
around the market and, if only there was
as much floating stock as floating
rumours we'd probably see a more grad-
ual appreciation in share prices.

Just this morning, a reliable rumour-
monger confided in me that there is more
to the decision of the FM not to attend
the inauguration of the National Index
than meets the eye. Apparently, when the
market had got wind of the fact that the
FM would be here on the 21st, they fig-
ured that the financial institutions would
not allow the market to decline but, in
fact, would make sure that the index
finally managed to catch up with Azhar's
feat of 100 runs in 62 balls.

"How would you feel", queried this rumour-monger, "if you were asked to inaugurate an index with a base of 100 in the year 1985 and, when you press the inaugural computer button — sprinkled with rose petals and holy water — to calculate the index on 21 December 1988 it flashes a paltry 34?"

Logic is sometimes difficult to argue against. Well, having established a correlation between the presence of the FM and the height of the index, the bull speculators apparently decided to ensnare their bearish rivals. However, not wanting to pay the price of being caught napping on the wrong side of the index, the bears decided to slap on new margins in retaliation against the bulls.

"Now which FM wants to get caught in any crossfire between two warring parties? Look, what happened to the other FM who, in his desire to play the lead roles in our very own modern day versions of Ramayan and Mahabharat, decided to carry the Resignation or Truth script in his pocket — he has now been reduced to the part of playing the lead role in Walt Disney's "Round the Mulberry Bush".

Apparently, when the market had got wind of the fact that the FM would be here on the 21st, they figured that the financial institutions would not allow the market to decline but, in fact, would make sure that the index finally managed to catch up with Azhar's feat of 100 runs in 62 balls

"But," the rumour-monger continued "There are other reasons — more important reasons — why the FM did not come. You see, it costs money to get an audience these days and with government deficits being what they are even the FM can't fritter away precious money."

"I am glad to note that budget deficits have finally become a source of concern in New Delhi", I remarked, glad to hear that someone had finally taken the introductory course in macro economics, "after all, there is a limit to the amount of money these public sector fellows can raise from investors to cover the gaping holes in their balance sheets."

"Oh, no no that is not the real reason." said the rumour-monger dismayed at my apparent lack of depth of understanding "Tell me if you had to attend an AGM on the 22nd where rumour has it that the company is going to announce record profits and a ribbon-cutting speech by the FM, which one would you attend?"

"I would have no choice", I declared.

"Exactly" said the rumour-monger relieved that I had finally got the whole picture. "And if people did not show up for the FM's speech but went instead to the AGM do you know what those rumour-mongers would announce?"

"No", I said rather intrigued by this whole affair.

"Well, they would go around chanting 'Guess who the real FM is? Guess who the real FM is? — and wouldn't that be a disaster?!? I mean, in an election year when the government has to worry about looking so socialistic they just cannot afford to be seen to be so close to these business people."

"Makes sense", I said, "Well, thank God the FM decided to stay in Delhi and enjoy the colourful winter sunrises."

"But that", said the rumour-monger, "is not the end of the story. You see the bears are so desperate that they are willing to say anything to get the index below the 400 level. A few days after the FM postponed his trip from the 14th to the 21st, they floated a rumour that the PM was going to visit the exchange!"

"Really, now, what a thing to say", I said sympathetically.

"These people rationalised their irrational expectations by spreading the word around that the PM had worn all kinds of headgear in every part of the world but he had never worn one of those black caps that the traditional brokers wore in the good old days. Sure enough, the market — always starved of news and information — devoured this explanation the way they devour those unaudited six-monthly results as if it is the gospel truth."

"Good Lord, no!" I exclaimed in disbelief.

"Oh, yes", said the rumour-monger gasping for breath, "and do you know what would happen if the PM came down to the ring and gave us brokers a talk sprinkled with 'hum dekhenge, humme dekhana hai'?"

"Pray, where would all this lead to?" I asked in ignorance.

"The rumour-mills", said the rumour-monger breaking into a tired smile, "would be working overtime chanting 'Guess who the PM is? Guess who the PM is?'"

YEAH...
having given us
a JUSTIFIABLE try,
YOU are now
CONVINCED

• **SWAR SUDHA** - THROAT EASE (AYURVEDIC)
A product of LICORICE (YASHTHIMADHU)
It's ANCIENT • MODERN • VERSATILE •
and still being DISCOVERED
HOW is LICORICE USEFUL to us?
LICORICE helps liquefy phlegm • control bronchitis, coughs & colds • relieve constipation • aid digestion • in addition to its REJUVENATING effect on the body
It is therefore that SWAR SUDHA plays an EFFECTIVE role in SOOTHING the irritated throats of Singers • Teachers • Sales Persons • Students • Children • Politicians • Preachers. SWAR SUDHA is the IDEAL mouth freshner that sets your THROAT at EASE

• **HAVOC** - The ALL-MALE sensation
In two fragrance LIME • WATER CRESS

SWAR SUDHA • HAVOC INSTANT SHAVE • HAVOC SHAVING CREAM

Manufactured in India by:
D.M. LABORATORIES PRIVATE LIMITED
3/7 Jagnath Plot, RAJKOT 360 001
TEL: 45550, 45478

—Cliffan—

Marketed by:
CLIFFAN ADVERTISING & MARKETING
1 Dutt Kutir, 20/12 Naigaum Cross Road, Wadala, BOMBAY 400 031
TEL: 413 83 72

TRADE ENQUIRIES SOLICITED

SALE SERVICE

INVESTMENT OFFER IN RAJASTHAN

RIICO offers investment opportunities to interested entrepreneurs, businessmen, investors who are in a position to invest Rs. 25 lakhs to Rs. 1 crore immediately in RAJASTHAN.

RIICO proposes to provide full support to equity investments made, as it has been doing before, in units closed or sick.

Among them are synthetic yarn units, process houses, marble sawing and processing units, chemical plants, paper plants, engineering units and electronic units at various locations in Rajasthan. RIICO shall mobilize support from State/All India institutions, including from RSEB to the entrepreneurial capital into our financed industries as industrial areas.

Interested parties may please write to or discuss with the undersigned.

S.K. MITTAL
EXECTIVE DIRECTOR

RIICO
The Industrial Catalyst

Rajasthan State Industrial Development & Investment Corporation Ltd.,
UDYOG BHAWAN, TILAK MARG, JAIPUR 3002 005.
Tel: 61970 Telex: 0365 2335 Gram: RIICO

Sobhagya/233/86

An uncertain outlook

(For the period 5 December to 17 December 1988)

SE Index on 17 December = 668.12; own 5.9 per cent. ET Index on 17 December = 356.30; down 5.0 per cent.

The past fortnight the market was in a epressed mood. Initially, equity prices oftened, but as the fortnight wore on, nstitutional support caused the BSE and T Indices to head higher. In fact, were it ot for the large scale institutional support for Reliance and Tisco the BSE Index would have probably sunk to the 650 evel.

The volumes on the BSE for the fortnight under review has declined sharply. On 9 December the volume in specified shares was Rs.68.86 crores and on 15 December the volume declined to Rs.35.94 crores. In the unspecified section, volume fell from Rs.18.28 crores to Rs.11.75 crores.

The markets seem to be confused over how to react to news — and what exactly to expect from companies. UTI's Rs.150-crore fund — Mastershare — announced good results for its second year in operations, with a dividend of 15 per cent. The net asset value of Mastershares has increased from Rs.11.00 to Rs.19.50 (Rs.10 paid-up) over the past 12 months and the share price has moved from Rs.11.00 in April 1988 to the present price of Rs.19.75.

No positive reaction. The market expected UTI to announce a rights issue at a premium of Rs.2 and many brokers felt that the price would move into a higher trading range of Rs.25 to Rs.30 upon declaration of the rights. However, when the rights issue was announced on 9 December on terms as expected by the market, the market failed to react positively. The price of Mastershares did cross the Rs.20.00 level for a while but then seemed content to trade in the Rs.19 to Rs.20 range.

In another rather strange response, news of a rights issue in Tisco sent the market tumbling down, causing anxiety at Bombay House and Jeejeebhoy Towers. The explanation for the market's ambivalent response to Mastershares's rights and Tisco's proposed rights offer could be that the premium for Tisco's rights may be higher (and hence less attractive) for investors. Or is it possible that the market expects a higher and faster appreciation for an investment in Mastershares than in Tisco?

Another reason for the adverse reaction to the Tisco rights could be that the market is just tired of the thought of having to subscribe to so many rights issues in the next few months and at the same time, continue investing in the secondary market to maintain the tempo of the last few months.

The smart investors are probably already considering moving out of the secondary market thereby generating funds that can be deployed in the primary market. Too much equity in the form of rights shares and convertible debentures from corporations eager to ride the back of the boom in the secondary markets is hitting the market in too short a time.

The period under review also brought to the forefront the dangers inherent in the present structure. If financial institutions had not propped up the market by their long-used "index buying" — purchasing shares that comprise the major portion of the BSE Index, the market would have fallen very sharply. Unfortunately, in the present structure all investors look to the financial institutions as a "safety net". They know that if share prices start falling, all they have to do is send out alarm signals to the financial institutions with the often-heard warning: if you don't buy, the market will collapse. And, true to nature, purchase orders are issued.

New risk dimension. Another major factor causing the recent downtrend in the market is the persistently high *badla* charges which are still in the 40 per cent to 48 per cent range. *Badla* financiers, worried over the continuing delays in settlement are unsure about how long their funds are committed and, hence, charge higher rates of interest to compensate them for the additional risk. Investors were so far undeterred by the high financing charges and continued to speculate on higher future share prices to offset these financing costs.

The outlook for the market is uncertain. Till the end of the year, the market will be ruled by the impending AGMs of ACC and Reliance. The outlook for cement companies is a great point of debate amongst analysts — some see the healthy cement companies making huge profits in the coming year while others see the industry as a whole swinging further downwards now that the cartel arrangement has reportedly collapsed

Reliance, in anticipation of its AGM on 22 December had a get together with some brokers on 14 December and conveyed to them the higher expected profits for the current year. Apparently, the profits they intend to report for the first 5 months of the current year will be equal to the profits for the previous 18-month period. The timing of this meet conference with brokers and the immediate support generated by the financial institutions indicates that the share is going to see new highs atleast before the year ends.

In the long term i.e., the next three months the market is going to be plagued by political uncertainties. The Tamil Nadu elections, the upcoming budget, and the persistent rumours of a mid-term poll will keep the market subdued. Corporate profits, however, are still looking good and share prices should move up again over a one to two year horizon, once the political uncertainties and fears of an election budget are out of the way.

PUBLIC ISSUE

Selective and mature investors

History is repeating itself albeit with a bit of a difference. The exploding secondary market has once again drawn companies to the primary market. In November and December over 20 companies entered the new issues market to raise over Rs.100 crores.

Unlike the historic 1985-86 boom when the investing public went about picking up corporate paper without batting an eyelid, investment analysts and merchant bankers agree that the current investment pattern indicates selectivity and maturity among investors.

Says R. Kannan, executive vice-president, Canbank Financial Services Ltd, Bombay, "There have been several issues of capital in these two months and there are many more to come into the market in January and February. The difference this time is that the companies are solid established ones or new ones promoted by well-known groups. And investors have reacted accordingly."

Trend confirmed. Indeed the list of issues that opened on 12 December confirms this trend. They include Grasim Industries (an Aditya Birla company),

The public response

Company	Month	Size of issue (Rs crores)	Response (No. of times)
TVS ELECTRONICS	NOVEMBER	3.50	14 O/S
MODI STEEL	NOVEMBER	0.70	30 O/S
NATIONAL AUTO	DECEMBER	N.A.	U/S
VENKATRAMA HOTELS	NOVEMBER	N.A.	U/S
NIPPON DENDRO ISPAT	DECEMBER	20.00	4 O/S
GRASIM INDUSTRIES	DECEMBER	65.00	6 O/S
ESSEN COMPUTERS	DECEMBER	1.25	6 O/S
K.G. GLUCO	DECEMBER	2.41	2 O/S
KANTHAL BIMETALS	DECEMBER	0.60	
CONTINENTAL PETROLEUM	DECEMBER	0.57	6 O/S
AMRIT PROTEIN FOODS	DECEMBER	1.80	

O/S: Over subscribed; U/S: Under subscribed

Solidaire Television and Essen Computers, existing companies and Kanthal Bimetals (promoted by the Swedish Kanthal Group) — all very heavily oversubscribed (see table). If the investment trend is any guide, investors have not plumped for every available issue. National Auto Accessories, Venkatrama Hotels, are examples of capital issues which did not close on the earliest closing date. "This indicates that these issues were largely ignored by the public mainly because the perception was that these companies did not offer as good an investment opportunity as many others," comments a broker.

After a trying time entering over two years, the new issue market has bounced back and this has given several companies the opportunity to raise money," says N. Venkateshan, group financial controller, Essar group of companies, "It's always good to have money in hand. This helps companies to speed up expansion projects. Essar (Gujarat) Ltd which proposes to double its upcoming sponge iron plant capacity has an application pending with the CCI to raise over Rs.200 crores of fully convertible debentures to finance the second phase.

The revival of the new issue market has brought to the fore mega issues by several companies. As corporate expansion plans become more and more ambitious and as the market becomes more responsive, company managements are now beginning to rely on equity and convertible debenture issues to finance projects.

Rushing forth. Oswal Agro Mills Ltd has, in its own fashion announced a Rs.309 crore fully convertible (3 months maturity) debenture issue which was cleared by the CCI in mid-December. This company has very successfully taken the equity route to finance major expansions and acquisitions. The proposed issue will finance the expansion plans in the company's newly acquired petrochemical complex at Chembur, Bombay.

And then there is a proposed convertible debenture issue (Rs.500 crores) by TISCO. As companies rush forth to the capital market in the new year, — particularly before the budget month — analysts expect that investors will continue to excercise more caution as the market becomes more crowded.

■ BASUDEV DASS

SECP

Investor protection at last

Last fortnight, the Bombay Stock Exchange (BSE) made the first lot of disbursements from its Stock Exchange Customers' Protection (SECP) Fund — Rs.3.29 lakhs was paid out to 46 affected parties.

Concern over protection of the rights of investors mounted in the aftermath of the 1985 stock exchange boom. The fund was established in October 1986 following recommendations made by the G.S. Patel Committee on stock exchange reforms. It is modelled on the Securities Investor Protection Corporation of the USA.

Who can make a claim?

The SECP will entertain claims of the following categories:

- Claims arising out of payments made to a member firm for securities which have been received from the market but not delivered by the broker;
- Claims arising out of securities delivered to the member firm by the client but in respect of which the sale proceeds have not been received;
- Claims arising out of money in the hands of the member firm pending investment or money in the hands of the member firm which has been improperly dealt with;
- Claims arising out of securities in the hands of the member firm which have been improperly dealt with.

Chipping in. The fund is financed by quarterly contributions from each member at the rate of Re.1 for every Rs.10 lakhs of turnover. The BSE chips in two per cent of the listing fees realised by it during the immediate preceding quarter (the government had suggested a contribution of one per cent from the BSE). The present corpus of the fund is Rs.8.5 lakhs — trustees expect this to grow to Rs.45 crores in a decade's time.

The trustees of the fund are the president, the executive director, the vice president, and the honorary treasurer of the BSE, besides a member from the BSE's governing board. It becomes operative when a member defaults (fails to meet market commitments), or when money or certificates deposited and receivable by the client at the member's office become unsecured.

Although the fund does not have seizure powers, the trustees do act immediately after identifying a defaulting member. "We lay our hands on whatever is readily available at the member's office," says BSE executive director M.R. Mayya. Barely three months after it was formed, the fund identified M/s S.M. Samant, a member of the exchange, as a defaulter who failed to meet the claims of clients. The member paid out Rs.9.8 lakhs in partial settlement of awards made in 62 arbitration cases.

The task of monitoring defaulters is getting increasingly difficult. The average number of transactions at the BSE has increased threefold from 1985 levels to over 100,000 a day, amounting to a turnover of almost Rs.125 crores.

BRICK BY SOLID BRICK BY SOLID BRICK...

See Deepak shine on a solid foundation and a dynamic future.

Consider the advantages DEEPAK enjoys because it made all the right moves.

By laying its own gas pipeline from ONGC, Uran to Taloja, it secured an uninterrupted source of raw material at cost-advantageous prices than others.

Locating its Ammonia plant close to its Fertiliser and Industrial consumers.

Managing the plant at a capacity consistently above the national average. Now to further capitalise on these advantages, DEEPAK is diversifying into three profitable industries – Petrochemicals, Industrial Chemicals and Fertilisers.

Rs 346 crores Forward Integration-Programme

From Gas, it will manufacture Methanol, a precious petrochemical. And by using its Ammonia production in-house, it will manufacture Nitric Acids, Prilled Ammonium Nitrate and ANP, a preferred fertiliser. All this in

The most energy efficient plants

To ensure state-of-art-technology DEEPAK has contracted with world renowned process licensors: ICI, Davy Mckee, UK; Stamicarbon, Netherlands; Humphreys & Glasgow, UK; Weatherley U.S.A.; and Plinke, W. Germany.

Yes, the foundations have long been laid. The products well known. The markets growing. The framework fast taking shape. The future spells great wealth. Mahadhan. Deepak Mahadhan.

DEEPAK MAHADHAN

Yours... for generations to come.

Deepak Fertilisers and Petrochemicals Corporation Ltd

- Petrochemicals
- Industrial Chemicals
- Fertilisers

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 16.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
A.P.SCOOTERS,10	07/87	9.94	-13.25	-3.33	4.50	6.24	2.00	-4.8	0.0	0.0	0.0	0.0	0	
ACC,100	07/88	55.95	101.32	281.09	362.50	410.00	120.50	0.6	0.0	604.2	10.0	2.8	86	1:5
AHM CAL'CO,125	06/87	13.56	16.43	276.46	31.00	41.00	25.00	1.3	0.0	23.8	0.0	0.0	77	1:7
AHM ELECTRIC,100	03/88	18.30	65.26	456.61	150.00	150.00	120.00	35.5	0.0	4.2	16.0	10.7	87	1:5
ALFA LAVAL,10	12/87	5.21	15.07	38.93	91.25	102.50	46.00	5.8	1.4	15.7	18.0	2.0	86	1:2
ALLWYN NISSAN,10	06/87	16.54	0.15	10.09	11.00	13.00	3.76	-2.2	-1.3	0.0	0.0	0.0	0	
AMAL RASAYAN,10	03/88	1.48	2.81	26.99	142.50	150.00	42.00	12.2	9.1	11.7	10.0	0.7	0	
AMB SARABHAI,10	03/88	22.20	-1.72	9.23	12.75	16.00	10.00	0.8	0.0	15.9	0.0	0.0	82	1:5
AMFORGE,10	03/88	5.33	8.92	26.74	70.00	72.00	23.00	3.8	3.5	18.4	22.0	3.1	0	
ANDHRA CEMENT,10	03/87	9.51	11.54	22.13	14.50	20.00	7.75	0.7	-4.0	20.7	10.0	6.9	87	1:2
ANDHRA VALLEY,100	03/88	10.51	38.33	464.70	290.00	300.00	142.50	110.9	0.0	2.6	16.0	5.5	75	1:9
ANDREW YULE,10	03/87	9.41	22.81	34.24	17.50	24.00	15.50	2.2	0.0	8.0	10.0	5.7	87	2:5
ANNAPURNA FOILS,10	03/88	9.05	0.00	10.00	15.00	17.00	6.00	0.0	0.0	0.0	0.0	0.0	0	
APOLLO HOSP,10	06/87	5.44	0.14	10.26	19.00	18.00	8.50	1.5	1.6	12.7	10.0	5.3	0	
APOLLO TYRES,10	10/87	7.75	1.34	11.73	76.00	83.00	22.75	17.2	7.3	4.4	0.0	0.0	0	
APPLE LEASING,10	09/87	3.56	0.81	12.28	20.00	24.50	11.50	2.0	3.9	10.0	23.0	11.5	0	
ASEA,10	12/87	3.00	7.33	34.43	50.00	72.50	38.00	3.8	0.0	13.2	18.0	3.6	0	
ASHOK LEYLAND,10	12/87	21.39	72.03	43.67	67.00	74.00	29.00	3.6	1.7	18.6	18.0	2.7	78	1:2
ASIAN CABLES,10	12/86	3.03	5.00	26.50	26.50	53.75	30.00	4.3	3.9	6.2	17.0	6.4	81	1:3
ASIAN HOTELS,10	09/87	13.64	1.30	10.95	50.00	52.50	28.00	1.8	1.4	27.8	10.0	2.0	0	
ASIAN PAINTS,10	12/87	12.45	32.81	36.35	202.50	232.50	128.75	10.1	3.7	20.0	30.0	1.5	87	1:2
ASSAM CO,10	06/88	7.00	20.71	39.59	97.50	112.50	90.00	7.6	-5.5	12.8	40.0	4.1	85	1:1
ASSAM FRONTIER,10	06/88	3.00	8.95	39.83	132.50	135.00	91.00	12.0	0.0	11.0	50.0	3.8	0	
ASTRA IDL,10	06/88	2.50	2.17	18.68	35.00	45.00	27.00	2.2	0.0	15.9	10.0	2.9	0	
ATLAS COPCO,10	12/87	7.26	7.96	20.96	51.00	66.00	33.50	1.6	0.2	31.9	16.0	3.1	87	1:2
ATLAS CYCLE,10	06/87	1.15	4.73	51.13	122.50	157.50	36.00	5.0	4.6	24.5	20.0	1.6	87	1:2
AVERY INDIA,10	12/87	4.20	9.34	32.24	108.00	134.00	93.00	8.6	0.0	12.6	35.0	3.2	84	2:5
BAJAJ AUTO,10	06/88	18.81	195.82	114.10	417.50	418.75	182.50	15.6	0.0	26.8	40.0	1.0	87	1:1
BAJAJ PLASTIC,10	12/87	1.50	4.94	42.93	27.00	36.00	17.00	1.2	-3.8	22.5	0.0	0.0	86	1:1
BAJAJ TEMPO,10	09/87	6.60	42.10	73.79	110.00	115.00	65.50	3.1	2.5	35.5	12.5	1.1	86	1:1
BAKELITE HYLAM,10	06/88	4.50	18.48	51.07	28.00	31.50	15.00	3.2	0.0	8.8	18.0	6.4	80	2:3
BALLARPUR,10	06/88	13.98	268.90	202.35	69.00	72.00	34.00	3.4	2.0	20.3	22.0	3.2	75	1:5
BARODA RAYON,100	06/88	12.14	20.14	265.90	337.50	385.00	140.00	35.5	-0.7	9.5	15.0	4.4	82	1:2
BASF,10	12/87	2.84	11.14	49.23	120.00	117.50	63.33	7.0	4.6	17.1	20.0	1.7	88	1:2
BATA INDIA,10	12/87	10.50	17.18	26.36	81.00	86.50	52.25	3.7	0.0	21.9	15.0	1.9	87	1:1
BATLIBOI,10	09/87	2.79	3.90	23.98	14.00	18.00	10.50	-0.5	0.0	0.0	10.0	7.1	0	
BAYER INDIA,100	12/87	16.22	11.19	168.99	590.00	640.00	285.00	27.2	25.5	21.7	16.0	2.7	0	
BEST & CROM,10	03/88	4.73	18.85	49.85	77.00	79.00	30.00	1.6	0.0	48.1	9.6	1.2	82	3:5
BHADRA PAPER,10	09/87	10.57	17.51	26.57	36.00	44.00	22.50	4.2	0.0	8.6	20.0	5.6	0	
BHARAT FORGE,10	09/87	5.27	24.50	56.49	202.50	207.50	103.00	10.2	7.8	19.9	25.0	1.2	81	1:1
BHARAT GEARS,10	07/87	4.03	6.98	27.32	18.00	24.50	10.00	2.1	-2.5	8.6	12.5	6.9	0	
BIHAR ALLOY,10	12/87	8.20	-11.24	-3.71	33.00	42.00	12.75	1.4	0.0	23.6	0.0	0.0	0	
BIMETAL,10	06/88	1.91	7.73	50.47	130.00	130.00	50.00	16.4	0.0	7.9	30.0	2.3	81	1:2
BINDAL AGRO,10	12/87	3.79	2.85	17.52	91.25	120.00	52.00	11.3	0.0	8.1	50.0	5.5	0	
BIRLA JUTE,10	03/88	20.37	83.19	50.84	52.00	58.00	32.00	0.1	0.0	520.0	14.0	2.7	86	1:1
BIRLA YAMAHA,10	08/87	8.00	0.17	10.21	11.50	16.00	8.25	0.2	-1.8	57.5	0.0	0.0	0	
BLOW PLAST,10	07/88	2.00	3.64	28.20	52.50	62.50	29.00	1.7	0.0	30.9	15.0	2.9	87	1:1
BLUE STAR,10	06/88	3.55	9.53	36.85	63.75	70.00	37.00	8.1	0.0	7.9	18.0	2.8	86	3:5
BOM BURMAH,100	09/87	5.52	14.56	363.77	440.00	510.00	330.00	36.6	21.7	12.0	20.0	4.5	78	1:4
BOM DYEING,10	03/88	11.24	55.99	59.81	125.00	159.50	94.00	17.2	5.0	7.3	30.0	2.4	79	1:1
BOM SUBURBAN,100	03/88	5.85	71.00	1313.68	338.75	350.00	150.00	104.8	0.0	3.2	20.0	5.9	81	1:3
BOOTS,10	03/88	8.10	6.76	18.35	116.25	145.00	64.00	5.0	2.7	23.2	18.0	1.5	87	1:1
BOROSIL GLASS,10	12/87	2.25	6.83	40.36	71.25	96.00	50.00	5.3	0.0	13.4	20.0	2.8	82	1:2
BRITANNIA,10	11/87	12.38	20.98	26.95	110.00	125.00	75.00	6.4	2.6	17.2	24.0	2.2	87	2:5
BROOKE BOND,10	06/87	24.73	22.90	19.26	105.00	125.00	74.50	5.8	5.4	18.1	30.0	2.9	86	3:5
BURROUGHS,10	08/88	3.00	11.76	49.20	192.50	237.50	115.00	12.7	0.0	15.2	15.0	0.8	0	
C.E.S.C.,10	03/87	16.94	62.17	46.70	17.00	18.50	12.50	5.6	0.0	3.0	16.0	9.4	0	
C.P.TOOLS,100	12/87	4.57	9.43	306.35	410.00	790.00	405.00	57.0	7.9	7.2	18.0	4.4	77	1:3
CABLE CORP,10	12/87	9.00	10.99	22.21	61.00	78.00	26.00	5.2	3.2	11.7	18.0	3.0	0	
CARRIER AIRCON,10	03/88	6.25	0.00	10.00	29.00	34.00	10.50	0.0	0.0	0.0	0.0	0.0	0	
CEAT TYRES,10	06/88	14.76	87.68	69.40	110.00	140.00	52.50	13.6	7.7	8.1	27.5	2.5	86	1:2
CEMINDIA,10	09/87	1.28	7.27	66.80	95.00	135.00	82.50	10.2	7.5	9.3	27.0	2.8	84	3:5
CENTURY ENKA,100	12/87	16.61	65.10	491.93	2100.00	2440.00	1080.00	84.0	100.7	25.0	38.0	1.8	88	2:5
CENTURY SPIN,100	12/87	26.62	203.09	862.92	1320.00	1535.00	617.50	59.9	23.8	22.0	24.0	1.8	86	2:3
CHAMPAGNE,10	12/87	2.50	-1.46	4.16	13.50	30.00	12.00	-3.2	0.0	0.0	0.0	0.0	0	
CHLORIDE,10	08/87	20.65	13.55	16.56	75.00	80.00	60.00	4.5	2.6	16.7	31.0	4.1	86	3:5
CICCO FINANCE,10	07/88	4.30	0.50	11.04	9.00	11.00	3.50	1.7	0.0	5.3	15.0	16.7	0	
CITURGIA,10	03/88	3.38	5.02	24.85	92.50	120.00	62.00	8.6	0.0	10.8	35.0	3.8	0	
COLGATE,10	12/87	15.72	15.18	19.66	297.50	335.00	160.00	9.6	6.6	31.0	50.0	1.7	87	1:1
COROMANDEL CHEM,100	03/88	7.34	12.09	252.27	420.00	460.00	320.00	37.7	0.0	11.1	20.0	4.8	80	2:5
CROMPTON GREAVES,10	03/87	6.13	0.00	10.00	16.00	20.00	9.00	0.0	0.0	0.0	0.0	0.0	0	
COROM FERT,10	03/87	24.32	38.61	25.05	33.00	36.00	21.00	-0.5	-3.8	0.0	8.0	2.4	86	1:2
CROMPTON SILVERSTONE,10	06/88	2.12	7.24	41.27	41.00	71.50	41.25	5.5	0.0	7.5	18.0	4.4	0	
CROMPTON GREAVES,100	06/88	6.50	59.32	155.42	610.00	625.00	285.00	64.3	55.4	9.5	18.0	3.0	79	1:3
CYANAMID,10	11/87	5.25	10.26	29.54	57.50	72.50	34.50	2.5	1.5	23.0	10.0	1.7	0	
DCM MILLS,10	06/88	23.02	44.71	29.42	34.00	49.00	28.75	-3.8	0.0	0.0	0.0	0.0	71	4:5

Company / Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 16.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
DCM TOYOTA,10	06/87	15.00	-7.25	5.17	11.00	15.00	6.50	0.0	0.0	0.0	0.0	0.0	0	
DEEPAK FERT,10	03/88	14.82	7.05	14.75	46.00	52.00	23.00	3.0	0.0	15.3	18.8	4.1	0	
DEEPAK NITR,10	10/87	2.43	4.01	26.50	52.00	53.00	27.50	4.0	1.9	13.0	15.0	2.9	85	1:2
DEMPO STEAM,100	06/85	2.00	-9.83	-391.50	5.00	6.50	5.00	0.0	0.0	0.0	0.0	0.0	0	
DHARAMSI,10	12/87	6.24	10.44	26.73	35.50	38.00	14.00	1.0	1.5	35.5	10.0	2.8	78	2:5
DR.REDDYS,10	12/87	1.37	0.81	15.91	87.50	87.50	46.25	4.5	0.0	15.0	20.0	3.0	0	
DUNCAN AGRO,100	12/86	2.03	14.11	795.07	150.00	176.00	150.00	92.1	0.0	1.6	15.0	10.0	77	1:2
DUNLOP,10	03/88	18.99	64.48	43.95	88.00	109.00	65.00	10.6	0.0	8.3	30.5	3.5	76	1:3
E. MERCK,10	12/87	5.94	5.04	18.48	57.50	77.50	44.00	2.2	0.0	26.1	16.0	2.8	86	3:5
E.I.HOTELS,10	03/88	23.84	37.31	25.65	60.00	65.00	36.00	2.9	0.0	20.7	20.0	3.3	84	2:5
EICHER MOTORS,10	04/87	3.96	1.02	12.58	14.75	18.50	5.50	6.4	-4.8	2.3	12.0	8.1	0	
EID PARRY,10	06/88	6.28	6.72	20.70	41.00	52.50	29.50	4.5	0.0	9.1	20.0	4.9	0	
ELECON ENG,10	12/87	5.65	24.76	53.82	60.00	77.00	42.00	4.6	2.2	13.0	15.0	2.5	87	3:5
ENFIELD,10	06/88	5.04	9.45	28.75	10.00	11.50	8.25	-10.4	0.0	0.0	0.0	0.0	85	1:1
ENGLISH ELECT,10	03/88	9.00	16.38	28.20	58.00	66.00	47.75	4.9	0.0	11.8	15.0	2.6	87	1:1
ESCORTS,10	12/87	27.65	91.43	43.07	71.00	86.00	36.00	0.3	2.4	236.7	22.0	3.1	86	3:5
ESKAYEF,10	11/87	7.50	14.26	29.01	148.75	165.00	97.00	7.7	4.0	19.3	25.0	1.7	88	1:2
ESSAR SHIPPING,10	12/87	34.87	37.98	20.89	26.00	33.00	15.50	2.2	0.0	11.8	20.0	7.7	0	
EXCEL,10	09/87	4.62	7.12	25.41	143.00	139.50	34.00	1.3	3.4	110.0	10.0	0.7	84	4:5
FAG PRECISION,100	12/87	3.36	7.09	311.01	320.00	360.00	105.00	9.8	12.8	32.7	10.0	3.1	0	
FERRO ALLOYS,100	06/88	5.52	18.78	440.22	590.00	680.00	122.50	37.5	31.7	15.7	15.0	2.5	80	1:2
FGP,10	03/88	4.89	5.82	21.90	36.00	37.50	23.75	4.1	3.7	8.8	16.0	4.4	87	1:2
FICOM ORGANIC,10	09/87	1.29	3.07	33.80	190.00	250.00	125.00	17.0	9.7	11.2	30.0	1.6	87	1:1
FINOLEX,10	11/87	3.24	13.72	52.35	368.75	405.00	154.00	25.1	34.6	14.7	40.0	1.1	88	4:5
FIRST LEASING,10	11/87	3.77	8.78	33.29	16.00	20.00	14.00	6.4	0.0	2.5	25.0	15.6	83	1:3
FLAKT INDIA,10	12/87	3.40	2.85	18.38	60.00	87.50	44.00	4.3	0.0	14.0	20.0	3.3	86	1:3
FOOD SPECIAL,10	12/87	19.20	20.16	20.50	163.75	180.00	93.75	5.6	0.0	29.2	25.0	1.5	86	1:1
FORBES FORBES,10	06/88	4.25	4.96	21.67	39.00	46.00	22.00	2.4	-0.2	16.2	15.0	3.8	82	2:5
FULFORD,10	12/87	0.80	2.28	38.50	380.00	425.00	50.00	8.8	1.2	43.2	22.0	0.6	88	1:1
G.E.SHIPPING,10	06/88	55.61	39.18	17.05	41.85	45.65	20.50	3.0	0.0	14.0	15.0	3.6	81	2:3
G.K.W.,10	12/86	24.06	20.83	18.66	15.50	18.00	5.50	-1.7	-1.5	0.0	0.0	0.0	83	1:3
G.T.C.INDUST,10	06/87	5.00	9.32	28.64	17.00	18.00	12.50	3.9	3.8	4.4	25.0	14.7	72	1:4
GABRIEL,10	11/87	2.64	3.33	22.61	26.00	37.00	17.00	1.7	1.7	15.3	18.0	6.9	78	3:5
GAMMON INDIA,10	07/88	2.16	13.46	72.31	130.00	167.50	29.00	1.9	0.0	68.4	18.0	1.4	82	2:5
GARDEN SILK,10	03/88	10.01	63.07	73.01	56.25	160.00	47.50	14.0	1.7	4.0	30.0	5.3	0	
GARWARE NYLON,10	06/88	9.72	13.31	23.69	44.00	56.00	20.00	2.6	2.6	16.9	15.0	3.4	83	1:2
GARWARE POLY,10	06/88	8.31	28.96	44.85	102.50	127.50	72.00	6.5	0.0	15.8	20.0	2.0	0	
GARWARE SHIP,10	03/88	3.75	0.03	10.08	30.25	41.00	10.50	-3.6	0.0	0.0	0.0	0.0	0	
GEN ELECTRIC,10	03/88	7.20	18.92	36.28	63.00	63.00	26.00	3.9	1.9	16.2	12.0	1.9	0	
GENELEC,10	03/88	2.16	5.79	36.81	67.50	88.00	43.75	6.5	0.0	10.4	14.7	2.2	84	1:1
GEORGE WILL,10	06/87	6.30	19.69	41.25	117.50	115.00	82.50	7.6	5.0	15.5	35.0	3.0	86	4:5
GER REMEDIES,10	12/87	3.26	4.93	25.12	70.00	77.00	30.00	2.9	0.0	24.1	10.0	1.4	82	3:5
GLINDIA,10	06/88	20.00	30.27	25.14	82.00	104.00	51.50	5.1	0.0	16.1	20.0	2.4	80	1:3
GODFREY PHILIPS,10	12/86	2.60	3.24	22.46	30.00	45.00	10.00	3.4	2.4	8.8	25.0	8.3	75	1:1
GOETZE,10	06/88	6.93	12.40	27.89	62.50	62.50	25.00	5.5	0.0	11.4	22.0	3.5	76	4:5
GOKAK PATEL,10	06/88	6.52	16.51	35.32	79.00	85.00	60.00	10.7	4.2	7.4	20.0	2.5	87	1:1
GOOD NEROLAC,10	06/87	3.24	5.08	25.68	75.00	75.00	45.00	4.2	0.0	17.9	20.0	2.7	78	5:7
GOODYEAR,10	12/87	7.48	24.67	42.98	87.50	87.00	48.00	11.6	0.0	7.5	30.0	3.4	77	2:5
GRAMOPHONE,10	09/86	1.81	-16.59	-81.66	6.50	7.75	4.00	0.0	0.0	0.0	0.0	0.0	0	
GRASIM,10	03/88	37.78	101.81	36.95	80.00	93.50	46.60	4.1	4.1	19.5	27.5	3.4	88	3:4
GREAVE COTTON,100	06/88	6.57	22.36	440.33	610.00	600.00	295.00	85.1	0.0	7.2	22.0	3.6	88	1:2
GUJ ALKALIES,10	03/88	10.72	22.59	31.07	64.50	71.50	29.00	2.4	-1.3	26.9	26.0	4.0	87	1:5
GUJ AMB CEM,10	06/88	19.99	4.01	12.01	22.25	28.00	11.00	2.1	0.0	10.6	11.0	4.9	0	
GUJ NARMADA,10	06/88	88.97	103.48	21.63	54.50	62.00	27.00	2.7	0.0	20.2	18.0	3.3	0	
GUJ STATE FERT,10	12/87	26.95	170.03	73.09	151.25	174.00	75.00	10.1	5.2	15.0	30.0	2.0	87	1:2
HARRISON,10	03/88	9.10	15.62	27.16	57.50	75.00	36.00	5.6	3.0	10.3	25.0	4.3	87	2:5
HERDILLIA CHEM,10	06/88	7.35	36.64	59.85	67.50	72.00	41.00	7.6	0.0	8.9	25.0	3.7	78	1:2
HERO HONDA,10	06/88	15.60	1.94	11.24	31.50	40.00	15.00	1.2	0.0	26.2	0.0	0.0	0	
HIND ALLOY,10	12/87	5.89	2.20	13.74	92.50	93.75	28.75	2.4	2.9	38.5	20.0	2.2	0	
HIND ALUM,10	12/87	15.89	166.64	114.87	150.00	146.00	72.50	8.8	5.3	17.0	0.0	0.0	88	1:3
HIND BROWN,100	04/88	5.47	23.08	521.94	750.00	900.00	265.00	64.2	0.0	11.7	23.0	3.1	78	1:3
HIND CIBA,100	12/87	17.71	31.79	279.50	620.00	691.00	332.50	38.1	15.5	16.3	20.0	3.2	80	1:2
HIND COCOA,10	06/88	8.40	9.69	21.54	107.50	123.75	67.50	4.5	0.0	23.9	20.0	1.9	87	1:1
HIND DEVELOP,10	12/87	8.92	82.99	103.04	96.00	112.50	65.00	5.8	6.5	16.6	20.0	2.1	86	1:1
HIND DORR-OLIVER,10	11/87	2.38	10.79	55.34	142.50	215.00	95.00	16.4	0.0	8.7	37.5	2.6	86	1:1
HIND FERODO,10	12/87	5.50	1.19	12.16	20.00	23.00	16.00	1.3	0.0	15.4	5.0	2.5	83	4:5
HIND LEVER,10	12/87	93.32	90.17	19.66	74.50	92.00	59.50	5.0	2.2	14.9	25.0	3.4	87	1:1
HIND MOTOR,10	03/88	26.35	52.67	29.99	29.00	34.00	15.50	-1.0	0.0	0.0	7.5	2.6	86	1:1
HMM,10	04/88	14.18	93.90	76.22	152.00	185.00	121.00	6.6	5.7	23.0	40.0	2.6	87	1:1
HOECHST,100	12/87	9.58	25.35	364.61	560.00	680.00	437.00	14.3	3.1	39.2	10.0	1.8	82	1:2
HOGANAS,10	10/87	1.15	0.00	10.00	55.00	62.00	34.00	0.0	-1.6	0.0	0.0	0.0	0	
HOTEL LEELA,10	06/88	8.98	-2.08	7.68	21.50	19.50	11.50	-1.1	0.0	0.0	0.0	0.0	0	
HOUSING DEV FIN,100	06/88	20.00	33.00	265.00	180.00	180.00	65.00	65.5	0.0	2.7	17.0	9.4	0	
HYD ALLWYN,10	07/87	8.10	10.70	23.21	18.00	20.50	7.50	3.7	4.2	4.9	15.0	8.3	0	
ICIM,10	12/87	4.18	5.88	24.02	24.00	40.50	21.00	2.3	0.0	10.4	0.0	0.0	0	
IEL,10	09/87	40.87	72.49	27.74	49.00	60.00	30.00	1.2	0.0	40.8	0.0	0.0	78	1:3

Company Face value	Year Ended	Equity Rs Cr	Re-serves Rs Cr	Book value Rs	Price 16.12.88	1988 High	1988 Low	EPS in Rs Year	EPS in Rs Half-yr	PE Times	Divi-dend %	Yield %	Bonus Year	Bonus Ratio
CEMENT,10	03/88	4.90	46.92	105.76	23.00	27.00	14.50	3.0	0.0	7.7	12.0	5.2	70	2:5
GYPSUM,10	04/87	4.50	0.00	10.00	17.00	17.00	9.50	0.0	0.0	0.0	0.0	0.0	0	
POLYFIBRES,10	12/87	29.75	-2.73	9.08	8.00	9.00	4.24	0.0	0.0	0.0	0.0	0.0	0	
STEAMSHIP,10	03/88	4.95	-65.15	-121.62	14.25	16.50	4.15	-16.9	0.0	0.0	0.0	0.0	0	
AN ALUM,10	12/87	41.16	49.09	21.93	56.00	52.00	24.00	0.9	1.2	62.2	14.0	2.5	77	2:5
AN DYESTUFF,100	03/88	7.50	35.98	579.73	240.00	335.00	177.50	4.8	0.0	50.0	15.0	6.2	80	1:4
AN HOTEL,10	03/88	9.92	42.12	52.46	131.25	140.00	95.00	6.8	0.0	19.3	30.0	2.3	82	2:5
AN ORGANIC,10	03/88	18.40	17.03	19.26	43.00	51.00	15.00	-6.2	0.2	0.0	0.0	0.0	85	1:2
AN OXYGEN,10	09/87	14.60	29.94	30.51	43.25	43.50	29.00	2.2	0.0	19.7	16.0	3.7	85	1:3
AN RAYON,10	06/88	16.14	160.90	109.69	81.00	93.00	46.00	3.1	0.0	26.1	28.0	3.5	80	1:4
AN SEAMLESS,10	12/87	2.21	4.01	28.14	117.50	135.00	47.00	9.5	5.9	12.4	18.0	1.5	0	
GULF FERT,10	03/88	165.00	0.00	10.00	23.00	26.00	10.50	0.0	0.0	0.0	0.0	0.0	0	
OL,10	06/88	5.09	14.58	38.64	247.50	291.25	135.00	8.7	0.0	28.4	26.0	1.1	86	1:1
J NISSAN,10	12/87	6.00	1.21	12.02	27.00	31.50	18.00	5.6	0.0	4.8	10.0	3.7	0	
ERSOLL,10	12/87	7.89	21.32	37.02	325.00	370.00	212.50	11.0	4.6	29.5	30.0	0.9	86	1:1
EXCHANGE,10	04/88	3.46	7.20	30.81	70.00	87.00	38.75	4.3	0.0	16.3	20.0	2.9	86	4:5
ATA,10	06/87	12.00	0.83	10.69	15.00	22.50	8.75	2.4	0.0	6.2	0.0	0.0	0	
10	06/88	33.17	144.82	53.66	49.00	64.00	30.00	7.5	0.0	6.5	35.0	7.1	81	1:5
CHEMICAL,10	06/88	3.00	2.84	19.47	33.00	44.00	21.00	4.4	0.0	7.5	20.0	6.1	0	
INDUST,10	06/88	13.76	16.78	22.19	61.00	70.00	25.00	12.0	0.0	5.1	20.0	3.3	67	1:1
SYNTHETIC,10	03/88	27.25	207.02	85.97	84.50	94.00	45.50	3.1	0.0	27.3	20.0	2.4	83	1:3
ANT VITAMIN,10	06/88	3.87	5.11	23.20	51.00	62.00	24.50	4.8	0.0	10.6	21.0	4.1	87	2:5
YANI BRAKES,10	06/88	3.90	-4.84	-2.41	36.00	34.00	14.50	1.3	0.0	27.7	0.0	0.0	0	
YANI STEEL,10	06/88	1.13	11.41	110.97	550.00	600.00	250.00	31.9	0.0	17.2	85.0	1.5	88	1:1
VINATOR,10	06/88	3.55	25.48	81.77	137.50	150.00	36.00	18.5	0.0	7.4	20.0	1.5	84	1:1
ORAM,10	03/88	8.85	52.23	69.02	66.00	71.00	32.50	3.4	0.0	19.4	23.5	3.6	79	1:2
ODAY DIST,10	06/87	6.00	8.86	24.80	43.00	56.00	33.00	3.1	1.0	13.9	20.0	4.7	0	
ETIC ENGG,10	06/88	1.20	18.15	161.25	375.00	410.00	161.25	31.3	0.0	12.0	40.0	1.1	88	1:1
ETIC HONDA,10	01/88	9.99	2.63	12.63	35.00	40.00	16.75	-5.9	0.6	0.0	0.0	0.0	0	
L CUMMINS,10	09/88	27.10	42.46	25.67	86.75	100.00	48.00	4.2	0.0	21.1	22.5	2.5	86	1:1
L PNEUMATIC,10	09/87	3.85	3.36	18.73	57.50	72.50	15.00	1.8	1.3	31.9	12.5	2.2	0	
LOSKAR OIL,10	06/88	6.71	11.55	27.21	58.00	55.00	12.00	4.4	0.0	13.2	6.0	1.0	76	3:7
OCKNER WIND,10	12/87	4.50	3.27	17.27	106.25	122.50	81.25	4.4	2.9	24.1	21.0	2.0	88	1:2
B PUMPS,10	12/87	4.35	11.98	37.54	320.00	398.25	220.00	12.3	6.3	26.0	20.0	0.6	86	1:1
KME,10	06/88	2.10	6.86	42.67	112.50	145.00	61.25	5.3	0.0	21.2	27.5	2.4	86	2:5
RSEN TOUBRO,10	09/87	56.37	235.96	51.86	127.00	148.50	75.50	4.9	2.2	25.9	20.0	1.6	86	3:5
TON,10	06/88	15.75	8.19	15.20	73.00	84.00	52.00	4.6	0.0	15.9	22.0	3.0	0	
DYD STEEL,10	03/87	3.38	4.13	22.22	36.00	46.00	17.00	4.7	4.5	7.7	21.0	5.8	0	
L,10	10/87	21.05	8.64	14.10	15.50	19.50	9.00	-2.9	0.0	0.0	0.0	0.0	80	4:5
CNEIL MAGOR,10	06/86	2.74	41.38	161.02	46.50	47.75	43.75	2.3	0.0	20.2	7.0	1.5	0	
DRAS CEMENT,100	12/87	3.02	18.85	717.55	785.00	860.00	315.00	-153.3	-79.5	0.0	0.0	0.0	0	
DURA COATES,10	06/88	21.96	92.32	52.04	98.00	101.00	60.00	6.2	0.0	15.8	30.0	3.1	86	1:2
FATLAL FINE,100	03/88	14.48	24.36	268.37	212.50	225.00	140.00	6.0	0.0	35.4	16.0	7.5	80	1:3
FATLAL IND,100	03/88	16.20	52.96	427.04	335.00	350.00	200.00	14.4	12.2	23.3	20.0	6.0	78	1:5
HN & MAHIN,10	10/87	19.26	102.06	62.99	97.00	124.00	48.50	5.5	2.3	17.6	22.0	2.3	84	2:3
HINDRA UGINE,10	06/88	7.30	17.76	34.33	110.00	100.00	48.00	6.6	0.0	16.7	25.0	2.3	88	1:2
NGALAM CEM.,10	12/87	7.11	11.31	25.91	24.00	30.50	13.00	2.8	1.7	8.6	15.0	6.2	0	
NGALORE CHEM,10	03/88	12.45	13.98	21.23	45.00	55.85	15.25	0.1	0.0	450.0	10.0	2.2	0	
STERSHARE,10	06/88	150.00	63.00	14.20	19.00	21.00	9.25	4.2	0.0	4.5	13.0	6.8	0	
THER PLATT,10	06/88	10.24	6.47	16.32	65.00	85.00	27.35	3.6	0.0	18.1	15.6	2.4	87	3:5
INDIA,10	09/87	2.79	0.94	13.37	55.00	58.00	30.00	4.3	1.8	12.8	18.0	3.3	0	
Y & BAKER,10	12/87	4.50	7.18	25.96	53.75	58.00	34.00	3.1	1.2	17.3	10.0	1.9	0	
AZDA INDUST,10	06/87	4.32	2.32	15.37	17.00	20.00	11.00	4.5	2.2	3.8	25.0	14.7	0	
CDOWELL,10	06/88	7.74	33.05	52.70	92.50	105.00	72.50	11.2	0.0	8.3	20.0	2.2	86	1:1
CLEOD RUSSEL,10	06/87	8.25	17.13	37.41	92.50	130.00	86.25	8.1	5.2	11.4	45.0	4.9	87	1:1
ETAL BOX,10	03/87	14.68	-12.54	1.46	9.00	10.00	4.24	-4.0	-5.0	0.0	0.0	0.0	67	1:2
ES INDIA,10	12/87	0.84	0.91	24.22	155.00	180.00	52.00	9.6	4.8	15.6	30.0	1.9	87	3:5
FOOD 10	12/87	1.14	4.49	49.39	235.00	280.00	75.00	8.9	12.4	26.4	25.0	1.1	87	1:1
I INDUSTRIES,10	09/86	2.17	12.66	68.34	35.00	85.00	35.00	-11.9	-26.0	0.0	12.0	3.4	69	1:5
II RUBBER,10	04/88	10.38	41.59	50.07	102.50	117.50	43.00	14.3	0.0	7.2	25.0	2.4	84	2:5
DI XEROX,10	04/88	17.46	0.17	10.10	59.00	75.00	21.50	2.9	0.0	20.3	0.0	0.0	0	
TOR INDUST,100	12/87	38.05	46.32	221.73	580.00	700.00	447.50	29.4	14.5	20.1	12.0	2.0	86	1:1
F,10	09/87	3.86	23.30	70.36	360.00	400.00	127.00	26.1	0.0	13.8	40.0	1.1	75	1:2
UKAND IRON,10	06/88	9.82	72.22	83.54	95.00	139.00	73.50	12.1	0.0	7.9	23.0	2.4	88	1:2
YSORE CEMENT,10	09/87	11.46	19.23	26.75	25.00	28.00	18.00	1.1	0.5	22.7	17.5	7.0	85	2:5
AGAR FINANCE,10	09/87	2.44	2.70	21.07	12.00	14.00	10.75	5.5	0.4	2.2	23.0	19.2	0	
ATION PEROXIDE,100	03/88	2.30	9.02	492.17	1100.00	1575.00	820.00	77.8	0.0	14.1	30.0	2.7	0	
ATIONAL RADIO,100	12/87	6.82	2.77	141.84	130.00	175.00	97.50	10.6	0.0	12.3	0.0	0.0	82	1:2
RLON,10	09/87	15.76	27.08	27.18	14.50	15.00	5.00	-27.1	-0.1	0.0	0.0	0.0	86	1:2
OCIL,100	12/87	36.00	55.62	254.50	805.00	990.00	390.00	48.2	32.6	16.7	20.0	5.9	87	1:1
RISSA CEMENT,10	12/87	5.40	31.50	68.33	34.00	35.50	29.25	7.3	0.0	4.7	20.0	7.1	0	
RKAY,10	03/88	49.64	54.77	21.03	29.50	51.00	17.00	1.4	0.0	21.1	21.0	7.1	87	3:5
SWAL AGRO,10	06/87	28.52	91.67	38.64	97.50	129.50	57.00	2.8	0.0	34.8	50.0	5.1	0	
SWAL FURANE,10	12/87	18.00	0.00	10.00	60.00	75.00	22.25	0.0	0.0	0.0	0.0	0.0	0	
TIS ELEVATORS,10	11/87	5.04	9.62	29.09	205.00	225.00	161.25	7.6	2.8	27.0	25.0	1.2	85	1:1
ARKE DAVIS,10	11/87	7.53	3.66	14.86	46.00	56.00	31.00	2.3	0.0	20.0	25.0	5.4	78	3:5
PEICO,10	12/87	33.32	53.59	26.06	26.50	40.00	21.50	1.2	-1.2	22.1	10.0	3.8	82	1:5
PFIZER,10	11/87	11.72	15.65	23.35	69.00	90.00	50.00	0.3	0.4	230.0	10.0	1.4	77	4:5
POLYCHEM,10	03/88	4.10	9.92	34.20	95.00	106.00	55.00	13.2	5.6	7.2	0.0	0.0	86	1:2
POLYOLEFINS,100	12/87	19.30	24.65	227.72	895.00	920.00	515.00	53.0	45.1	16.9	26.0	3.1	88	1:2
PONDS,10	06/87	6.68	11.36	27.04	180.00	250.00	127.50	5.4	3.8	33.3	40.0	2.2	87	1:1
PREMIER AUTO,10	06/88	16.20	103.36	73.81	51.00	58.00	23.00	6.9	0.0	7.4	25.0	4.9	86	1:1
PROCTER & GAM,10	06/88	3.71	10.35	37.90	405.00	435.00	257.50	12.6	0.0	32.1	50.0	1.2	88	4:5
PSI DATA,10	09/87	1.36	0.65	14.71	19.50	38.00	10.25	1.8	0.0	10.8	17.0	8.7	0	
RALLIS,10	04/88	9.52	30.00	41.51	127.50	125.00	60.00	5.9	5.3	21.6	27.5	2.2	77	3:1
RANBAXY,10	12/87	5.22	12.72	34.37	82.50	92.50	66.00	5.2	2.6	15.9	20.0	2.4	86	2:5
RAYMONDS,10	03/88	22.47	50.11	32.30	69.50	76.00	41.50	3.6	1.0	18.3	25.0	3.6	87	1:1
RECKITT COLMAN,10	12/87	4.20	13.60	42.36	137.50	155.00	92.50	12.7	7.6	10.8	30.0	2.2	86	1:1
REGENCY CERAMIC,10	04/87	3.97	-1.29	6.75	13.00	24.00	10.00	-3.9	-2.7	0.0	0.0	0.0	0	
RELIANCE,10	06/88	152.10	864.22	66.82	155.00	231.00	69.00	5.2	0.0	29.8	55.0	3.5	83	3:5
REMINGTON,10	03/88	2.67	4.34	26.25	39.00	40.00	24.75	4.1	2.6	9.5	20.0	5.1	86	1:2
REVATHI C.P,10	06/88	1.60	3.12	29.50	115.00	140.00	51.50	7.2	0.0	16.0	20.0	1.7	87	1:1
ROCHE PRODUCTS,10	12/87	4.81	5.38	21.19	67.50	87.50	34.00	2.3	1.4	29.3	14.0	2.1	80	1:3
ROSS MURARKA,10	06/87	3.74	3.29	18.80	15.00	17.00	10.50	4.7	3.4	3.2	26.0	17.3	0	
S.I.VISCOSE,100	03/88	11.03	13.08	218.59	710.00	810.00	215.00	74.0	0.0	9.6	25.0	3.5	87	1:2
SAMTEL,10	12/87	2.74	7.92	38.91	95.00	105.00	33.25	6.3	9.2	15.1	25.0	2.6	88	1:3
SANDOZ,10	12/87	5.30	19.88	47.13	87.50	95.00	59.00	3.0	0.0	29.2	16.0	1.8	84	2:7
SANDVIK ASIA,100	12/87	5.78	7.54	230.45	680.00	720.00	575.00	23.6	10.7	28.8	20.0	2.9	84	1:1
SCINDIA,20	06/87	18.95	3.79	24.00	8.50	8.00	1.76	-30.9	0.0	0.0	0.0	0.0	77	2:5
SEARLE,10	12/87	3.48	14.57	51.87	170.00	195.00	92.00	8.0	1.2	21.2	20.0	1.2	86	1:1
SESA GOA,10	03/87	5.15	9.42	28.29	29.00	45.50	16.00	7.0	-4.5	4.1	18.0	6.2	86	2:5
SHAW WALLACE,10	06/88	12.00	22.86	29.05	95.00	92.00	52.00	8.1	0.0	11.7	35.0	3.7	87	1:1
SHRI RAM FIBRES,10	09/87	10.33	22.69	31.97	66.00	66.00	34.50	2.7	0.0	24.4	20.0	3.0	82	1:2
SIEMENS,10	09/87	20.77	33.08	25.93	95.00	120.00	56.50	3.8	2.2	25.0	16.0	1.7	86	1:4
SILTAP CHEMICAL,10	03/88	1.80	-0.76	5.78	57.50	60.00	47.50	-4.2	0.0	0.0	0.0	0.0	0	
SIPTA COATED,10	10/87	9.42	1.84	11.95	20.50	25.50	15.00	3.1	2.6	6.6	15.0	7.3	0	
SKF BEARINGS,100	12/87	12.35	30.44	346.48	1980.00	2420.00	1058.00	87.8	88.1	22.6	22.0	1.1	86	2:5
SOUTHERN PETRO,10	12/87	34.00	267.86	88.78	54.00	68.00	22.75	1.5	-7.2	36.0	15.0	2.8	86	1:1
SPARTEK,10	06/88	2.85	6.19	31.72	85.00	110.00	58.00	13.2	5.0	6.4	25.0	2.9	0	
SPECIAL STEEL,100	12/87	7.59	10.79	242.16	740.00	825.00	575.00	104.7	67.3	7.1	15.0	2.0	73	1:1
STANDARD MILLS,100	03/88	11.06	75.27	780.56	270.00	390.00	190.00	37.0	0.0	7.3	16.0	5.9	82	2:5
STANDARD MOTOR,10	12/86	2.32	3.98	27.16	10.00	11.85	7.50	-18.1	0.0	0.0	0.0	0.0	85	1:1
STRAW PRODUCTS,10	12/87	10.14	73.61	82.59	46.50	48.00	29.50	4.0	1.3	11.6	20.0	4.3	72	1:2
SU-RAJ DIAMOND,10	04/88	4.77	4.37	19.16	82.50	80.00	15.00	9.1	0.0	9.1	15.0	1.8	0	
SUND CLAYTON,10	05/88	9.48	23.99	35.31	46.50	53.75	29.25	9.9	0.0	4.7	25.0	5.4	87	2:3
SUND FASTENERS,10	03/88	3.19	11.70	46.68	62.50	82.50	53.75	7.4	0.0	8.4	25.0	4.0	86	3:5
SUND FINANCE,10	03/88	6.00	11.46	29.10	48.50	57.50	25.50	7.8	0.0	6.2	20.0	4.1	86	1:1
SUPREME INDUST,10	06/88	1.80	3.70	30.56	225.00	250.00	137.50	25.4	0.0	8.9	36.0	1.6	87	1:1
SWAD POLYTEX,10	09/86	3.90	36.01	102.33	43.00	43.00	21.50	8.5	8.7	5.1	30.0	7.0	0	
SYNTH & CHEM,10	03/88	5.81	4.80	18.26	61.00	70.00	28.50	3.9	2.6	15.6	21.0	3.4	0	
TATA CHEMICALS,10	03/88	37.18	150.35	50.44	109.00	119.00	56.00	7.3	0.0	14.9	30.0	2.8	85	2:5
TATA LOCO,100	03/88	90.97	212.99	334.13	720.00	785.00	340.00	45.0	6.6	16.0	23.0	3.2	82	2:5
TATA OIL,25	03/88	8.11	19.78	85.97	75.00	87.00	55.00	4.2	4.3	17.9	10.0	3.3	81	1:5
TATA POWER,100	03/88	21.22	68.24	421.58	375.00	451.50	175.00	89.1	0.0	4.2	16.0	4.3	75	1:5
TATA PRESS,10	03/88	1.57	5.86	47.32	52.50	55.00	33.00	4.5	2.1	11.7	18.0	3.4	0	
TATA STEEL,100	03/88	136.01	476.33	450.22	1048.75	1100.00	568.75	67.8	39.7	15.5	25.0	2.4	86	2:5
TATA TEA,10	12/87	12.21	54.82	54.90	122.50	125.50	65.63	8.9	2.1	13.8	45.0	3.7	88	3:5
TATA UNISYS,10	12/87	4.38	3.62	18.26	82.50	107.50	60.00	3.5	2.2	23.6	22.0	2.7	87	2:5
TEXMACO,10	12/86	1.87	11.06	69.14	33.00	38.00	17.00	-206.6	0.0	0.0	0.0	0.0	0	
TINPLATE,10	03/88	10.14	8.26	18.15	23.00	28.00	15.50	2.8	0.0	8.2	10.0	4.3	0	
TUBE INVESTMENT,10	12/87	5.73	28.62	59.95	47.50	55.00	22.00	7.0	0.0	6.8	20.0	4.2	85	1:3
TUTICO ALKALIES,10	12/87	12.94	-2.63	7.97	15.00	20.00	11.00	0.0	-1.3	0.0	0.0	0.0	0	
TVS SUZUKI,10	02/88	23.10	-8.59	6.28	18.50	22.25	8.50	0.0	1.4	0.0	0.0	0.0	0	
TWENT.CENT,10	03/88	8.88	8.76	19.86	19.50	20.71	12.14	4.2	1.9	4.6	25.7	13.2	86	2:5
UNION CARBIDE,10	12/87	32.58	38.04	21.68	26.00	26.00	10.00	1.1	0.0	23.6	12.0	4.6	80	1:2
UNIT BREWERIES,10	06/87	4.00	9.53	33.82	48.00	48.00	36.50	5.4	0.0	8.9	15.0	3.1	86	1:1
UNIT PHOSPHORUS,10	12/87	2.80	2.66	19.50	43.00	61.00	32.50	0.4	-1.1	107.5	10.0	2.3	0	
UPCOM CABLES,10	12/87	5.92	0.04	10.07	35.00	49.00	21.75	0.1	0.9	350.0	0.0	0.0	0	
VAM ORGANIC,10	04/88	5.16	11.72	32.71	125.00	143.00	78.00	9.2	0.0	13.6	30.0	2.4	0	
VARELI,10	03/88	7.29	13.49	28.50	30.00	62.50	22.50	5.7	0.7	5.3	22.0	7.3	0	
VIDEOCON,10	09/88	2.75	1.59	15.78	62.50	70.00	18.87	6.5	0.0	9.6	18.0	2.9	0	
VINDHYA TELE,10	03/88	3.90	3.34	18.56	122.50	145.00	68.00	11.3	7.6	10.8	20.0	1.6	0	
VOLTAS,100	06/88	12.78	31.29	344.84	490.00	580.00	230.00	75.9	18.3	6.5	22.0	4.5	61	1:4
VST INDUSTRIES,10	09/87	6.03	12.00	29.90	30.00	30.50	19.00	4.9	2.3	6.5	26.0	8.7	77	3:5
WAL NAGAR,100	09/87	3.00	35.39	1279.67	15.00	12.50	7.00	1.1	-5.8	13.6	0.0	0.0	82	1:2
WARREN TEA,10	03/88	3.90	11.49	39.46	66.25	70.00	50.50	8.9	0.0	7.4	30.0	4.5	86	1:5
WIMCO,10	12/87	8.45	9.56	21.31	26.50	30.75	11.00	-5.8	-4.6	0.0	0.0	0.0	70	1:5
ZENITH,10	06/87	9.15	13.04	24.25	73.00	81.00	38.00	2.5	3.5	29.2	30.0	4.1	87	1:4
Z F STEERING,10	06/88	2.25	0.80	13.56	67.58	79.00	30.00	3.3	2.0	20.5	0.0	0.0	0	
ZUARI,10	12/87	12.43	49.36	49.73	75.00	90.00	34.00	3.5	0.3	21.4	25.0	3.3	0	

Note: EPS: This represents the earnings after tax for the full year divided by the number of shares outstanding. EPS half year: after tax earnings per shares for six months taking into account announced half yearly profits. PE: ratio of market price to after tax per share earnings. Yield: dividend as a percentage of market price

Sintex - The only reliable and time-tested READYMADE WATER TANKS

SINTEX has proved its performance against all the tough and rough Indian conditions for more than a decade now. Dotting the Indian scene with lakhs and lakhs of installations — from Kashmir to Kanyakumari and Kutch to Kohima — Sintex Tanks are proving popular for all water storage and carriage applications.

Made by a unique moulding process on computer aided machines, Sintex Water Tanks offer a set of advantages unbeatable by others.

* Lightweight * Easy to install * Strong and Durable
* Maintenance - free * 100% Leakproof and Rustproof
* Most Hygienic * Available in wide range from 100 lits. to 20,000 lits. capacity and in different shapes.
* Backed by excellent installation and after sales service through a wide network of dealers.

For further information contact

SINTER PLAST CONTAINERS
Plastics Division: The Bharat Vijay Mills Ltd.,
KALOL (N. GUJARAT)
Phone: (02764), 2228, 3144, 3145 Gram: "SINTEX"
Telex: 01205-202 SPC IN Fax: (02764) 2436

Sintex - World's No.1 Plastic Water Tanks

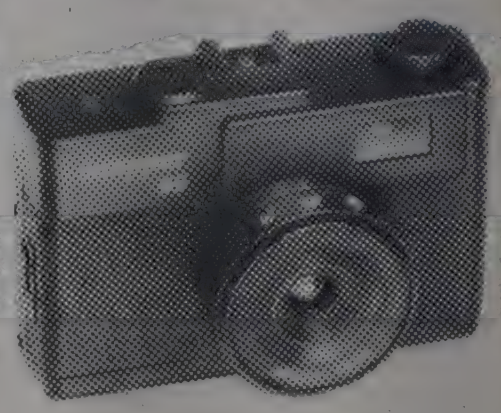
Offices At: Ahmedabad • Baroda • Bombay • Bangalore • Bhopal • Calcutta • Delhi • Hyderabad • Jaipur • Madras

mpany	Face Value	Market lot	Type	Rate %	Size Rs lacs	Price Rs	Date	Yield %	Interest due date	Redemp-tion date	Book closure
SEA	100	10	NCD	13.5	252.0	90.00	16/12/88	15.00	30.6,31.12	17/9/93	31/12/88
SHOK LEY.A	64	5	NCD	13.5	521.0	55.00	30/11/88	15.71	31.3,30.9	3/4/96	16/9/88
SHOK LEY.B	64	5	NCD	13.5	1043.0	55.00	05/12/88	15.71	31.3,30.9	3/4/96	16/9/88
SHOK LEY.C	100	5	NCD	15.0	815.0	95.00	28/11/88	15.79	31.3,30.9	3/4/91	16/9/88
TASH IND	75	10	CD	15.0	300.0	60.00	16/12/88	18.75	31.3,31.7	17/3/94	18/7/88
ATLIBOI	100	25	NCD	15.0	510.0	86.25	16/12/88	17.39	30.4,31.10	11/4/93	15/10/88
IRLA JUTE	200	5	NCD	13.5	999.0	165.00	28/11/88	16.36	30.9,31.3	7/2/69	15/9/88
LUE BLEND	200	10	NCD	13.5	625.0	172.50	09/12/88	15.65	31.1,30.6	4/11/96	1/6/88
ONT. CONST.	100	10	NCD	15.0	1750.0	82.50	15/12/88	18.18	1.1,1.7	4/10/95	14/6/88
R REDDY'S	100	10	CD	15.0	163.0	92.50	07/12/88	16.22	30.6,31.12	4/6/96	16/6/88
UNLOP	150	5	NCD	13.5	120.0	140.00	28/11/88	14.46	15.7,15.1	1989/91	31/12/88
.I.HOTELS	50	10	NCD	13.5	1566.0	44.00	09/12/88	15.34	10.4,10.10	10/4/94	21/9/88
LECON ENG	45	5	NCD	13.5	247.0	41.25	15/11/88	14.73	30.6,31.12	12/3/94	1/6/88
SSAR SHIP	75	10	NCD	13.5	0.0	63.50	16/12/88	15.94	15.4,15.10	15/4/94	21/6/88
F.G.P.	100	5	NCD	13.5	168.0	80.00	16/11/88	16.88	31.3,30.9	19/11/92	13/9/88
FERRO ALLOY	250	2	NCD	13.5	750.0	222.50	01/11/88	15.17	30.6,31.12	1991	8/6/88
FORBES	100	10	NCD	13.5	600.0	87.00	16/12/88	15.52	1.4,1.10	2/4/94	10/9/88
GARDEN SILK	100	10	NCD	12.5	0.0	71.50	16/12/88	17.48	31.3,30.9	1995/97	1/9/88
GRASIM IND	120	5	NCD	13.5	100.0	113.00	16/12/88	14.34	31.3	1997	15/3/88
GUJ ALKALI	140	5	NCD	13.5	700.0	125.00	16/12/88	15.12	28.2,31.8	1/8/93	17/8/88
HIND FERODO	100	5	CD	13.5	206.0	85.00	29/11/88	15.88	30.6,31.12	14/12/92	10/6/88
HOECHST	100	5	NCD	15.0	383.0	100.00	16/12/88	15.00	1.5,1.11	14/9/91	12/4/88
I.T.C.	500	1	NCD	15.0	500.0	510.00	15/12/88	14.71	1.7	1990/91	14/6/88
IND HOTEL	75	10	NCD	13.5	1123.0	70.50	06/12/88	14.36	1.4,1.10	26/4/92	23/8/88
IND HOTEL	100	10	NCD	12.5	2708.0	79.00	02/12/88	15.82	15.6,15.12	14/6/94	3/5/88
IND RAYON	80	5	NCD	12.0	801.0	64.00	14/12/88	15.00	30.6,31.12	6/4/93	10/6/88
IND RAYON	112	5	NCD	13.5	1668.0	102.00	14/12/88	14.82	30.6	18/2/95	10/6/88
J.K. SYNTH	120	4	NCD	13.5	1875.0	105.00	16/12/88	15.43	1.1,1.7	1/4/92	1/6/88
JINDAL STR	100	10	NCD	15.0	600.0	91.00	15/12/88	16.48	30.6,31.12	14/4/94	15/6/88
KALY STEEL	100	5	NCD	15.0	67.0	105.00	05/12/88	14.29	30.6,31.12	7/6/91	19/6/88
KESORAM	90	5	NCD	13.5	1890.0	79.00	28/11/88	15.38	30.6,31.12	11/3/95	6/9/88
KLOCK WIND	100	10	CD	13.5	138.0	90.00	16/12/88	15.00	28.2,31.8	1993/95	17/8/88
KOTH FOOD	100	10	CD	15.0	475.0	81.00	16/12/88	18.52	31.3,30.9	1991/95	7/9/88
L & T RTC	60	5	CD	13.5	360.0	57.00	21/10/88	14.21	1.1,1.7	1990/94	13/9/88
L & T-IV	60	10	CD	13.5	2626.0	57.50	07/12/88	14.09	1.4,1.10	1/10/88	13/9/88
LAKME	75	10	NCD	13.5	0.0	72.00	06/12/88	14.06	30.6,31.12	9/6/94	1/6/88
LML	115	5	CD	13.5	828.0	71.00	12/10/88	21.87	30.4	1991/93	16/4/88
LYKA LABS	100	10	NCD	15.0	240.0	85.00	16/12/88	17.65	30.6,31.12	1993/96	15/6/88
MAY & BAKER	100	5	NCD	15.0	300.0	105.00	16/12/88	14.29	30.6,31.12	9/9/94	16/6/88
MAZDA IND	100	10	NCD	13.5	625.0	72.00	16/12/88	18.75	1.4,1.10	5/4/93	6/9/88
MUKAND	125	5	NCD	13.5	437.0	120.00	15/12/88	14.06	1.1,1.7	1988/92	10/6/87
PRESTIG FOOD	150	10	CD	13.5	25.0	62.50	16/12/88	32.40	31.12,30.6	1992/94	5/6/87
RAYMOND WOOL	400	1	CD	12.0	480.0	350.00	09/12/88	13.71	31.3,30.9	1989/93	1/9/88
RAYMOND WOOL	400	1	NCD	13.5	1920.0	360.00	14/12/88	15.00	31.10	30/10/92	1/9/88
REL F CUM	100	10	NCD	15.0	27000.0	143.00	15/12/88	10.49		30/9/95	11/8/88
RELIANCE E	100	5	NCD	13.5	5335.0	84.00	16/12/88	16.07	30.4	30/6/97	17/4/88
RELIANCE F	100	10	NCD	15.0	0.0	98.00	16/12/88	15.31	20.2,31.8	30/9/95	11/8/88
SANDOZ	100	10	NCD	13.5	69.0	92.00	06/12/88	14.67	30.6,31.12	24/4/95	11/6/88
STEELAGE	100	10	NCD	13.5	132.0	82.00	16/12/88	16.46	1.5,1.11	1994	12/10/88
TATA PRESS	120	5	NCD	13.5	195.0	105.00	16/12/88	15.43	31.3,30.9	11/11/96	14/9/88
TATA STEEL	200	5	NCD	13.5	2011.0	200.00	09/12/88	13.50	1.4,1.10	1/3/92	11/3/88
TATA UNISYS	100	10	CD	12.0	250.0	80.00	16/12/88	15.00	1.1,1.7	1998	10/6/87
TITAN WATCH	200	10	NCD	13.5	1312.0	163.00	16/12/88	16.56	15.6,31.12	5/3/97	15/11/88
TRANSPORT CO	100	10	NCD	15.0	400.0	70.00	07/12/88	21.43	31.3,30.9	1993/96	13/9/88
TTK PHARM	100	10	NCD	15.0	143.0	85.00	16/12/88	17.65	30.5,30.11	1/3/92	12/5/88
TWENT CENT	100	5	NCD	13.5	300.0	77.50	07/07/88	17.42	30.4,30.10	23/8/90	21/9/88
UNITECH	100	15	NCD	15.0	264.0	82.50	09/12/88	18.18	30.6,31.12	25/4/94	16/6/88
UNIV LUGGAGE	100	10	NCD	15.0	144.0	79.00	16/12/88	18.99	1.6,1.12	26/3/96	12/11/88
USHA MARTIN	100	5	NCD	13.5	934.0	82.50	02/12/88	16.36	31.3,30.9	29/10/95	15/9/88
V.I.P. IND	100	10	NCD	15.0	960.0	86.25	16/12/88	17.39	31.1,31.7	22/4/93	8/7/87
VARELI TEXT	100	10	NCD	15.0	862.0	86.25	16/12/88	17.39	31.3,30.9	1993/95	1/9/88
VARUN SHIP	100	10	NCD	15.0	175.0	81.00	16/12/88	18.52	31.5,30.11	20/8/93	16/11/88
VOLTAS	100	1	NCD	15.0	900.0	300.00	27/10/88	15.00	28.2,31.8	1/3/91	2/8/88
VOLTAS	300	2	CD	13.5	800.0	137.50	6/10/88	14.73	30.6,31.12	1991	2/6/88
W.I.ENTER	150	5	CD	15.0	615.0	91.00	16/12/88	16.48	1.10,1.4	12/6/95	16/9/88
	100										

Note: CD: convertible debenture; NCD: non-convertible debenture including debentures that were earlier partially convertible for which the conversion is over.
Debenture yield is calculated as a percentage of market price without adjusting interest due component. This can make a significant difference in actual return.
The fact that the debenture market is generally active can be surmised from the dates of last business done. Hence readers are advised to seek suitable professional advice before deciding.
All care is taken to ensure accurate and up to date information.

The unforgettable corporate gift

Snapper CAMERAS



Snapper 35

Snapper 300F

Snapper 110E

Everybody loves a Snapper !

For further details contact:
AGFA-GEVAERT INDIA LIMITED
- 17, N.A. Sawant Marg, Colaba, Bombay 400 005. Tel: 2028812
- 18/A Shivaji Nagar, P.B. No.6211, New Delhi 110 015. Tel: 503993 Tlx: AGIL 031 4116
- 2-A, Shakespeare Sarani, P.B. No.9230, Calcutta 700 071. Tel: 444595 Tlx: AGIL 021 2250
- 611, Anna Salai, P.B. No.1071 Madras 600 006. Tel: 478211 Tlx: AGIL 041 7609

ULKA-11377

Better luck in the new year

The erratic stockmarket has caught contestants on the wrong foot. Three months have gone by and we have had no winners. In the contest under review, we had prices of two out of six scrips move up, leaving contestants far off the winning mark. Nevertheless, many participants were right in expecting a fall in IEL's price from Rs.56.00 (4 November 1988) to Rs.53.00 (9 December 1988).

We would be happy to ring in the new year with some winners.

How to enter

On the entry form given below are listed six popular scrips. All you have to do is to use your skills to predict the prices of each of these shares as on 13 January 1989, and send in your entry by 3 January 1989. The winner in accordance with the rules printed below, will get a prize of Rs.5,000. In the event there is no winner, the prize will not be carried over.

Every issue of **Business India** will contain a new contest. The entry which has all six correct answers will receive a prize of Rs.5,000. If no such entry is received, the entry which has 5 out of 6 correct answers will receive the prize. In the event of there being more than one winner, the prize will be shared equally. We repeat, if there are no winners, the prize money will not be carried forward.

Rules:

1 There is no entry fee.

2 The list has been selected on the basis of what we consider are actively traded and interesting scrips on Indian stockmarkets.

3 The price mentioned last in the official quotation list of the stock exchange (if there is a series of such prices against the name of the share) will be taken as the correct answer. The official list of the particular stock exchange, which will be referred to, is given against the name of each scrip. If for some reason the stockmarket is either closed on 13 January 1989, or there are no transactions for the six scrips chosen below, then the quotations for the nearest working day prior to 13 January 1989, will be used.

4 Variation from the correct answers are permitted within a range that is specified against the scrip.

5 Entries must be on the printed form given below. Any other entries will be disqualified.

6 Only one entry will be permitted per form.

7 Envelopes sent in should be marked Investor Contest. All entries must be received at **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001, by 5 pm, Tuesday, 3 January 1989.

8 **Business India** is not responsible for non-receipt of entries.

9 **Business India's** decision on the winning entries will be final and binding, and no correspondence in this regard will be entertained.

10 The contest is open to residents of India only. No employee (or any direct relation of any employee) of **the Business India group of publications** is entitled to enter the contest.

Name of scrip	Stockmarket official list to be used for comparing results	Prices as on Friday, 16 December 1988 (Rs)	Variations permitted from correct prices up to (Rs)	Prices as on Friday, 13 January 1989 (Please fill) (Rs)
Bata	Calcutta	83.00	1.50	
EID Parry	Madras	41.25	1.00	
Mahindra	Bombay	97.00	1.25	
Mastershare	Bombay	19.00	0.75	
Sterlite Ind	Bombay	132.50	2.00	
Tisco	Bombay	1,048.75	6.00	

Name: _____

Address: _____

_____

_____

_____

_____

Age: _____

Profession: _____

Date: _____

IC282

When you are set on a trail of success

You deserve a bank with matching strides – VYSYA BANK

Your pursuit of success is relentless, interspersed with endearing challenges and satisfying accomplishments. Selective traits, demanding matching capabilities of support, speed and compatibility.

That is the efficiency of service and innovation in approach of Vysya Bank, designed to support success to sustain.

And this has been the secret of our success — in being responsive, in being proactive to challenges, in going beyond banking through equipment leasing and credit cards, in occupying the premier position in the private sector.

In your pursuits, team up with the winner — Vysya Bank.

VYSYA BANK Now ranked 150th in ASIA

Come, let us grow together.

THE VYSYA BANK LTD

Regd. Office: Avenue Road, Bangalore-560 002.
Admv. Office: 72, St. Marks Road,
Bangalore-560 001.
Chairman: Ramesh Gelli

Kiron/VBL/Corp/888

INTRODUCING 1997. AND INDIA'S

That question mark is hope. Hope for clean air to be still around in 1997. So none of us would need a gas mask to breathe through.

Today, clean air is vanishing fast in our cities. And every badly maintained fuel driven vehicle spewing toxic matter is hastening its sad exit. And our lack of concern does not lighten our burden of guilt.

It's certainly true that we can't do without our vehicles. But it's certainly not true that we can't take better care of our vehicles. Or, control their toxic emission level.

To help you and clean air, MICO is organising Emission Checks in the following cities. For your vehicle. Free. Look up your local newspaper for

EW FACE ?

and venues. And drive in. To help bring back
air.
REE EMISSION CHECKS at Ahmedabad,
aneshwar, Calcutta, Chandigarh, Coimbatore,
, Ernakulam, Indore, Jaipur, Kanpur, Lucknow,
rai, Nagpur, Patna, Pune and Secunderabad.

ing Back Clean Air

MICO

LICENCE BOSCH

"By consensus, not diktat"

Colin Bamford *(46) is chief executive officer of Hong Kong Bank's India operations*

Stuck at the airport waiting to catch an Indian Airlines flight that was inordinately delayed, Colin Bamford counted his blessings: the plane would take off the same day; better than in China, he said, where bad weather can stall flights for two days.

Such light-hearted acceptance of an Indian reality is not surprising for a man who has had so much to do with this country. His grandfather came here in 1892, his father was born in Bangalore and he himself in Ooty. Three generations of exposure to India, is much more than any other foreign banker working in this country can boast of.

The 46-year-old Bamford holds a banking degree from King's College, London and is also a Fellow of the Chartered Institute of Bankers. He joined Hong Kong Bank as an executive trainee in 1962 and is now an expert in the field of corporate banking. He specialised in trade and industry during his four year stint in Hong Kong before coming to India in August this year. A chronic workaholic, he explains even his late marriage with: "I had no time before".

The priorities are clear for Bamford. With over Rs.600 crores in deposits, Hong Kong Bank is the third largest foreign bank operating in India, after Grindlays and Citibank. It is already financing export business worth Rs.200 crores annually and the new CEO feels that this area could be catalysed more effectively to help the country's export orientation.

"By apportioning a part of the resources to exports, you give up a measure of profitability. But the important thing is we want to increase the bank's participation in this area," says Bamford. His long experience in this area while in Hong Kong, an economy that survives on exports, should come in handy.

A second thrust area for Bamford is his merchant banking division. The bank, he says, has a wealth of expertise to be drawn upon. Its branches in New York, London and Hong Kong specialise in these activities. India's developing capital market can benefit considerably from this know-how, he says. But he is convinced that mergers and acquisitions can play only a limited role in making industries more efficient. "The present trend of corporate raiding is not healthy, he says. "The money made by merchant bankers is really obscene."

Hong Kong Bank was the first in India to introduce automatic teller machines. Already eight of its 22 branches in the country have ATMs; seven of these are in

Bombay and offer a network facility. Depositors in the city can bank at any of the branches.

Bamford hopes to bring all the branches in the country under the network, "to offer customers more flexible services". "Our aim is to expand our services to within the reach of the Indian middle class as much as possible. They are a hundred million strong and their need for sophisticated banking services should increase rapidly in the coming years."

Bamford is conscious of the fact that being a foreigner his style of management will have to be subtly different from that of his Indian colleagues. "My style is to act by consensus and not by diktat. There is a special need for this if you are a foreigner. Getting people on your side is important".

Bamford's insight into the country's economic and political situation is very sharp. "India is at a very interesting stage economically, a once in a lifetime state," he says. "You have survived three consecutive droughts. Wealth is trickling down to the middle class and more and more NRI investment is flowing into the country. And for us bankers no doubt these are challenging times."

■ PADMA RAMNATH

FRONTRUNNERS

Raghu Palat's appointment as the first Indian regional audit manager for South Asia of American Express Bank in May this year did not come as a great surprise to people who'd been watching his career closely.

A CA rank holder from England, the 40-year-old Palat was the first Indian to audit at the Bank of England while working for Deloittee & Co, the largest firm of accountants in the UK.

Back in India in 1978, he worked with the British-owned tea firm James Warren & Co, for three years, before joining American Express in 1981. Palat became the first Indian to be selected to participate in a year-long intensive study programme on advanced banking techniques at the bank's New York headquarters. Ever since, his rise in the bank's heirarchy has been rapid.

How has he adjusted to being the bank's troubleshooter and conscience keeper in the subcontinent? "Till such time as we established our credibility it was tough", he says, "Now things are much easier."

Luiz Moniz, the 32-year old, newly inducted assistant vice president of the Bombay-based forging company Amforge Industries has well-calculated career ambitions. A product of IIM Ahmedabad, he started out as an executive assistant to B.D. Garware, the patriarch of the Garware empire. His training here, he says, tested his skills to the hilt. Working with an old hand like Garware also complemented his lack of experience. He left two years later to join Ciba-Geigy first and 20th Century Leasing later.

He switched to Amforge, a Rs.50 crore company, because, according to him, in a multi-national your growth is fairly guaranteed. "I was bent on getting into the fast track," he says.

IF YOU USE SEWING THREADS THIS WILL INTEREST YOU

At Madura Coats we don't just make the best threads. As *the thread makers* we also assist you in selecting the right thread for each application. To help you understand and overcome thread and associated problems, we've set up the COATS THREAD ADVISORY SERVICE.

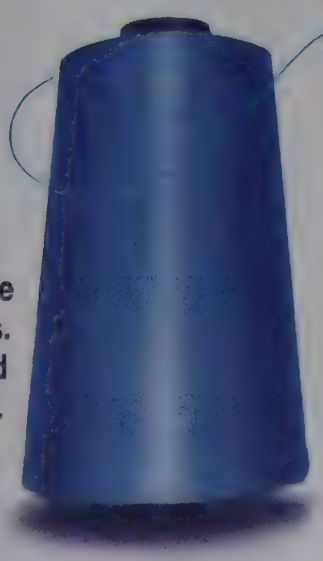
Our panel of experts will answer all your thread queries, from routine sewing problems to complicated ones. In addition, the COATS THREAD ADVISORY SERVICE also publishes papers on sewing and thread related subjects such as seam pucker, seam stretch, etc.

When technologically superior products are introduced, bulletins are prepared assessing their relevance to your needs and mailed to you if you are on our mailing list. These will help you improve your product quality and productivity.

It's so easy to be a part of the COATS THREAD ADVISORY SERVICE. Just write in to be on the mailing list. You don't have to pay anything for this service. All this comes absolutely free to you from Madura Coats, *the thread makers.*

Fill in the coupon below and mail it to: Thread Advisory Service, Madura Coats Threads, 144 M.G. Road, Bangalore-560 001. Or dial the Madura Coats office nearest to you.*

Madura Coats Threads



We don't just make good threads. We also give good advice.

Coats
the thread makers

Yes, please put me on the Thread Advisory Service mailing list.

Name _____

Name of Organisation: _____

Designation: _____

Address _____

_____ Pin ☐☐☐☐☐☐

Tel: _____

Thread used for _____

*Ahmedabad 448169 • Bangalore 236561 • Bombay 265591 • Calcutta 447114 • Delhi 231022 • Ghaziabad 842077 • Goregaon 6887505 • Guwahati 24683 • Hyderabad 844474 • Indore 63263 • Jaipur 62238 • Kanpur 211610 • Koratti 2891 • Ludhiana 30182 • Madras 560616 • Patna 25618 • Pune 669034 • Tirupur 21730 • Vijayawada 76514

With the introduction of new speciality fibres

GRASIM

once again revolutionises the Indian Textile Industry

GRASIRIB FIBRE	GRASIBOW FIBRE	GRASINEP FIBRE

Sobhagya-B.GI.88

One of the world leaders in staple fibre production and technology, GRASIM, after relentless research has developed many speciality fibres. These are now revolutionising the textile scene in India.

Speciality fibres when blended even in small quantities of 5 to 20%, help spin versatile fancy yarns. These in turn, enable weavers to weave fascinating, trendy fabrics at an economic cost.

These fabrics are ideal for Indian climatic conditions and have a wonderful feel and captivating sheen. And they need no dyeing or finishing! Because of their inherent consumer appeal, these fabrics are helping rebuild the economic viability of the Indian Textile Industry.

GRASIM INDUSTRIES LTD.
Birlagram, Nagda-456 331 (M.P.)

GRASIM – Providing a big new thrust to Indian Textile Industry

Introducing

THE CERA BATHSUITE

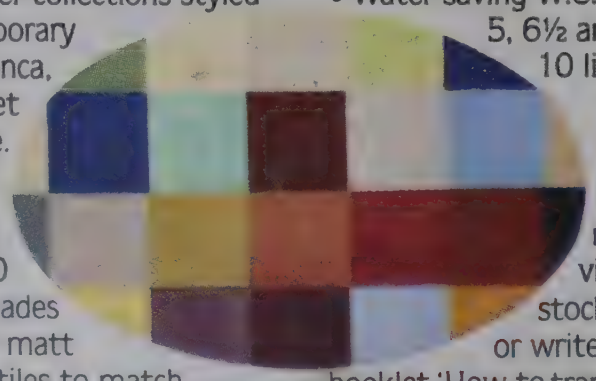
The Capri Colle

Because the way you live today makes yesterday's bathroom outdated

The Cera BathSuite is a new experience, as exclusive and individual as you are. It allows you to express yourself in ways you never thought of before. And it lends itself to new ways of designing your bathspace — large or small.

Take a look at the features that will help you get the best from Cera.

- Four designer collections styled for contemporary living — Conca, Capri, Cornet and Crowne.
- The largest colour range — 30 stunning shades in glossy or matt finish with tiles to match.



- Water-saving W.C. cisterns — 5, 6½ and the usual 10 litres.

To see what the Cera BathSuite can mean to you, visit any of our stockists' showrooms, or write to us for our free booklet, 'How to transform yesterday's bathroom into a Cera BathSuite' — it's almost as good as being there.

You'll never want to enter yesterday's bathroom again.

The Capri Collection

The Crowne Collection — Water saving W.C. cisterns available in 5 and 6½ litres

CERA®

Madhusudan Ceramics

(A division of Madhusudan Industries Ltd.)
E-15, N.D.S.E.-II New Delhi-110 049

FREE!

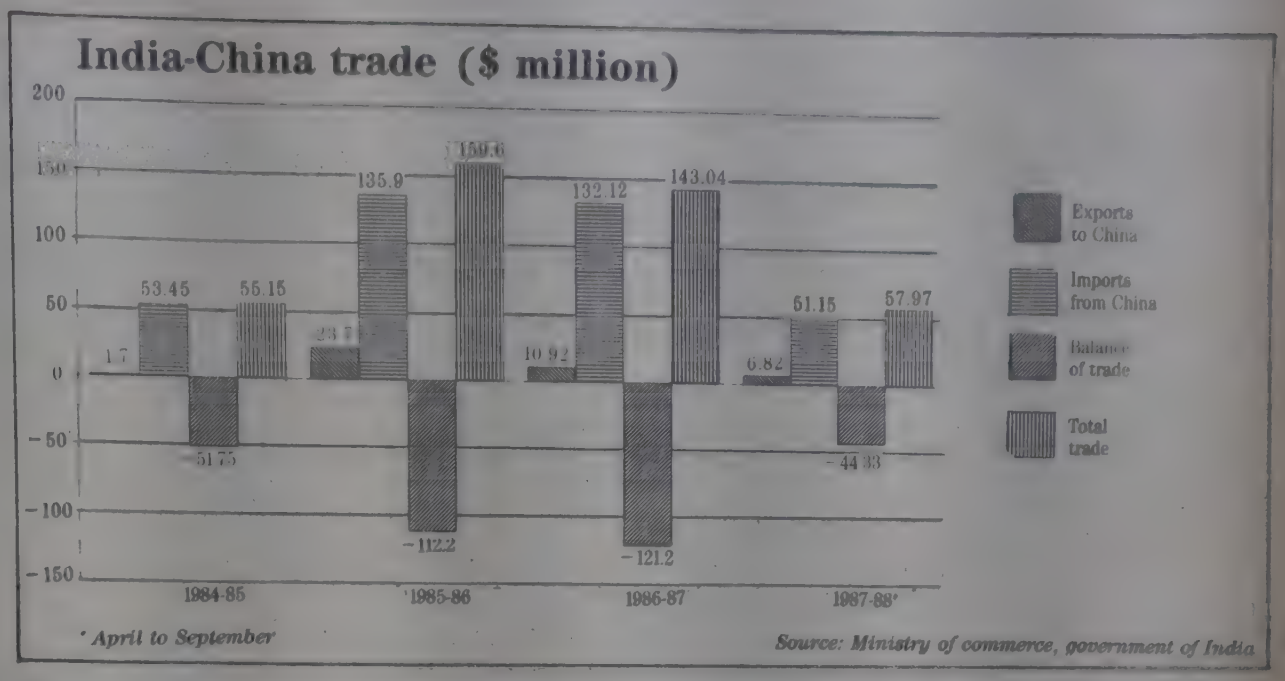
Please send me a copy of the booklet 'How to transform yesterday's bathroom into a Ce BathSuite'.

Name_____

Address_____

O-CHINA TRADE

n a slow boat



hard to believe that India and China, two most populous countries in the rld, both rapidly developing and with t natural resources, and potentially rmous markets, can muster up bilat- l trade that at best can be described as nuts. The total trade between the two ntries in 1987 amounted to $143 mil- n. Earlier this year, a South Korean poration delivered the first consign- nt of minibuses and pickup trucks to mainland — its estimated value: $100 lion! The irony here is that till two rs ago, China and South Korea did not e any official trading links for political sons equally severe if not worse than ones India faces with China, and de was through a third country.

A country that in the past few years has lised that self-sufficieny is an elusive l, China has thrown open its doors to "outside world". India's interest in sting trade with China comes at a e when China's own economic reforms ve reportedly faltered amidst rampant ruption within the party and double- git inflation, both at a level some ob- vers feel, rivalling that of pre-1949 ina.

ow on the uptake

continuing inflationary trend in China uld seriously end the experiment of nomic reform, a major bone of conten- n between reformists and conserva- es in China's leadership. In this ntest, some observers feel that India y have already missed the bus for in- easing trade with China.

"Out of a total of 10,000 foreign ven- res in China, with an investment of $22 lion, India's share is negligible," says mu Deora, chairman of the Federation Indian Export Organisations (FIEO), the chairman of Chemexcil, who was the People's Republic recently. Deora mits that a lot needs to be done by dia, particularly if we hope to reverse e trend of our trade deficit (*see chart*). A major hurdle that needs to be over- me is the total lack of awareness about dia. "We need to launch a comprehen- ve advertising campaign — not only in e large urban centres, but also in the ovinces, to tell the Chinese what we are about," says Deora.

Says one observer, "The awareness of dia as a potential trading partner in China is almost negligible. Why should China trade with a country that is not willing to make an effort, when it has ten countries knocking on its door?" M.P. Gupta, a large importer of sodium alginate, places the blame squarely at the feet of the government. Having made several trips to China, Gupta feels that the Indian mission at Beijing is not fulfilling its role of coordinating trade enquiries and exploring new trade opportunities.

D.T. Shah, a trader who has considerable links with China in silk, ball-bearings and pharmaceuticals, feels that more individual effort is required. He makes a bi-annual pilgrimage to China for the Canton Trade Fair and feels that India needs to step up its presence at such forums.

Better services

The other areas that need to be improved include communication, transportation and financial services. One trader claims that it is easier to ship goods to India via Hong Kong or Japan than directly to India. "Without basic services in place how can any trade flourish?" he asks. This seems to be the crux of the problem. Notes one industry source, "there is very little systematic ground work and infrastructural development done, which is necessary to facilitate easy trade."

One complaint that most Indian traders have while dealing with the Chinese is getting them to stick to a deal. Silk is a typical example. Raw silk and silk yarn will account for almost 33 per cent of imports in 1988-89 (approx $40 million), and yet the industry suffers from escalating prices and uncertain delivery schedules. Says one large importer of silk yarn, "in a one year period the price of raw silk has shot up from $18 a bale to $48 a bale To compound the problem we are never sure that we will actually receive the ship ment." He adds, "When you meet the Chinese face to face they will agree to a contract, and eight days later back in Bombay I receive a telex saying there is no deal on the rates agreed upon."

Strangely, while traders in India complain about the lack of interest on the part of the Chinese to do business, traders in the West have quite another story to tell. The manager of a large multinational trading corporation based in the US, which has extensive trading links with China, is all praise for doing business with China. He explains, "The Chinese will drive a very hard bargain, but once they have committed themselves they will never renege on a deal." He adds, "The people we deal with are professional traders and not bureaucrats and are fully aware of the market. What is very essential is that you instill a sense of confidence in them — that you are serious about doing business with them, and it is here I think where the Indians fail." And this manager should know — his company's steel division alone does about $50 million worth of business with the Chinese.

A great many traders and dealers hope that Rajiv Gandhi's visit to China will make the Chinese take India far more seriously in future. On India's part, the last minute decision to include the high-powered union minister for commerce, Dinesh Singh, is an indication of the serious intentions of increasing bilateral trade. But unless these high powered visits are followed up by a concerted effort on the part of the government and the trading fraternity, the levels of trade will contine to flounder at the pathetically low levels they are currently at.

■ SHIV TANEJA and COONOOR [illegible]

BUSINESS
IMAGES 1988

ECONOMY

On the economic front, gloom gave way to joy. Four successive years of drought gave way to bountiful rains in 1988. Food production is expected to touch a record 170 million tonnes which should add Rs.8,000 crores to the buying power of Indians. The on-going consumer boom, as a result, received a fresh impetus.

Industrial production rose by 11 per cent in the six months ended September. Real GNP is expected to be up by 9 per cent. Most companies reported better profits. The Bombay stock exchange index, which dived to an all time low of 390 points in March, recovered smartly to record its best ever high of 720 points in November.

Investors, led by the institutions, began to return to the stockmarket in droves. The largest ever capital issue of Rs.600 crores by Reliance Petrochemicals was oversubscribed twice.

The Ambanis asked for Rs.600 crores from the public for Reliance Petrochemicals and got Rs.1,200 crores

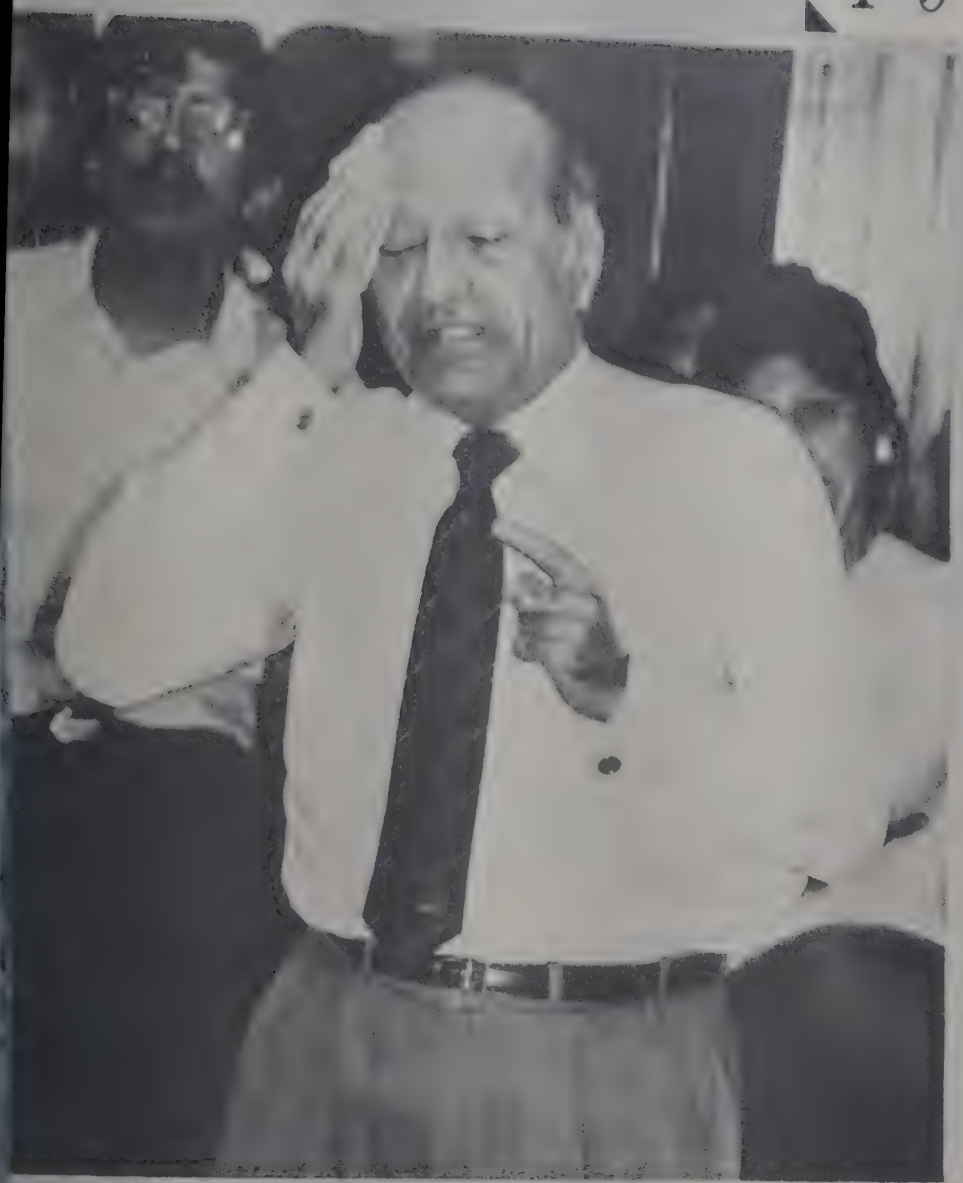
Bountiful rains and record crop production followed four yea of back-breaking drought

Consumer buying power should go up by Rs.8,000 crores

As the economy looked up, stock prices shot up

BUSINESS

IMAGES 1988



alkhivala: under duress, warding off the bid for ACC

Manu Chhabria: the Dunlop takeover doubled the Chhabria group's sales to Rs.1,000 crores

Mukesh Ambani strolling out of L&T House on 11 October after attending his first L&T board meeting

AKEOVERS

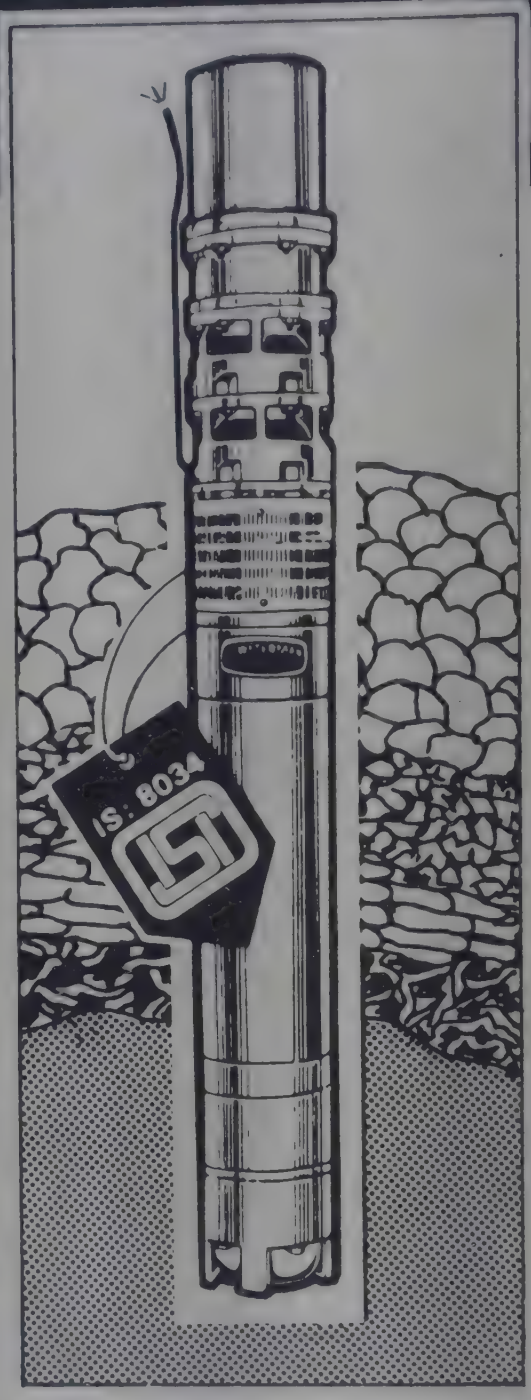
'll go down as the year of takeovers in Indian business. he controversial bid for ACC; the sensational change of uard at Dunlop; the acquisition of L&T, the biggest to ate highlighted the new trend.

Old-time takeover artiste R.P. Goenka was back in the me after a lapse of two years. He lost Dunlop to stwhile partners, the Chhabrias, but quickly picked up arrisons Malayalam (rubber, tea) and ICIM.

Several new players dazzled corporate watchers. Most gnificantly, Darbari Seth of Tata Chemicals (7 per cent ake in ACC), and Dhirubhai Ambani of Reliance (12 er cent in L&T).

Vijay Mallya: turned NRI and bought WIE, Berger

TRIED AND TRUSTED
for Regular Water Supply
WATERMAN
SUBMERSIBLE PUMP



Waterman submersible pump is sturdy, reliable, economical and it's applications are wide.

Applications:
- Service water supply installations for industries.
- Town & Village water supply schemes.
- Irrigation Schemes.
- Domestic water supply.

Features:
- Capacities 60 LPM to 4300 LPM.
- Motor 1.5 to 80 HP.
- Pumps with single phase motor also manufactured.
- **Approved by all Govt. Depts.**

The pump for all seasons – WATERMAN

Manufactured by:

mbh pumps private limited
502, Sea Sparkle, Opp. Atlantic Hotel,
Juhu Tara Road, Bombay-400 049. Tel: 6149242.
Branches: Ahmedabad – Bangalore – Madras

mbh

Distributors:

Karnataka: WATER PUMPS SALES & SERVICE, 27 Malavalli Ramrao Lane, 2nd floor, behind Hotel King & SJP Road, Bangalore 560 002. Tel: 221200. Res: 369619, 367826.

Andhra Pradesh & Maharashtra: WATER AID ENGINEERS (INDIA) PVT. LTD. 541, Al Karim Trade Centre, M.G. Road, Ranigunj, Secunderabad-500 003. Phone: 824619 and 10-A, Vimal Udyog Bhavan, Taikalwadi Road, Mahim, Bombay 400 016. Phone: 4300571-4300572.

Bengal: GNB MOTORS LTD. Showroom & Works: 98 B.T. Road, Calcutta 700 090. Phone: 527083, 522563, 526588. City Office: Phone: 276111/264654. Telex: 021-3233 TODI-IN

Tamilnadu: MBH SALES CORPORATION (MADRAS), 83/7, Armenian Street, Madras 600 001. Phone: 21528.

Delhi, J & K, HP & Haryana: TECHNIKA ENGG. COMPANY, C- 36A, Kalka Ji, New Delhi – 110 019. Phone: 6430140/6438882.

Gujarat: ACME PUMPS CORPORATION, 436 Spectrum Commercial Centre No. 1, Near G.P.O., Satapose Road, Ahmedabad-380 001. Phone: 24729

Motivation-191

THE MANAGEMENT EDGE
PERSONAL DATA BOOK

The Gift of a Life-Time

Let your employees, colleagues and business associates know that you really care for them and their families well-being.

This season, gift The Management Edge Personal Data Book. For more information contact:

BUSINESS DEVELOPMENT ASSOCIATES
174/A-2 Shah & Nahar Indl. Estate, Lower Parel (W),
BOMBAY - 400 013 Tel: 4923656/4923633

The Management Edge Personal Data Book– A lifelong gift that will be truly well-appreciated

---

INTRODUCING...

THE MANAGEMENT EDGE

WEEKLY PLANNER RANGE

The Management Edge Weekly Planner range streamlines your work for you, by having upfront, the work for the week. In 4 simple planners, each designed to tackle a different aspect of your work schedule.

- **weekly paperwork**
- **deadlines for the week**
- **weekly goal planner**
- **weekly priorities**

For further details contact: Dept. WPR,
Post Box 16323, BOMBAY - 400 013.

INTRODUCING...

THE MANAGEMENT EDGE

COMPUTERISED POWER STYLE ASSESSMENT

For the first time in India practising managers can know their power styles... and the way they manage!

For further details write to Dept PSA,
Post Box 16323, BOMBAY - 400 013

If you work with computers, you cannot ignore The Management Edge Computer Desk-Mate

THE MANAGEMENT EDGE
COMPUTER DESK MATE

An invaluable every-day reference tool which is a must for anyone who has anything to do with computers.

For further details write to: Dept. CDM,
P.O. Box 16323, BOMBAY - 400 013

BUSINESS

IMAGES 1988

...ush of IA 113: political interference and shoddy management

Harsh Vardhan of Vayudoot: how best not to run an airline

Shivraj Patil: fantasising

...an Jetley and Ratan Tata: at loggerheads

AVIATION

The reputation of Indian aviation took a nosedive in 1988. The crash of Indian Airlines Flight 113 at Ahmedabad on 19 October killed 134 and demonstrated the extent to which political interference and shoddy management has turned the airline into a travellers' nightmare. Instances of aircraft wheels falling off, planes landing on their nose were all too common. Chairman Rahul Bajaj admitted that there were 'problems' with Indian Airlines.

Rajan Jetley, managing director of Air-India managed to stay in the news all through the year. First by making a Rs.43 crore loss in 1987-88, and then by being at loggerheads with many of his staff and sometimes with chairman Ratan Tata.

Vayudoot was even worse off. One of its Fokker Friendship aircraft crashed in Assam on the same day as IA 113, killing 34. Managing director Harsh Vardhan appeared to be demonstrating how not to run an airline. While suppliers stopped selling spares on credit to the airline, civil aviation minister Shivraj Patil boasted about Vayudoot entering the Guiness Book of World Records by bringing the country's 400 odd districts on to the airline map

Must good printing get you third degree burn?

Burning your sweat and time to get imported printing paper. And in the bargain Hallelujah! your purse and business are found charred.

Don't despair.

There's **Sensocote.** To soothe your burns. **Sensocote** art card and art paper. The like of which didn't exist until now. Today you can get the printing impressions you always relied upon importeds for. Sharp. Spiritted. Full of detail.

Sensocote. If you don't like to play with fire.

Sensocote are the Imported Cartridge Papers with the life of Suits.

SensoCote

Sensible language in Printing

From the makers of

SilverCote

Shree Krishna Paper Mills & Industries Limited

4830/24, Prahlad Lane, Ansari Road, Daryaganj, New Delhi-110 002. Ph : 272320, 275117

Sales Depots

DELHI : • M/s Birdhi Chand Girdhari Lal, 3798 Chawri Bazar, Tel. 2917913, 2920778 • M/s Lahore Paper Store, 3796 Chawri Bazar, Tel. 2912078 • M/s Phool Chand Jain & Sons, 536-38 Gali Gajajan, Sadar Bazar, Tel 524680 • M/s Shyam Traders 70-A Kamla Nagar, Tel. 2914711, 2915766 • M/s Hari Kishan & Sons, 6 Mela Ram Market, Chawri Bazar, Tel. 262439, 262587 • M/s Sushil Enterprises 6 Makki Market, Chawri Bazar, Tel. 264949 **UTTAR PRADESH:** • M/s Suprams Paper Corporation, Jarar House, Madiya Katra, **Agra.** Tel. 76536 • M/s Paper Centre, 250 Lala Ka Bazar, **Meerut.** Tel. 72102, 76289 • M/s Lucknow Paper & Allied Co. Pvt. Ltd., 49/50, General Ganj, **Kanpur,** Tel. 67210 pp. **RAJASTHAN:** • M/s Nagawat Trading Co. Kothari Haveli, **Banswara.** Tel. 362 **PUNJAB:** • M/s Kapoor Trdg. Corpn. Bazar Kharadian, **Ludhiana.** Tel. 20879 pp. • M/s Kapoor Trdg. Corpn. Bay Shop No. 11, Sector-27D **Chandigarh.** Tel. 29280, 43280 • M/s Kapoor Trdg. Corpn. Guru Bazar **Amritsar.** Tel. 41039 • M/s Guglani Paper & Stationery Mart, Khingran Gate, **Jalandhar.** Tel. 73695 **BIHAR:** • M/s Anil Enterprises, Kadam Kuan, **Patna.** Tel. 51098, 53298. **MADHYA PRADESH:** • M/s Balkrishna Paper Sales Agency, 623, Saraswati Market, Khajuri Bazar, M.G. Road, **Indore.** Tel. 30067. **MAHARASHTRA:** • M/s Arvind Trading Corpn. 64/8, Sutar Chawl, First Floor, **Bombay.** Tel. 327662, 320505

HYDERABAD: • Sri Venkatesh Paper Agencies Hyderabad Pvt Ltd. 4 Raghava Ratna Tower, Chiragh Ali Lane, **Hyderabad.** Ph.: 232544. **GUJARAT:** • M/s Vishal Trading Co., F/9, Vikram Chambers, Near Hotel Natraj, Ashram Road, **Ahmedabad.** Tel. 384894, 339926 • M/s Padmavati Tradg. Co. 7 Sachin Apt. Dandia Bazar, **Baroda.** Ph.: 64682, **WEST BENGAL** • M/s Laxmi Traders 16, India Exchange Place, **Calcutta.** Tel. 201961, 207567 • M/s National Sales Syndicates 167, Old China Bazar St. **Calcutta.** Tel. 260030, 275420 • M/s Paramount Papers, 57, Radha Bazar, St. **Calcutta.** Tel. 268367, 263360. **KARNATAKA:** • M/s Karnataka Paper Agencies, 200/2, Sultanpet, **Bangalore.** Tel. 258836. **TAMILNADU:** • M/s T.K.M. (P) Ltd., 169 Luz Church Road Mylapore, **Madras,** Tel. 76877, 73723. **ORISSA:** • M/s Rameshwar Lal Shyam Sunder, Banka Bazar, **Cuttack.** Tel. 23927, 25889.

BUSINESS

IMAGES 1988

At the Tisco AGM in June, these four old men of the Indian corporate world provided a rare photo opportunity — Naval Tata, 84, J.R.D.Tata, 84, Nani Palkhiwala, 68, and Sumant Moolgaokar, 82

Three years of hard work and A.H. Tobaccowalla, chairman of Voltas, managed to get Pepsico into the country

The decade-long squabble among the Shri Rams was resolved with the threeway split of DCM: prime assets for Bansi, cash cows for Siddartha and real estate for Vinay.

S.S. Nadkarni's impressive performance earned him another five year term as chairman of UTI

Jaypat Singhania, chairman of Raymonds, shed four kilos to fit into a micro-light ime and then flew it all the way from London to Bombay

BUSINESS

IMAGES 1988

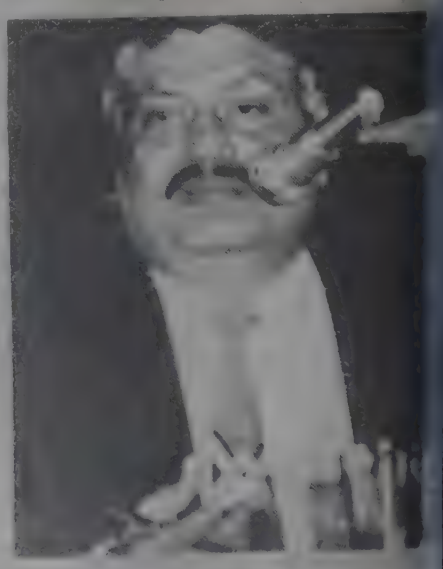
Nusli Wadia, chairman of Bombay Dyeing got arrested, lost bids for both ACC and Abbott Laboratories, saw his company's profit dip on account of a duty hike on paraxylene and generally had a bad year

Ratan Tata drove the new Telco vehicle, Tatamobile, at its inauguration and further strengthened his position in the Tata hierarchy. He retained the Air-India chairmanship, and replaced Sumant Moolgaokar as chairman of Telco

We may lose everything, but we don't stop fighting, the Modis seem to be telling the world. Group chairman K.N. Modi was 'deposed' by his warring nephews led by K.K. Modi from the helm of the flagship Modi Rubber. But almost immediately, the institutions raised their equity stake to over 50 per cent and reinstated K.N. and asked the family to sort out the mess

Vice-chairman Arjun Malhotra and chairman Shiv Nadar sustained HCL's position as the country's largest computer manufacturer and then took on Modi Xerox in the fight for the copier market

Dilip Piramal, chairman of Blow Plast, now controls 80 per cent of the moulded luggage market after his recent acquisition of the second largest manufacturer, Universal Luggage



In a sale and lease back transaction of Orkay's Ocean going liner (read as his luxury Yacht) chairman Kapal Mehra, raised Rs.31 lakh for a company reeling under cash crunch

BUSINESS IMAGES 1·9·8·8

Gorbachev visited India for the second time, Prime Minister Rajiv Gandhi went on a travel binge to Japan, Germany, China and many other places

Abhey Oswal of Oswal Agro bought over Union Carbide's Chembur plant for Rs.58.5 crores, paid out of its own coffers

anohar Pherwani, airman of UTI who anched the India Growth ond in New York, can ell afford to toast himself. e has been given a econd five year term

R.N. Malhotra, governor of Reserve Bank lent State Bank chairman D.N. Ghosh a sympathetic ear at the 20th bank nationalisation day celebrations, and let the rupee fall in value precipitously all through the year. It lost nearly 20 per cent of its value against all major world currencies this year

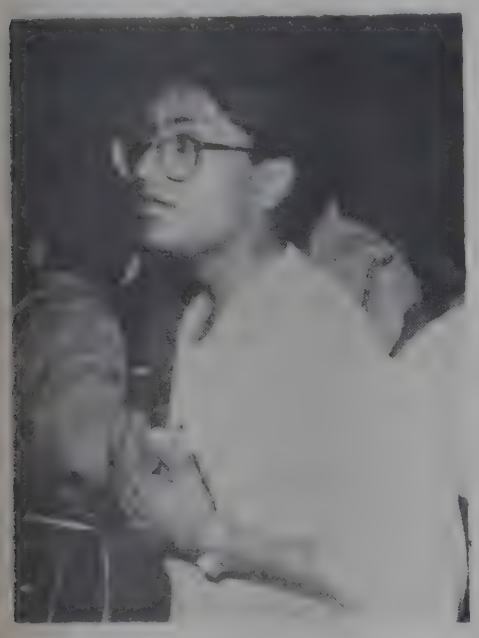
S.B. Chavan's entry into the finance ministry signified both a return to professionalism and a decline in the sway that Uttar Pradesh has had in money matters. Now he grapples with the problem of preparing a budget for a poll year with the kitty depleted of both foreign funds and domestic resources

harad Pawar made a comeback in Maharashtra, then ured the world scouring for NRI investments for the dustrial development of the state

J.M. Rajan Pillai, became the country's biscuit king

Compiled by N. Pathal Krishnan, Venkat Hosa

Lalit Modi, 26, president of Godfrey Philips, son of **K.K. Modi** and a regular on the Bombay discotheque circuit, was bilked off $ 20,000 by the agent of British singer Samantha Fox, who promised to bring her down to India and then backed out, so claimed a Bombay eveninger. Modi promptly issued a denial but admitted that he has indeed been trying to get the porn-star turned rocker to visit



the country. "We want to get her down as part of our company's promotion campaign," he says, "But she could not fit us into her schedule, that is why she could not come down this month. But we are still trying to get her and other popular rock stars to come and sing in India."

Industry people who were expecting to ask a lot of questions about the reduction in interest rates were met with a cogent and polite rebuttal from the government in the person of **P.D. Ojha**, deputy governor of the Reserve Bank of India, at a meeting convened in Delhi recently. They were pacified by Ojha, who said that the RBI has been trying to adjust rate structures on the basis of national perspectives and that industry will have to bear the cost.

Said he, "Whatever changes we wish to make, we can only make slowly. Some are already under way and a step-by-step approach is needed in this regard." With a gentle and dynamic spokesperson like Ojha, one can expect the RBI to play a more vital role in the future. And this should be good news for everybody if competence also has its say.

Do you want to meet **Obul Reddy**, chairman of Indo-Nippon, **T.T. Vasu**, chairman of Goodyear, **R. Seshasayee**, finance director of Ashok Leyland or NRI visitors like **Bhaskar Menon**, without an appointment in Madras? Just drop in at the nearest auditorium on any evening in Madras this month.

More than a dozen dance and music festivals, several of them patronised by the corporate sector are currently under way in the city. One can therefore be sure of running into the businessman of one's choice at any of these. For example T.T. Vasu, who is the president of the Music Academy can be seen sharing the same platform as governor **P.C. Alexander** at one concert. And at another one the same evening, president of Indian Fine Arts Society, **V. Emberumanar Chetty** of HOE can be seen rubbing shoulders with **G.V. Ramakrishna**, advisor to the governor.

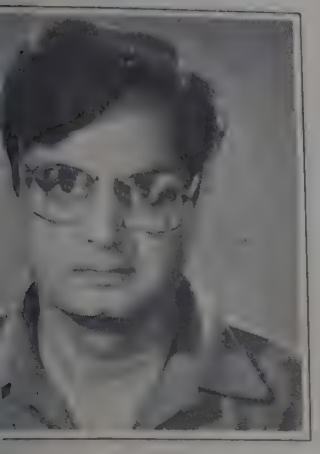
When Madras giant EID Parry celebrated 200 years of its founding, a variety of events were planned over a period of six months. The Parry family decided sensibly to wind off the festivities in New Delhi with a memorial lecture that **Yoginder Alagh** of the Planning Commission delivered with the verve and polish he is well known for.

But, in what was a touching gesture to one of the great names of South India, former finance minister **C. Subramanian** was asked to make the final speech. Subramanian excelled himself and got to the heart of the problem of rural India straight away. In what was a dig at today's trend for loan melas, he concluded, "Charity may alleviate misery but will never remove poverty." Now that is what southern straight talk is all about.

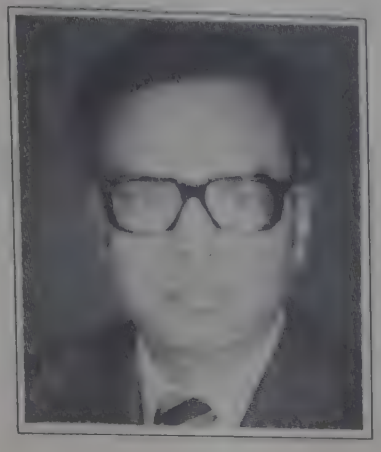
The most talked about match of the season in Bombay was between **Prakash Melwani** and **Anjali Ramchandani.**

Not surprising. Prakash, an investment banker from New York, is hardly the stereotype of an uneducated Sindhi businessman, although he belongs to the Melwani clan, one of the leading Sindhi business families. With first in Economics from Cambridge, a stint at Rothschild and then a Baker Scholar from Harvard Business School, Prakash was amongst the most eligible bachelors.

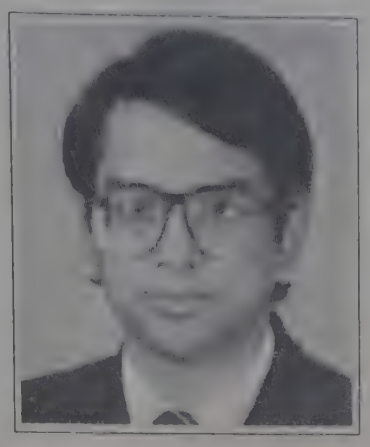
The lucky girl, Anjali, is London based, and comes from well known family of lawyers from Karachi. Her father, Percy, apart from being a leading lawyer was also among Zulfikar Ali Bhutto's best friends. The celebrations included a grand party at the Taj and a wedding ceremony at the Turf Club. Among the guests was Mumtaz Bhutto, a former governor of Sind.



GUPTA has been
ointed executive
ctor of the northern
s of Bharat
tronics Ltd (BEL)



N. BALASUBRAMANIAN has been appointed corporate executive vice-president, finance, at Wipro Corporation.



VENKAT MOHAN has been appointed as chief executive of Wipro Systems. He has also been appointed as director at Wipro Information Technology.

M. GOPALAKRISHNAN has been appointed chairman and managing director of Indian Bank for a period of five years.

ASHOKE MUKHOPADHYAYA has joined Ralson (India) Ltd as manager, advertising and public relations.

T. GOPALAKRISHNAN has been appointed cargo sales manager, Eastern India, for British Airways.

C.R. NAGENDRAN has joined Alfred Herbert (India) Ltd as vice-president, sales and marketing.

D. KUMAR has joined the State Trading Corporation of India as chief general manager, personal.

M. FASIHUDDIN has been appointed principal executive of Tata Refractories Ltd.

M.N. NAIR has been appointed managing director of Otis Elevator Co (India) Ltd.

P.H. SAMPAT has been appointed financial manager of Otis Elevator Co (India) Ltd.

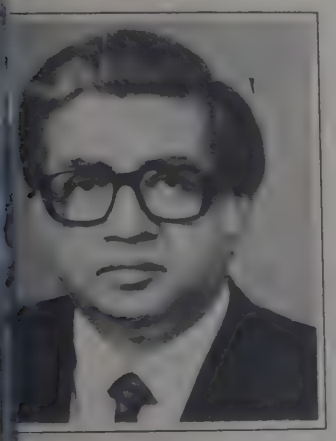
R. RAM has been appointed executive vice-president of Gabriel India Ltd.

D. RAVINDRA has been appointed general manager (group finance) of the RTC Group of Industries.

S.D. GUPTA has been appointed director of Poysha Industries Ltd.

S. BANERJEE has been appointed as president and chief executive of International Computers Indian Manufacture Ltd (ICIM), while H. GOENKA has taken over as chairman.

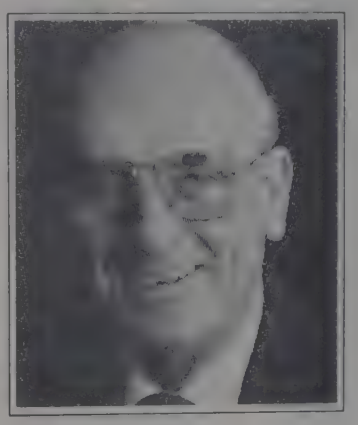
G.R. KAURA has taken over as general manager (marketing) of NFL



RAKASH has been
ointed chairman of
State Trading
poration of India.

R. RAGHAVACHARI has been appointed director (finance) of Indian Rare Earths Ltd.

J.C. SOARES has been appointed managing director of State Bank of Travancore



WALLACE F. LIFE has been appointed chairman and managing director of Goodyear India Ltd.

ASSOCIATIONS

DHANASEKAR has
n elected as chairman
Handloom Export
motion Council.

SOMAIYA has taken
r as vice-chairman of
vestern India
ter of Chemtech
ndation.

ASHISH KAMANI has been elected president of the Indian Non-Ferrous Metals Manufacturers' Association.

R.K. SRIVASTAV has become president of the Portable Generators Manufacturers' Association.

Y.P. TRIVEDI has been elected president of the Federation of Indian Automobile Associations and M.K. BELGAMVALA as vice-president.

MACL

Modi Alkalies & Chemicals Ltd.

Regd. Office : SP-460, Matsya Industrial Area, Alwar (Raj.)
Head Office : 18-Community Centre, New Friends Colony, New Delhi-110065

Shri K.K. Modi

Speech of Shri K.K. Modi, Chairman, Modi Alkalies & Chemicals Ltd. delivered At 9th Annual General Meeting held on 29th Oct., 1988

Ladies & Gentlemen,

On behalf of the Board of Directors, I welcome you all to the 9th Annual General Meeting of the Company.

The year 1987-88 has been a difficult one for India on the economic front. The overall state of the economy was under unprecedented stress because of the countrywide drought. It is, however, heartening to note that the shortfall of the agricultural sector has been made up by the growth in the service and industrial sectors leading to a growth of 1-2% in the Gross National Product. Without going over board with the achievements of the Indian Government in drought management and steering the national economy, I would like to acknowledge the sensitivity of the Government of India in closely monitoring the economy through carefully designed fiscal policies. The Government's initiative in checking the non-plan expenditure has helped in containing the inflationary trends.

The importance of exports for the growth of Indian economy needs no emphasis. We are conscious of the industry's responsibility in contributing to the increase of exports for long range benefits to us and the Indian economy. It was on this aspect that we had applied for the increase in licenced capacity of the Caustic Soda Plant. The sales made by Caustic Soda Industry to the domestic units, who were otherwise importing these products should be eligible for benefits of deemed exports. This will go a long way in promoting the interest of the industry and help in saving the valuable foreign exchange.

Your Company is amongst the first to have started exporting Caustic Soda. On the export front, the Company has been able to show an increase of 48% by exporting goods worth Rs. 123 lacs during the year as against Rs. 83 lacs in last year.

Your Company has been allowed to increase its licenced capacity of Caustic Soda from 33,000 TPA to 41,250 TPA under Automatic Growth Scheme. In order to optimise overall capacity, an application for the financial assistance for putting up balancing equipments is pending with the Financial Institutions. This increase in overall capacity will help us to give further push to export efforts.

Turning to our own performance, the Annual Report of the Board of Directors together with audited accounts for the year ended 30th April, 1988 have already

been circulated to you and with your permission, I take them as read.

Your Company has been able to achieve slightly better results in the financial year 1987-88 despite continued depressed conditions in the industry and increased power-cuts in the State of Rajasthan. The turnover of the Company during the year has been Rs. 2364 lacs as against Rs. 2335 lacs during the previous year. The profit after interest and depreciation for the year has been Rs. 87 lacs as against Rs. 63 lacs in the last year. The Company has achieved utilisation of 83% of the installed capacity as against 67% average of the whole industry during the year under review.

The Company has achieved capacity utilisation of 109% of installed capacity during the period May —September, 1988 as against the industry average of 72%. During this period, the turnover of the Company has been Rs. 1297 lacs as against Rs. 883 lacs achieved during the corresponding period of 1987-88 showing an increase of 46%. In the same period, the Company has earned cash profit Rs. 220 lacs as against Rs. 83 lacs registering an increase of 165%. Consequently based on the current year's performance from May 1988 onwards, the profitability of the Company is expected to increase significantly during 1988-89.

The overall outlook in the industry since May, 1988 is better because of increased demand and indigenous off-take of Caustic Soda by big NALCO Project. Further there is good scope for export of Caustic Soda for which the Alkali Manufacturers' Association has made representation to the Government of India for fixing up cash compensatory support on export of Caustic Soda. This will substantially improve the performance of the Company.

Your Company has also got Letters of Intent for the manufacture of various down-stream products viz. Activated Earth, Aluminium Chloride, Sodium Hypochlorite, Monochloro Acetic Acid & Tri Penta Chlorophenols. An application for 6,000 TPA Activated Earth Plant is under consideration with Financial Institutions based on indigenous technology developed by I.I.T.

Your company is continuing to give top priority and utmost importance to the maintenance of the desired safety standards and pollution control measures at the Plant. For this purpose, from time to time, both in-house and outside expert agencies' views are taken into account.

Your Company has made concerted efforts in developing chlorine based ancillary units with the dual objective of generating more employment and sharing the technical expertise for greater economic growth of the region. In this regard, you would be happy to know that as many as 26 such new units have developed around the factory which will further ensure market for our products.

While concluding, I would like to record my thanks to all my colleagues on the Board for their invaluable counsel and guidance. I am also grateful to the Rajasthan Government, All India Financial Institutions, Commercial Banks and outside agencies for their continued support and invaluable assistance to the Company. My thanks are also due to our dealers and customers and it will be our endeavour to provide them with best quality products and services. I also record my sincere thanks to all the levels of staff for taking full interest and dedication in the growth of the Company.

Thanking you and wishing you a very "HAPPY DIWALI"

Note : This does not purport to be the part of the proceedings of the Annual General Meeting.

Senior executive positions

A compilation of executive positions advertised in **Business Indi** and other major publication from all over India between 5 and 2 December 1988

NATIONAL

- GENERAL MANAGER (Finance) * *Sal* RS.120,000 pa + car * *Age/Qlfn* 35-45 years * ACA and ACS * *Reqd* 10 years experience with 3 years at a senior level, knowledge of direct taxes, company law etc, knowledge of tax assessments, electronic data processing will be an asset * *Cont* Vice-President (Personnel), Godrej Soaps Ltd, Pirojshanagar, Eastern Express Highway, Vikhroli, Bombay 400079 (ToI—5.12)
- TECHNICAL DIRECTOR (Engineering) * *Sal* Attractive * *Age/Qlfn* NS * Engineering * *Reqd* Experience in setting up chemical/pharmaceutical plants * *Cont* Project Knowhow Finance Services Ltd, C/o Ratan S. Mama & Co, 2-C, Vulcan Insurance Bldg, 77 Vir Nariman Road, Churchgate, Bombay-400020 (ToI —05.12)
- TECHNICAL DIRECTOR (Civil) * *Sal* Attractive * *Age/Qlfn* NS * Civil engineering * *Reqd* Experience of handling large projects independent * *Cont* Project Knowhow Finance Services Ltd, C/o Ratan S.Mama & Co, 2-C Vulcan Insurance Bldg, 77 Vir Nariman Road, Churchgate, Bombay-400020 (ToI—5.12)
- VICE-PRESIDENT (Works) * Central India * *Sal* Rs.100,000 pa + house + car * *Age/Qlfn* Around 40 years * Mechanical/electrical engineers * *Reqd* 12-15 years works management experience in process industries. Exposure to manufacture of asbestos cement would be an advantage, working knowledge of Hindi language essential * *Cont* General Manager, ABC Consultants Pvt Ltd, 4, Jagannathan Street, Madras-600034 (ToI—12.12)
- EXECUTIVE DIRECTOR * *Sal* NS * *Age/Qlfn* 40-50 years * NS * *Reqd* Strong business acumen, strategic thinking, ability to handle difficult business situations * *Cont* Box M 443-5, Times of India, Bombay-400001 (ToI—12.12)
- GENERAL MANAGER (Finance & Commercial) * Delhi * *Sal* Excellent * *Age/Qlfn* 45-50 years * CA/MBA (Finance)/ICWA, with Company Secretary/Law * *Reqd* 10 years' relevant experience at a senior level * *Cont* Omam Consultants Private Ltd, 14-D, Basant Lok, Vasant Vihar, New Delhi-110057 (HT—05.12)
- GENERAL MANAGER (Personnel) * *Sal* Decent + liberal perks* *Age/Qlfn* 40-45 years * Post graduation in personnel management * *Reqd* Senior managerial experience in manpower planning, IR negotiations * *Cont* Chairman, ABC Consultants Pvt Ltd, 43/3 Hazra Road, Calcutta-700079 (ToI—5.12)

WEST

- PRESIDENT/CHIEF EXECUTIVE * *Sal* Rs.1.75 lakhs pa * *Age/Qlfn* NS * Engineering * *Reqd* 15 years experience as head of manufacturing unit, experience of textile machinery industries an asset * *Cont* Chairman, Star Industrial & Textile Enterprises Ltd, Dhanraj Mahal, 3rd Floor, CSM Marg, Bombay-400039 (ToI—5.12)
- CHIEF EXECUTIVE * Bombay * *Sal* Attractive * *Age/Qlfn* 40-45 years * Chemical engineers/post graduate in organic chemistry with management qualifications * *Reqd* 5 years experience in similar position * *Cont* Box No AA/281/LB/1, Business India, Wadia Building 17/19, Dalal Street, Bombay-400001 (BI—25.12)
- VICE-PRESIDENT (Manufacturing) * Bombay * *Sal* NS * *Age/Qlfn* Around 45 years * Indepth experience in various aspects of manufacturing management including administration * *Reqd* Should have been in a senior management position for at least 5 years * *Cont* Group Personnel Manager, Bhor Industries Ltd, 392, Veer Savarkar Marg, Bombay-400025 (BI—25.12)

NORTH

- CHIEF EXECUTIVE * Delhi * *Sal* Excellent + potential stock option * *Age/Qlfn* Around 40 years * NS * *Reqd* Sales and marketing knowledge of analytical instrument business is an advantage* RESP * *Cont* The Executive Vice President, Wipro Ltd, Bhaktawar, 229 Nariman Point, Bombay-400021 (S —25.12)
- VICE PRESIDENT (Leather Division) * *Sal* Rs.200,000 + car * *Age/Qlfn* NS * Leather Technologist * *Reqd* Considerable experience in all aspects of tannery management * *Cont* Box No AA/244/BT/3, Business India, 59 Regal Building, Connaught Circus, New Delhi-100001 (BI—25.12)
- VICE PRESIDENT (Finance) * New Delhi * *Sal* Attractive salar + perks * *Age/Qlfn* Around 40 years * Chartered Accountant *Reqd* Experience in project finance, accounting systems an taxation * *Cont* The Manager Corporate Personnel, VAM-HR Centre, 2 Western Avenue, Maharani Bagh, New Delhi-11006 (BI—25.12)

EAST

- CHIEF EXECUTIVE * Calcutta * *Sal* Commensurate with ability *Age/Qlfn* 30-45 years * NS * *Reqd* NS * *Cont* Lovelock & Lewe Everest 15th Floor, 46 C Chowringhee, Calcutta-700071 (BI-25.12)

SOUTH

- CHIEF EXECUTIVE (Foundry) * Madras * *Sal* Excellent compe sation* *Age/Qlfn* 40-45 years * Mettalurgical/Mechanical Eng neer * *Reqd* Experience in a modern foundry for 8 to 10 years in senior management position * *Cont* The Managing Director, Th India Cement Ltd, Dhun Building, 827, Mount Road, M dras-600002 (S—16.12)
- GENERAL MANAGER (Electrical Products) * South India * *S* Excellent terms * *Age/Qlfn* 40-45 years * Graduate mechanica electrical engineer. Preferably with PG qualification in produ technology/management * *Reqd* 15-20 years experience in pr duction at a senior level* RESP * *Cont* M.Madhusudan, Gener Manager, ABC Consultants Pvt Ltd, 4, Jagannathan Street, M dras-600034 (BI—25.12)

OVERSEAS

- COMMERCIAL ADVISER TO CHAIRMAN * Muscat * *Sal* No co straint * *Age/Qlfn* Around 40 years * Engineer preferably from II post graduate in management from IIM * *Reqd* 12-15 years expe ence in sales and marketing, 5 of which at an all-India level * *Co* The Administration Manager, Suhail & Saud Bahwan, P.O. B 169, Muscat, Sultanate of Oman (ToI—11.12)
- GROUP FINANCIAL CONTROLLER * Nigeria * *Sal* Savings U 20,000 pa + * *Age/Qlfn* 40-45 years * Chartered Accountant *Reqd* Already functioning as head of finance in present organis tion. Exposure to computerised MIS is essential * *Cont* Datam tics Staffing Services, P.O. Box 106, GPO, Bombay-400001 (ToI 18.12)
- GENERAL MANAGER * Dubai-UAE * *Sal* Tax free salary accomodation + perks * *Age/Qlfn* 40-45 years * Engineer + M (Marketing) * *Reqd* 10 years' experience at senior manageme level in a manufacturing company * *Cont* The Proprietor, Ma Abdulrazak Furniture Factory, P.O. Box 6045, Dubai, UAE (To 18.12)

ecutive positions

TOI — Times of India; *IE* — Indian Express; *H* — The Hindu
S — Statesman; *HT* — Hindustan Times; *ET* — Economic Times;
Econ — Economist; *BI* — Business India

TIONAL

ANCE MANAGER * *Sal* According to background * *Age/Qlfn* 40 years * Chartered/cost accountant * *Reqd* 3-5 years experience with all matters of finance * *Cont* C.C. Chokshi & Co, Mafatlal use, Backbay Reclamation, Bombay-400020 (ToI—5.12)

NAGER FINANCE * *Sal* Excellent * *Age/Qlfn* NS * CA * *Reqd*) years' experience with 3 years at a senior level, exposure to a nputerised environment would be an asset* RESP * *Cont* P.N. ıtalia, Price Waterhouse, P.O. Box 462, Bombay-400001 (ToI—:)

NAGER (Costing) * *Sal* NS * *Age/Qlfn* NS * ICWA * *Reqd* ıimum 5 years' experience * *Cont* Diamond Cements, P.O. singarh-470675 Dist Damoh (MP) (HT—06.12)

ANT MANAGER * *Sal* Attractive * *Age/Qlfn* 40-45 years * Sound nno commerical sense * *Reqd* Some experience as head/ puty head of a large sized independent operation is essential * *nt* A.F. Ferguson Associates, Hansalaya, Barakhamba Road, v Delhi-11001 (HT—07.12)

GIONAL MANAGER-South * New Delhi * *Sal* Rs.70,000 pa + use + car + perks * *Age/Qlfn* NS * NS * *Reqd* Successful selling l sales management experience of about 10 years' * *Cont* sonnel Manager-Business Operations, Modi Xerox Ltd, 33 mmunity Centre, New Friends Colony, New Delhi-110065 T—09.12)

EASURY OFFICER * Bombay * *Sal* Handsome * *Age/Qlfn* Upto years * Postgraduation * *Reqd* 5 years experience in a bank/ ancial institutions, 3 years in the Treasury Department, knowlge of Banking Regulations Act and cash management essential *ont* Personnel Manager, Banque Nationale De Paris, French nk Building, 62, Homji Street, Fort, Bombay-400001 (ToI—12)

NAGER (Instrumentation & Computers) * Nagpur * *Sal* Attctive + perks * *Age/Qlfn* 30-40 years * First class graduate/ st graduate in computer/instrumentation engineering * *Reqd* 12 years in renowned industrial concerns, 5 years in a senior sition * *Cont* Dy. General Manager (P&A), Sunflag Iron & Steel Ltd. 33 Mount Road, Sadar, Nagpur-440001 (ToI—10.12)

PUTY GENERAL MANAGER (Financial Services) * Kota * *Sal* 5,000 p.m. + perks * *Age/Qlfn* Around 35 years * MBA (Fince)/CA/ICWA * *Reqd* Experience in varied financial functions *ont* Ramapati Singhania, Whole Time Director, J.K. Synthetics l Sarnath, 10th Floor, Sophia College Lane, 59-B Bhulabhai sai Road, Bombay-400026 (HT—13.12)

ODUCTION MANAGER * *Sal* NS * *Age/Qlfn* NS * Graduate chanical engineer * *Reqd* 10 years' previous experience in a ht engineering industry, of which at least 5 years' should be in a nagerial position * *Cont* Chief Works Executive, Kelvinator of dia Ltd, 28, NIT, Faridabad-121001 (HT—14.12)

ANAGER (Operations) * Madras * *Sal* Attractive * *Age/Qlfn* NS S * *Reqd* 7-10 years' experience in leasing/merchant banking/ rketing financial services * *Cont* S.B. Billimoria & Co, 52, ntleth Road, Egmore, Madras-600008 (S—14.12)

NERAL MANAGER (Technical) * *Sal* Rs.1 lakh pa + perks * *Qlfn* NS * NS * *Reqd* 12-15 years' minimum experience in eration of integrated pulp and paper plants. 5-6 years at senior el * *Cont* Shiva Paper Mills Ltd, 807-811 Pragati Tower, 26, jendra Place, New Delhi-110008 (S—16.12)

UDIT MANAGER * Bombay * *Sal* Attractive + perks * *Age/Qlfn* * Chartered/cost accountants * *Reqd* 5 years audit experience a production environment with computerised systems * *Cont* . Ferguson Associates, Post Box 1786, Bombay-400001 (ToI—12)

NERAL MANAGER (Projects) * Bombay/Madras * *Sal* Rs.1.25 khs + housing + car + benefits * *Age/Qlfn* 35-40 years * aduate preferably in chemical or electrical engineering and st graduate qualification in business management * *Reqd* NS * *nt* The Managing Director, The Standard Batteries Ltd, Vakola, ntacruz (East), Bombay 400 055 (BI—25.12)

OVERSEAS

- FINANCIAL/ECONOMICS SPECIALISTS * Papua New Guinea * *Sal* Contract + 24 % gratuity + benefits * *Age/Qlfn* 25-35 years * University degree in finance, or economics * *Reqd* Experience in development banking or commercial banking * *Cont* The Manager, Administration & Personnel Dept, Agriculture Bank of Papua New Guinea, P.O. Box 6310, Boroko-NCD, Papua New Guinea (E—10.12)
- BUSINESS MANAGERS * Muscat * *Sal* Attractive + housing for family + perks * *Age/Qlfn* 40 years * Engineering from IIT or equivalent, with MBA from IIM * *Reqd* 10 years' in sales/marketing with 3 years in a senior position, should be working in a high profile company in consumer durables * *Cont* The Personnel Manager, Bahwan Automotive Centre, P.O. Box 168, Muscat, Sultanate of Oman (ToI—11.12)
- PROJECT LEADER * Dubai * *Sal* Dhr 6000 pm + benefits* *Age/Qlfn* 30-35 years * Graduation * *Reqd* 8 years' experience in on line business systems, experience in design and installation of at least one system * *Cont* A.F. Ferguson & Co, P.O. Box 1786, Bombay-400001 (ToI—11.12)
- ANALYST/PROGRAMMER * Dubai * *Sal* Dhr 4000 pm + benefits* *Age/Qlfn* 25-30 years * Graduation * *Reqd* 5 years experience in on-line business systems, sound analytical/programming skills * *Cont* A.F. Ferguson & Co, P.O. Box 1786, Bombay-400001 (ToI—11.12)
- BUSINESS MANAGERS * Muscat * *Sal* Attractive + housing for family + perks * *Age/Qlfn* 35-40 years * Graduation in engineering preferred, MBA from a reputed institution * *Reqd* 10 years experience in sales/marketing with 3 years at a senior level, excellent communication skills, leadership qualities * *Cont* Administration Manager, Suhail & Saud Bahwan, P.O. Box 169, Muscat, Sultanate of Oman (ToI—11.12)
- DEVELOPMENT MANAGERS * Oman * *Sal* Rs.1,50,000 pa + family accomodation + perks * *Age/Qlfn* 30-45 years * Chemical engineering/food technology/M.Sc with biochemistry preferred * *Reqd* 5-10 year experience in food & beverage industry, ability to look after product/process/packaging * *Cont* E Jaiwant Paul, 6 Western Avenue, Maharani Bagh, New Delhi-110065 (ToI—11.12)
- FIELD SALES MANAGERS * Oman * *Sal* Rs.1.5 lakhs pa + housing for family + perks * *Age/Qlfn* 25-45 years * NS * *Reqd* 5-15 year experience in selling consumer non-durables, field experience in Gulf with valid licence desirable * *Cont* E.Jaiwant Paul, 6 Western Avenue, Maharani Bagh, New Delhi-110065 (ToI—11.12)
- SYSTEMS ANALYST * Dubai * *Sal* Attractive + perks * *Age/Qlfn* Around 35 years * Graduates in engineering/science * *Reqd* 5 years online experience on Wang VS series, knowledge of COBOL on Wang * *Cont* Beam Services, 1 Colaba Chambers, 117, Wodehouse Road, Colaba, Bombay-400005 (ToI—11.12)

PRESIDENT

Preferred Age: 35-45 **Remuneration: Rs. 3,00,000 plus.**

We were the first to introduce innovative chicken based products in India. We have captured a major share of the Bombay test market and have also established a high tech factory near Bombay.

We see a very large and untapped market for our branded chicken products in India. We have drawn up ambitious plans for growth through geographical expansion and introduction of new products. We are now looking for a PRESIDENT to take total charge and to herald us into the growth phase.

The ideal candidate would already be number one or number two in his current organisation. In addition, he would be a Marketing Wizard who has successfully launched a branded product in a commodity market. M.B.A./Engineer from premier institutes with experience in handling a profit centre or a factory will be preferred.

We belong to a group of highly successful and professionally managed companies which place a premium on initiative and freedom of operation. Hence only those candidates who can lead independently are likely to succeed.

Compensation package will not be a constraint and is likely to be in excess of Rs. 3.00 lakhs per annum. Stock options may be considered for the right candidate. Please apply within 15 days to:

Box No: AA/282/CS/1,
Business India,
Wadia Building,
17/19 Dalal Street,
Bombay 400 001.

USHA MARTIN GROUP OF INDUSTRIES

requires a

PRESIDENT

Usha Martin Group of Industries is a multiunit, multiproduct organisation with a Group turnover of over Rs.250 crores. The export of quality products and services to 40 countries, during the last 27 years, has earned international goodwill for the group.

Major Group Companies in India are :–

Usha Martin Industries Limited
Bihar Alloy Steels Limited
Usha Alloys & Steels Limited
Usha Beltron Limited
Usha Breco Limited
Usha Ismal Limited

Joint Venture Companies :–

Usha Siam Steel Industries Ltd., Thailand
Usha-Unis, Yugoslavia

The Group has a record of steady growth specially in areas relating to its primary business viz. alloy steels, carbon steels, steel wire ropes and wires. It now has investment plans for over Rs.200 crores in **identified** projects.

Need has now arisen for strengthening our top management team at the level of **President** to take independent charge of greenfield projects and subsequently operate it as a profit centre.

Professionally qualified Managers who have demonstrated leadership qualities, high achievement motivation and dedication to set and achieve norms of excellence in productivity, quality and work harmony will find the job intrinsically satisfying.

Persons who have held position as head of Profit Centre for minimum period of 5 years need apply. Preferred age group 40–50 years.

Please apply in strict confidence giving details of age, qualifications, experience and salary drawn to –

Mr. D.V. Kapoor
President – H.R.D.
Usha Martin Industries Ltd.
'Everest', 46-C Chowringhee Road
Calcutta 700 071

PRESSMAN

Modern Roofings is India's fastest growing manufacturer of Asphaltic Sheets. With a dynamic, far sighted management. Where innovation is the keyword. Twin pillars on which our reputation rests.

We are looking for young, committed and talented professionals to join our Corporate team at Hyderabad.

VICE PRESIDENT (Marketing) — Designate

Candidate should possess an MBA degree from a premier management institute and a proven track record. Experience in handling building materials is preferable. Responsibilities include marketing strategy formulation and achieving large volume targets in the roofing industry.

VICE PRESIDENT (Finance) — Designate

Candidates should be Chartered Accountants and/or MBA with specialisation in finance. Responsibilities include all financial, accounting and tax matters.

Preferred age group — 30 - 35 years.
Emoluments are not a constraint.

Please apply within 15 days to :

MODERN ROOFINGS (P) LTD.

Corporate Office :

6-1-85/10, Saifabad, Hyderabad 500 004

MAA COMMUNICATIONS 86239 MRL

ABC's major specialisations include — Corporate Consultancy • SWOT Analysis • MIS • Operations Research • Industrial Engineering • Software Packages • Project Reports • Materials Management • Organised Cost Reduction • Data Processing • Computer Feasibility • Insurance Consultancy

VICE PRESIDENT WORKS

ASBESTOS CEMENT PRODUCTS

Central India

Gross Rs.1 lac PA + House + Car & driver

Our client is a multi-unit, multi-product professionally managed company engaged in manufacture of asbestos cement roofing sheets and pressure pipes with a current turnover of around Rs.40 crores. The company is one of the leaders in the field with their products enjoying an excellent brand image. The units have highly automated equipment incorporating the latest technological developments. They now wish to appoint a Senior General Management professional with technical background to head the works at two of the manufacturing units located at Central India which have a work force of over 250.

He will assume complete charge of operations of both units. Candidates should be Graduate Mechanical/Electrical Engineers with 12-15 years works management experience at responsible levels in process industries. Exposure to manufacture of asbestos cement or allied industries will be an advantage. Besides technical competence, should posses proven experience in handling labour. Working knowledge of Hindi language essential. Age : Around 40 years.

Emoluments will be attractive and will not be a constraint for the right candidate. Accommodation will be provided near the factory.

Apply within ten days with detailed resume marking envelope & application with job title & code : VPW/MDS/1537 to M Madhusudan, General Manager.
ALL APPLICATIONS WILL BE TREATED IN STRICT CONFIDENCE.

ABC CONSULTANTS PRIVATE LIMITED

4, Jagannathan Street, Madras 600 034. Tel. 470778

ABC's major specialisations include Corporate Consultancy

YOUNG VICE PRESIDENTS

FAST GROWING PHARMA CO.

BOMBAY & GUJARAT **Rs. 20-25,000 P.M. + Perks**

A fast growing and highly profitable pharma and bulk drug company with excellent product quality, which exports a substantial part of its production and has a current sales turnover exceeding Rs. 35 crores, is now restructuring, to take care of the rapidly expanding operations. Several new projects, at various stages of implementation, will be commissioned in the next 18-24 months and the projected turnover by 1991 is Rs. 100 crores.

VP – OPERATIONS (FINE CHEMICALS)

The position is located in Gujarat and reports to the Chief Executive. He will head the bulk drug manufacturing operations and will be responsible for all plant and related activities involving Production, Maintenance, Quality, Industrial Relations, Materials, liaison with local authorities, giving necessary inputs to management on all production matters etc.

We are looking for a young Manager, in the age group 35-40, with a degree in Chemical Engineering and around 8/9 years experience in handling fine chemical/Petrochemical plant operations. He must have operated as the head of a well run plant for atleast 2/3 years and should be well conversant with the use of cost effective and efficient management systems in all areas of plant operations. Code: VPO/HNK/1052.

VP – MARKETING & SALES (ETHICAL PRODUCTS)

The position reports to the Chief Executive and the incumbent will head the Marketing & Sales activity of the company for ethical products and prime responsibilities will be to: formulate marketing and sales plans based on a sound strategy and ensure effective implementation; build a strong all India marketing and sales set-up; provide effective leadership for achieving targets, etc.

We are looking for a Young Marketing Professional, in the age group 35-40, with 8/9 years similar, senior level, experience with reputed and well managed pharmaceutical companies. Additional experience in the marketing and sales of bulk drugs will be an asset. Code: VPM/HNK/1053.

VP – PROJECTS

The position reports to the Chief Executive and the incumbent will head the project department, which is responsible for all post-project identification activities till commissioning. This will involve, preparing project reports, site selection, obtaining clearances from relevant authorities, discussions and negotiations for technology tie-ups, appointing and monitoring engineering consultants, negotiating and finalising equipment purchase and ensuring erection and commissioning within the required time & cost parameters and to the required engineering standards.

We are looking for a Graduate in Chemical Engineering, in the age group of 35-40, with atleast 8/9 years similar, senior level, experience with well managed companies, preferably in the field of fine chemicals/Petrochemicals. Must be fully conversant with upto date project management techniques. Code: VPP/HNK/1054.

SALARY & PERQUISITES: BESIDES A SALARY OF RS. 20-25,000/- PER MONTH, PERQUISITES WILL INCLUDE FURNISHED COMPANY ACCOMMODATION, CAR WITH DRIVER, MEDICAL, PF, ETC.

Write in strict confidence within 10 days citing relevant codes

(Personnel Selection Division)

ABC CONSULTANTS PRIVATE LIMITED

303, Embassy Centre, Nariman Point, Bombay-400 021

Industrial Engineering • Computer Consultancy • Business Negotiations • Finance • Operations Research • Feasibility Reports • Market Surveys • Systems • Accounting • SWOT Analysis • Organisation & Methods

Production Planning & Control Systems • Materials Management

MANAGING DIRECTOR

MADRAS

BUSH BOAKE ALLEN (INDIA) LIMITED are in need of a Managing Director to replace the current incumbent for whom a reassignment overseas has been planned.

The Company is engaged in the manufacture of speciality chemicals in the field of food flavours and colour preparations, aromatic chemicals and compounds, industrial perfumes and spice extracts. It has an annual turnover of around Rs. 20 crores and has significant plans for expansion and growth, both in the domestic and international markets.

Candidates should have General Management experience with proven achievements in motivating a skilled management team and should ideally have had control of a profit centre. Some exposure to R&D Management would be an advantage.

Preferred Age: around 45 years.

The incumbent will be inducted into the Board of Directors and remuneration will be in accordance with the guidelines applicable to such positions.

Applications will be received in strict confidence and should be sent within a fortnight to:

DR. R. BANERJEE
CONSINDIA
PRIVATE LIMITED

'Anand Ashram', 2nd Floor, 22, Pandita Ramabai Road,
Gamdevi, Bombay 400 007.

UNTAS CPI VAC 44 204

MOTOROLA INC.

MANAGING DIRECTOR

DATA COMMUNICATIONS JOINT VENTURE

Motorola, established as a major competitor in the Global Electronics marketplace is forming a joint venture to manufacture Data Communications Equipment from its Codex Subsidiary. The technology in our Modems, Multiplexers, and Network Management Systems is a world leader, supported by technology leadership in communications equipment and semiconductors.

To qualify as Managing Director of our new Company, the individual will have five to ten years general management experience within the Computer, Telecommunications or Data Communications Industries, be able to manage a P&L and demonstrate progressive people management skills.

The Managing Director is a board level position and will be an important member of the Motorola International Management Team in Asia.

Extensive travel to the United States is anticipated, particularly during the start-up phase to ensure a thorough understanding of products and Motorola management requirements.

Remuneration will be commensurate with qualifications, experience and a world-class multinational company. Please apply in writing to :

Director International Operations
India and Country Manager

Motorola Singapore Pte. Ltd.
Meridien Commercial Towers, 8th Floor
Windsor Place, New Delhi-110 001.

HEAD-FINANCE FUNCTION

Madras

Excellent compensation

A reputed organisation in the process industry with a sales turnover of over Rs. 125 crores with multi-plant operations is looking for an outstanding professional to head the finance function. The company is in the process of making substantial investments in expansion and modernisation which will be implemented in the next 3-4 years.

The incumbent will be in overall charge of the corporate finance and accounting functions. He will be responsible for funds and cash management, banking, accounting, cost and budgetary control and taxation. He will be expected to play a key role in liaising with financial institutions and banks. He will be supported by finance professionals at the Head Office and plants.

The company is looking for an outstanding Chartered Accountant or MBA (Finance) with an excellent track record and proven leadership qualities. Preference will be given to candidates with considerable experience in dealing with Financial Institutions. Growth prospects are excellent. Preferred age : 40-45.

This being a senior position, compensation will not be a limiting factor for the right candidate. Housing, car and other top management perquisites will be provided.

Applications, which will be treated in strict confidence, should be sent within seven days to:

A F Ferguson Associates
Post Bag 1261
Madras 600 034

giving full details of age, qualifications, experience and salaries drawn. Applications and envelopes should be marked "Ref. MS/4342".

FINANCIAL CONTROLLER

Seychelles

**Rs.2,60,000 p.a.
plus board & lodging and
other benefits (all tax free)**

Our associates in Seychelles are looking for a Financial Controller for a new five-star hotel of International Standards in this one of the most beautiful tropical islands of the world.

Person appointed will be required to install the various systems to be used apart from controlling the day to day financial operations.

Working knowledge of computerised systems and some experience in hotel accounts essential.

Applicants should be finance professionals—preferably Chartered Accountants.

Initial contract will be for a period of 2 years with possible renewal option.

Please apply within 7 days giving details of age, qualification, experience, passport, references etc, and quoting Ref. BDO/SY/33 on the application and envelope to—

**LODHA & CO.
14, Government Place East,
Calcutta - 700 001.**

INTERNATIONALLY
BDO
BINDER

THE BAHWAN GROUP

MUSCAT

Requires

COMMERCIAL ADVISER TO CHAIRMAN

BAHWAN BUSINESS CENTRE

The Bahwan group is the largest group in the Sultanate of Oman representing renowned Companies such as SEIKO, AKAI, TOSHIBA, IBM, HITACHI, TOYOTA, FORD, ASEA BROWN BOVERI, etc. It is professionally managed at all levels and employs over 4000 people.

The Bahwan group, in addition to its automotive lines, consists of Consumer Electronics, Computers, Watches, Pharmaceuticals, Building Materials and Hardware, Shipping and Transport, Foods & Supermarkets, Travel, Telecommunications, Engineering, etc. The various businesses other than the automotive, is termed as Bahwan Business Centre.

JOB PROFILE:

The candidate would be expected to advise the Chairman, Bahwan Business Centre, regarding the various businesses which are part of the group. Specifically this would involve examining existing strategies and formulating new strategies for growth and diversification. It will involve interaction with overseas principals for existing as well as new agencies.

In addition to the above, he might also have the direct responsibility for co-ordination of the activities of some of the divisions. This is a very senior level appointment.

QUALIFICATION:

The candidates should be an Engineer preferably from IIT's with post graduation in management from institutions such as IIM's.

EXPERIENCE:

Candidates should have 12 to 15 years experience in Sales and Marketing and the last 5 years at an all India level, preferably with international exposure. They should currently be at a very senior level in an organisation of repute or in a multinational. Exposure to finance would also be desirable.

AGE: Around 40 years.

EMOLUMENTS:

Salary will not be a constraint in the choice of right candidate and an attractive remuneration package including fully furnished family accommodation, Car, Air Passage for self and family, free medical facilities and gratuity will be offered. Scope for career advancement is immense.

Applicants who join us must have a long term perspective and should forward their resume with recent photograph and copies of Certificates, superscribing the envelope with the position applied for, to the below mentioned address within 10 days:

The Administration Manager
SUHAIL & SAUD BAHWAN
P.O. Box 169, Muscat,
SULTANATE OF OMAN

Interviews will be held in Bombay, Delhi, Calcutta, Madras, Bangalore and Hyderabad. We request you to indicate your preference in the application.

AN ESTABLISHED NRI GROUP HAS ROOM AT THE TOP

THREE CORPORATE PRESIDENTS AT CALCUTTA FOR MARKETING FINANCE PROJECT

THE GROUP : The Group has been operating in ASIA at Thailand, Nepal, Singapore, Indonesia, for the last three decades with major manufacturing ventures in Textiles, Chemicals and Steel. The Group has a multi million US Dollar turnover and is professionally managed.
Now in a major diversification drive into India, The Group is setting up projects in textiles, consumer electronics, computers, software exports, chemicals, steel and food processing in many parts of the country. The targeted turnover for 1990 is Rs. 150 crores. For the corporate Headquarters at Calcutta, reporting to the CHAIRMAN, the group wishes to induct three PRESIDENTS in Marketing, Finance and Project Control arenas.

THE JOB : These Corporate Presidents, in each discipline, would be responsible for strategically planning, assisting, monitoring, coordinating and managing with the Heads of the various operating units to meet the corporate objectives. They would be responsible for the bottom line with timely strategic business management.

THE PERSON : A good basic degree in each discipline, perferably an MBA, with proven track record at senior management level, are some of the attributes of the person. The need is for independent performers with the ability for indepth analysis, sound strategy coupled with business acumen.
Preferable age group is between 40-45 years.

THE PACKAGE : The compensation would be in line with the best for such levels in the Industry but it would not be less than Rs. 2.0 lacs per annum plus house, car, etc.

Please write within 15 days in strict confidence to Box No. AA/282/KS/6
Business India, 59, Regal Building, Connaught Circus, New Delhi-110 001

Please mention on top of the envelope the position applied for.

THE NRI GROUP FURTHER HAS OPPORTUNITIES FOR THE FOLLOWING POSITIONS IN THE CORPORATE HEADQUARTERS AT CALCUTTA.

Manager Strategic Planning : Corporate Planning with business strategies for further expansion/ modernisation/diversification would be the job responsibility. A basic degree with an MBA and at least 5 years experience at senior management level in similar functions are the requirements. Age preferred is 35-40 years.

Manager Public Relation & Admn. : An experienced executive well versed with Government policies, Industrial licencing, Import/Export procedures is required. He would additionally look after Headquarters Administration. Age around 45 years.

Manager Corporate Informations : The job involves complete responsibility for corporate database as well as managing the interchange of information between Headquarters and operating units. A person with strong EDP back-ground at corporate MIS level, between 35-40 years is required.

Manager Corporate Personnel : The group believes that Human Resources are the most important asset and so the need is for a creative individual with the responsibility of motivating the employees. He should be experienced in drawing up and implementing various employee welfare schemes. He should also be well conversant with the applicable labour laws in the country and possess at least 10 years experience in a similar capacity. Age preferred is around 45 years.

Manager Exports : The group is looking for a knowledgeable person of around 40 years with experience in Government formalities, documentation, banking, incentives and drawbacks including export processing zones. An ideal candidate could be with a banking background and indepth understanding of EXIM policy. But this is not a constraint for aspirants with expertise who can effectively manage the job.

All these positions carry attractive packages for outstanding persons. The packages however would not be less than Rs. 1 lac per annum plus other perks.

Please apply within 15 days in strict confidence to Box No. AA/282/KS/7
Business India, 59, Regal Building Connaught Circus, New Delhi-110 001

Please mention on top of the envelope the position applied for.

NATIONAL TEXTILE CORPORATION LIMITED

(A GOVERNMENT OF INDIA UNDERTAKING)

NEW DELHI

CHIEF FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER

EMOLUMENTS: Approx.
Rs. 5000/- p.m. plus perks.

NEW DELHI

National Textile Corporation Ltd. having 125 textile mills all over India under nine subsidiary corporations located one each at New Delhi, Calcutta, Ahmedabad, Bangalore, Coimbatore, Kanpur, Indore and two in Bombay invites applications for the above post. This position is available in the Holding Company (New Delhi).

SCALE OF PAY : Rs. 2250-100-2750 (pre-revised Central Govt. scale). Emoluments (Pay + DA) at the minimum will be Rs. 5000/- p.m. and at the maximum will be Rs. 6000/- p.m. In addition perks such as LTC, HRA, medical reimbursement, leave encashment, P.F. will be admissible.

UPPER AGE LIMIT : 45 years (relaxable by 5 years in case of SC/ST). Age relaxable in case of internal candidates.

QUALIFICATIONS : CA/ICWA

EXPERIENCE : 15 years of which 7 years should be in a senior managerial position Experience in textile industry will be preferred.

JOB DESCRIPTION : Evolving financial policies of the Company and co-ordinating with subsidiary corporations and various agencies concerned including Financial Institutions, Banks, Government Departments etc.

HOW TO APPLY : Interested candidates who meet the eligibility criteria may apply on plain paper indicating in particular (1) Name of the post applied for, (2) applicant's name and present address, (3) permanent address, (4) qualifications (5) experience (in chronological order indicating, in each case, name and address of the employer, period served, post held, nature of duties, name and designation of his immediate superior, number of persons reporting to the applicant and emoluments drawn), (6) date of birth/age, (7) whether SC/ST.

Applications alongwith a crossed postal order for Rs.10/- in favour of NTC Ltd., New Delhi (except in the case of SC/ST applicant) and copies of relevant certificates must reach the General Manager (Personnel), National Textile Corporation Ltd., 8th Floor, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi - 110 001 within 21 days from the date of publication of this advertisement.

Candidates serving in Government/Public Sector Undertakings should apply through proper channel. Candidates called for interview will be paid single first class rail fare both ways by shortest route

Other things being equal preference will be given to SC/ST candidates

Those drawing emoluments less than Rs 4500/- p.m. or employed in a pay scale lower than Rs.2000-2500 (pre-revised Central Govt. scale) need not apply

ANY CANVASSING FOR THE ABOVE POSITION WOULD LEAD TO DIS-QUALIFICATION

ABC's major specialisations include Corporate Consultancy

We have been retained by a **very large multinational** to select senior professionals for their expanding operations. Sales turnover is targetted to reach Rs 1000 Crores in the next 3/4 years.

GM — PERSONNEL

Requirements are for the Headquarters as well as one of their large manufacturing plants. Must be a Post Graduate in Personnel Management with senior managerial experience in a professionally managed organisation. Key result areas will be **manpower planning & rationalisation, IR negotiations,** cultural change agent, personnel administration, co-ordination with local authorities, township management & administration. Age Group 40—45. Code GMP/CAL/2510.

FINANCE MANAGER

He will be responsible for the **entire finance & accounting functions** of one of their product divisions involving a sales turnover of around Rs 100 Crores. Must be a Chartered Accountant with senior level experience in finance, accounts, banking, management reporting, etc. Age Group 35—40. Code FMC/CAL/2511.

MSD MANAGER

As head of **Management Services Department,** he will be mainly responsible for **Computer Services.** Should have a Post Graduate Degree in Computer Science or Qualitative Techniques. Must be a hardcore computer professional with strong systems background. Specialisation in Computerised MIS will be helpful. Age Group 30—40. Code MSD/CAL/2512.

Although positions are currently **Calcutta—based,** opportunities exist for postings throughout India and Abroad. Besides decent salary, liberal perquisites of residential accommodation, car & driver allowance, LTA, medical, retirement benefits, etc.,would be available. Our clients are looking for career minded, **high performers** with capacity to grow at a very fast pace. Please write within 10 days to **B P Agrawal, Chairman** and mark the envelope & enclosures with respective job title & code with details of age, education, past experience, current position & responsibilities, emoluments drawn & expected, contact telephone numbers, present & permanent address.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones 47 3688 (5 Lines)

Organised Cost Reduction • Technology Transfer • Project Reports • Operations Research • Industrial Engineering • Materials Management • Computer Software Packages • Data Processing

GENERAL MANAGER - MARKETING

South India — major city

Good remuneration package

A leading manufacturer of consumer durables which has a large share of the Indian market, with a present turnover of Rs. 50 crores, which is expected to double in three years, wishes to appoint a GM-Marketing to ensure that this objective is met.

The GM-Marketing will train and lead a team of professionals to set up an All India dealer network with effective retailer strengths. He will report to the Executive Director.

Applicants should be experienced and successful marketeers — preferably with an MBA — from well known companies. Preferred age: around 45.

The salary package is negotiable.

Please write (ref: MS/5011) in strict confidence to:

A.F. Ferguson Associates
Post Box 1786
Bombay 400 001

Price Waterhouse Associates (Pvt) Ltd.
has been retained to recruit a

GENERAL MANAGER (SALES)

THE COMPANY :
Our client, a dynamic and expanding professionally managed company, manufactures and markets an extensive range of computers of mainframe class as well as minicomputers and represents in India, a leading international computer hardware vendor. They have offices in all major cities and are poised for a quantum leap in sales with the introduction of new products.

THE POSITION :
Our client is seeking to appoint an outstanding manager with an achiever's track record as General Manager (Sales).

JOB PROFILE :
The incumbent to this position will be responsible for the overall sales function including defining and achieving regional business goals and targets and will report directly to the Managing Director. He will evolve and implement innovative Sales strategies, exploit new opportunities and react swiftly and decisively to changes in the marketplace. He should be able to identify and understand industry needs and pursue aggressive selling techniques to increase market share. Communication skills, a flair to relate to people at all levels, a high degree of personal motivation and the ability to lead a team of high calibre sales and support professionals are desired attributes. He must have a good feel for the computer products market and be familiar with leading edge information technologies. He should be sensitive to customer requirements and be responsible for customer satisfaction.

CANDIDATE PROFILE :
Our client is looking for a seasoned marketing professional with a successful background. He should have minimum 15 years experience of selling of capital equipment out of which at least 5 to 8 years should be in selling of computer hardware, networking and data communication equipment or computer aided graphics equipment. He should be presently working in a senior management position with a reputed hardware vendor. He should have experience in liaising with the government departments formulating electronic policies as well as handling top management of clients. Preferred age around 40 years.

COMPENSATION PACKAGE :
Salaries and perquisites are totally negotiable and will be in line with the best in the industry. Housing and car will be provided. The person selected will be be located at Bombay.

Please apply in strict confidence within 10 days to:

Arnab Bhattacharya (Vice President – Information Technology)
Price Waterhouse Associates (Pvt.) Ltd.
Post Box 2238, Calcutta 700 001.

All Envelopes should be marked IT – 902

BAHWAN AUTOMOTIVE CENTRE

MUSCAT

We are the largest Business Group in the Sultanate of Oman. Our Automotive Centre represents world renowned automobile/construction equipment franchises like TOYOTA, FORD, M.A.N., KOMATSU, DAEWOO, LADA, KUBOTA TRACTORS, YOKOHAMA TYRES, THERMOKING REFRIGERATION UNITS etc. We have openings for:

BUSINESS MANAGERS

As part of our expansion programme we are in search of Marketing/Sales personnel to augment our senior management cadre. The incumbent should necessarily have a proven track record of achievements to back up his candidature. He should possess innate skills and business acumen to turn every challenge to the advantage of the organisation in a highly competitive market. He would be required to give impetus to sales efforts for achieving market leadership by formulating and successfully implementing strategies. The job also calls for regular interaction and negotiations with Overseas Principals.

QUALIFICATION

Degree in Engineering from I.I.T. or other similar institutions of repute with post graduate specialisation in Business Management from I.I.M.

EXPERIENCE

Not less than 10 years in Sales/Marketing of which minimum 3 years should be in a senior position responsible for all territories of India. Those working for high profile Indian companies or multinationals in the field of Automotive Industry, Consumer Durables or Industrial Products need only respond.

Impressive personality, excellent communication skills and leadership traits are other factors that will enhance chances for final selection.

AGE LIMIT: 40 years

EMOLUMENTS

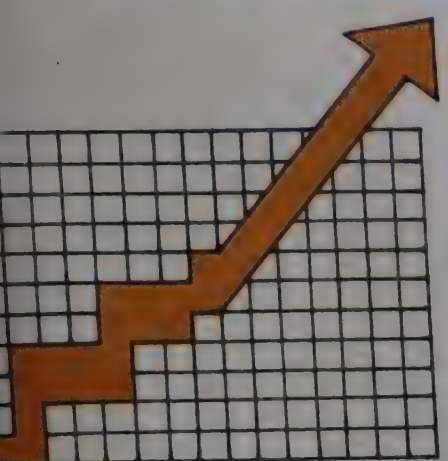
Salary will not be a constraint in the choice of the right candidate and an attractive remuneration package including fully furnished family accommodation, car, air passage for self and family, annual leave, free medical facilities and gratuity will be offered. Vistas for career advancement are immense.

Applicants willing to join us from a long term perspective need only apply within 10 days along with detailed resume, recent photograph, copies of credentials to:

The Personnel Manager
BAHWAN AUTOMOTIVE CENTRE
P O BOX 168, MUSCAT
SULTANATE OF OMAN

Interviews will be held in Bombay, Delhi, Calcutta, Madras, Bangalore and Hyderabad.
Please indicate your preference in the application.

Inventive technology from Inventa... Development programme from Asian Development Bank...



Together they help spin success for DCL Polyesters Ltd.

The great alliance: This Rs.128 crore, 15000 TPA Polyester Filament Yarn project is promoted by Deccan Cements Ltd. and has the assistance of SICOM and Asian Development Bank, Manila. It is an alliance in which you can have full reliance. In fact, this is the first time ADB is financing a Private Sector Project in India. SICOM too is having its highest equity participation in any Private Sector Project. As for Deccan Cements, it has a great track record... returning to its shareholders over 100% of the capital invested by way of dividends in just 6 years.

The technical collaborator is EMS Inventa AG of Switzerland – a world leader in creating facilities for production of Polyester Yarn in over 70 plants worldwide.

Hi-promise field: Polyester's popularity and demand is soaring rapidly in India. The demand supply gap is widening, and DCL Polyesters will enjoy a tremendous market for its Polyester Filament Yarn of the finest quality.

Well on schedule: The DCL Polyesters project near Nagpur is racing towards completion. Most of the planned targets have been achieved in the civil, mechanical, electrical and spinning areas.

Commercial production is slated for mid 1989.

Promoted by:
Deccan Cements Ltd.
with assistance from
SICOM,
State Industrial & Investments Corporation of Maharashtra Ltd.
and
ADB,
Asian Development Bank.

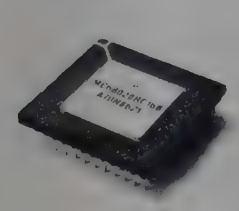
DCL POLYESTERS LIMITED

SF-2, Uday Apartments, 4, Vijaynagar, Chaaoni,
Nagpur-440 013.

Imageads-DCL-88644-B

Indeed, there is a fashionable future ahead with DCL Polyesters Ltd.

Wanted top professionals who can think small.



The Ranutrol Group offers fresh challenges.

A multi-product, multi-technology group of companies, Ranutrol is also engaged in the manufacturing and marketing of Office Automation Equipment – Electronic Typewriters, EPABX Systems, Automatic Test Equipment and Software on turnkey basis and Process Control Instrumentation.

The Group requires senior management personnel immediately.

GENERAL MANAGER

For a high-technology electronics project, based at Delhi.

The incumbent should be an Electronics Engineer, preferably an MBA, with a sound commercial exposure and sufficient experience in a senior marketing and managerial position. Age: Below 45 years is desirable.

GENERAL MANAGER

For the factory at Delhi.

The incumbent should be a Mechanical Engineer, preferably an MBA, with experience in manufacturing small sheet-metal components and electro-mechanical items, and the ability to manage a medium-sized plant. Sufficient experience in a senior managerial position is essential. Age: Below 45 years is desirable.

Remuneration and perks shall not be a limiting factor for the right person.

Those interested may please apply within 10 days, superscribing the envelope with the position applied for, to:
The Chief Executive,
Ranutrol Group of Companies,
F-85, Okhla Industrial Area, Phase-I,
New Delhi-110 020.

TECHNOLOGY QUALITY SERVICE
RANUTROL GROUP

Enterprise/D/ACL/1

Wanted Managers who can think

and

The Ranutrol Group offers fresh challenges.

A multi-product, multi-technology group of companies, Ranutrol is also engaged in the manufacturing and marketing of Office Automation Equipment – Electronic Typewriters, EPABX Systems, Automatic Test Equipment and software on turnkey basis and microprocessor-based Process Control Instrumentation.

The Group requires dynamic, decision-making management personnel immediately.

BRANCH MANAGERS

For the Business Machines Division. At Bombay and Delhi.

The incumbent, preferably an MBA, should have relevant experience at managerial level in marketing Office Automation Equipment. Age: Preferably around 32-35 years.

REGIONAL MANAGERS

For the Instrumentation Division. At Bombay, Delhi, Calcutta, Madras, Baroda and Bangalore.

The incumbent should be a graduate Engineer or an MBA, with 3-5 years experience in marketing Process Control Instruments or Instrumentation Systems at a senior level.

AREA SALES MANAGER AREA MANAGER

For Computerised Test Systems. Area Sales Manager at Delhi. Area Manager at Bangalore.

The incumbent should have a degree in Electronics, with 5-6 years experience in selling high-value computers-oriented Test Systems. As Area Sales Manager, he will have to manage Sales Engineers, Service Engineers, Application Engineers and will work independently in the territory as a profit centre.

MANAGER EXPORTS

At Delhi.

The incumbent should have a minimum of 3 years marketing experience in a similar capacity in an organisation of repute, a comprehensive knowledge of Import and Export Policy and procedures. He should preferably be an MBA with specialisation in Marketing.

Age: Preferably around 35 years.

Remuneration and perks shall not be a limiting factor for the right person.

Persons with less experience/ qualification will be considered for Dy. Manager/Area Manager.

Those interested may please apply within 10 days, superscribing the envelope with the position applied for, to:

The Chief Executive
Ranutrol Group of Companies
F-85, Okhla Industrial Area
Phase-I
New Delhi-110 020.

JINDAL

Steel invites

It invites housewives to take a shine to it. It excites the transport industry on to the fast track. And what's more. It makes a material difference to almost any industry you name.

Stainless Steel

Today this exciting metal is 'steeling' a march over conventional materials in a diverse range of applications. Stainless Steel is corrosion resistant and rust proof with excellent formability and ductility. It is lightweight strong. It is abrasion resistant,autoclavable and hygienic. Never before has something that looks so good made such good sense.

Jindal: Helping India prove its mettle

And helping pioneer this new world of steel is the Jindal Organization. A dynamic company fast moving upwards. A company that has made India's aspiration

A range to suit all applications

JINDAL STAINLESS PRODUCTS

Available in Grades of AISI-201, 202, 304, 304L, 316, 316L, 321, 430, 410 and as per customer specifications:

	Thickness	Width	Length
PLATES	4.0-50mm	1000 mm	upto 10 mtrs
HOT ROLLED STRIPS	2.5-4.0mm	450 mm	in Coil Form or Flats
COLD ROLLED SHEETS	0.20-3.0mm	450 mm	in Coil Form
STAINLESS TUBES	Outer Dia Wall thickness Length		: 19-75mm : 0.70-3.0mm : 5-6 mtrs
COLD ROLLED MILD STEEL SHEETS	Thickness Width Full Hard, Annealed, DD, EDD Quality		: 0.20-2.0mm : 1200mm in Coil Form

Steel excites

n, dedicated not only to
g the country self-
ient in Stainless Steel
tting standards for the
of steel to follow.
l manufactures
ess Steel right from raw
ial to the final finished
ct. There's a steel
tion brewing and Jindal is proud to pioneer it.

Stainless Steel Advisory Centre

For free technical advise on the selection of the right grade of Stainless Steel for your specific application just fill and mail the following coupon.

I want free technical advise on Stainless Steel for the following application: _____

_____

Name : _____

Designation : _____

Company : _____

Address : _____

Telephone : _____

Mail this coupon to:
Mr. A.N. Singh
Stainless Steel Advisory Centre, Jindal Strips Ltd.,
28, Najafgarh Road, New Delhi-110 015.

JINDAL

• STRIPS LIMITED •

Pioneering the world of steel

LINTAS DELHI JSL/3/38.24

EXIM BANK
EXPORT-IMPORT BANK OF INDIA

LEAD A TEAM ENGAGED IN OUR EXPORT MARKET DEVELOPMENT PROGRAMME

Annual gross salary upto Rs.80,000 (approx) + Car + Benefits

THE COMPANY
The Export-Import Bank of India is an apex financial institution. It finances, facilitates and promotes India's International Trade. The Bank operates in an international context, with offices in India and abroad. Its work environment is 'hands-on' and computer oriented, with stress on teamwork. The Bank seeks a professional to head its Export Market Development Programme. This is a Senior Management appointment.

THE PROGRAMME
The Export Market Development Programme is now about two years old. Through the Programme, the Bank has catalysed plans to export, upwards of Rs.300 crores, to Europe and the U.S.A. This has been achieved through aiding in and design of export marketing and financing activities. The Bank plans to strengthen the reach of the Programme with a Senior Management appointment to lead a small team of professionals. The aim is to accelerate export growth of select products in target markets which are Europe, North America, S.E. Asia. Target products are those in which India has present or potential comparative advantage.

THE ROLE
You will be responsible to develop new customers and expand business with existing customers under the Programme. This will involve considerable national and some international travel. You will relate with senior executives in Business, Multi-lateral Agencies, Trade Associations and Government Agencies. Your Key Result Area will be to make a lasting and substantial impact on firm level export performance through our Export Market Development Programme.

THE QUALIFIERS
To qualify, you must be an Engineering Graduate with MBA or a qualified Chartered Accountant with MBA or Economics Graduate with MBA, not above 40 years of age as of January 1, 1989 and have atleast ten years of work experience which must include a senior management level appointment in a business environment with exposure to design and review of marketing strategies, PC literacy and a proven capability to develop systems to support your work area, a high level of verbal and written communication skills and ability to relate to a wide range of people, particularly senior executives in Business, demonstrated problem solving abilityand the persistence to see a project through to completion.

Although you will have excellent prospects where you are, with a successful career to date, your leadership of our Export Market Development Programme provides you an opportunity to enhance your professional career.

GENERAL
1. The position is presently based in Bombay but Officers are liable to be transferred to any office in India.
2. Work experience in an industrialised country in marketing or corporate finance, will be a distinct advantage.
3. Customary relaxation and reservation available to candidates belonging to SC/ST category.
   SC/ST candidates should state this fact prominently in their applications. Upper age limit is relaxable upto five years for SC/ST candidates.
4. Residential accommodation will be provided, as available, according to Bank's norms.
5. Fringe benefits include HRA (in lieu Bank's accommodation), CCA, Medical, LFC.
6. Selected candidate will be on probation for two years, which may be relaxed in deserving cases.
7. No enquiry, written or verbal, on the progress of applications will be entertained. Selected candidate will be informed by post. Others will be intimated by a general advertisement.

APPLICATIONS
Applications specifying age, experience, qualifications, with a recent passport size photograph should be sent within fifteen days to:

Post Box No.11694 Bombay 400 021.

A FAST GROWING PROFESSIONALLY-MANAGED GROUP OF COMPANIES ENGAGED IN THE BUSINESS OF SCIENTIFIC POULTRY AND LIVESTOCK BREEDING, MANUFACTURE OF RELATED EQUIPMENT AND HIGH TECHNOLOGY AREAS IN AGRICULTURE REQUIRES:

HRD MANAGER – BANGALORE

The Job: The Job encompasses mainly Training, Development and Recruitment for all functional areas in he Supervisory and Managerial Cadre. Besides it also includes planning and administration of Company-wide Appraisal, Salary Administration and Personnel Information Systems for these Levels.

Required Profile: Applicants should have a PGD/MBA in Personnel Management from a reputed Institute. They should be around 30 years of age with about 5 years experience essentially in the Training function in Industry/Consultancy/ Training Institute.

REGIONAL SALES MANAGERS –BOMBAY/INDORE/HYDERABAD

The Job: Basic responsibilities will be to identify market needs and potential, develop/enhance the customer base, forecast and plan sales, review sales strategies/product-mix, and gear the sales team for achievement of sales targets.

Required Profile: Applicants should be graduates, preferably with a post-qualification in Marketing, of around 30 years of age and with a minimum of 3 years experience in Sales Management preferably in the Agro-based Industry.

ASSISTANT COMPANY SECRETARY – BANGALORE

The Job: The job entails innovative Tax Planning, compliance with legal formalities under the Companies and Income Tax Acts, scrutiny of legal agreements for purchase/sale of goods and property, development of systems and controls for legal compliance. The incumbent will report to the Group's Company Secretary.

Required Profile: Applicants should be Inter ACS with 1-3 years relevant experience and not more than 30 years of age.

PRODUCTION MANAGERS – KARNATAKA / TAMILNADU

The Job: The incumbent will head the production operations in one or more Poultry Units managing over 50,000 parent breeding stock. He will be responsible for efficient management of the Unit and for achievement of flock performance targets.

Required Profile: Applicants should preferably be graduates in Natural Sciences/B V Sc with around 5 years experience as Production Manager in the Poultry Breeding Industry or related Livestock and Agro areas.

The positions are in the Middle Management Cadre. Knowledge of the local language will be an added advantage. Salary package will be commensurate with qualification and experience.

Suitable candidates may apply with a detailed Bio-data within 15 days to:

Box No. AA/282/ED/2, **Business India,** Wadia Building, 17/19 Dalal Street, Bombay 400 001.

ARTEC ADVERTISING

The Computerisation Advisory Group has already taken the challenge of directing computerisation in many organisations.

Top Management in many companies has already met these men. And the computerisation in their companies continues to benefit from this interaction. Indian Oil, United Breweries, Glindia, CEI, Madras Cements, Hindustan Construction, Network and Sundram Fasteners are just a few.

These five men who constitute the Top Management at NIIT are a part of the Computerisation Advisory Group (CAG); NIIT's Corporate Computerisation Team.

Their experience is now available to your organisation through a short programme during which CAG and your Top Management explore and evaluate various issues related to computerisation. Issues like the potential impact of computerisation on your growth and profitability; the organisational restructuring that usually accompanies large scale computerisation; end-user resistance; low predictability of trends in Information Technology; the hidden costs of IT and so on.

All these are then reconciled within validated Planning Frameworks which are used to arrive at an Action Plan for your organisation.

To find out what CAG can do for you, write in for the CAG literature or get in touch with:

Challenge these minds!

Rajendra S. Pawar,
Managing Director,
NIIT, B4/144
Safdarjung Enclave,
New Delhi-110029.
Tel : 600177, 608864.
Tlx : 031-72343.

EBF

Enfield Business Finance & Leasing Limited

requires

MANAGER — CREDIT CONTROL

LOCATION — MADRAS

Functions:

- To effectively implement systems/controls relating to recovery
- documentation control and liaising with Marketing
- liaison regarding related legal cases.

Experience

Minimum 5 years of related experience in HP/Leasing Companies/Banks
Candidates with legal qualification/background preferred.

MANAGER — MARKETING

LOCATION — MADRAS

Will be required:

- to formulate marketing strategy for HP and Leasing Services to the corporate and non-corporate clients
- to market corporate financial services
- credit appraisal and customer investigation
- to co-ordinate and control the activities of branch offices.

Experience

Minimum of 5 years relevant experience in HP/Leasing Company. Candidates with ACA or MBA(Finance) preferred.

BRANCH MANAGERS

LOCATION: BANGALORE, CALCUTTA, COIMBATORE & MADURAI

Will be required to:

- market our HP/Lease Schemes.
- credit appraisal and preliminary investigation
- liaise with Manufacturers/Dealers/Customers

Experience

Graduates with minimum of 3 years related experience in the Hire Purchase/ Leasing Industry.

For all the above positions salary will be commensurate with qualification and experience and will not be a constraint for the right candidate.

Please apply within 10 days giving full particulars to

GENERAL MANAGER (CREDIT)
ENFIELD BUSINESS FINANCE & LEASING LIMITED
STANDARD HOUSE (I FLOOR)
166, ANNA SALAI, MADRAS 600 015

MARKETING MANAGER

CONSUMER FINANCE

MUSCAT **Around Rs. 20,000 p.m. plus perks**

Muscat Finance Company has been promoted with a capital of U.S. dollars 5,000,000 by the leading industrial groups and financial institutions of the country. It is engaged in the hire-purchase and leasing of automobiles and has developed a dominant position in this market in a very short period. The company plans to double its asset base and increase income by 200 per cent in the next two years.

The company now proposes to enter the challenging and potentially large market for the leasing and hire-purcahse of consumer durables and office equipment and the advertised vacancy has arisen as a result of this proposed diversification. The incumbent would report to the General Manager and be responsible for the structuring and marketing of suitable financing packages for individuals and corporations.

Candidates should be skilled at financial analysis, and have at least five years of experience in the marketing of consumer finance. Post-graduate qualifications in accounting or management would be an advantage. The preferred age is around 30 years.

In addition to the above salary, and the normal senior management perquisites like furnished accommodation, company car etc. the company offers considerable growth opportunities for the right candidate.

Please apply in strict confidence within seven days to:

A.F. Ferguson & Co.
P.O. Box 1786
Bombay 400 001

giving full details of age, qualifications, experience, salaries drawn along with a recent passport size photograph and contact telephone numbers. All applications and envelopes should be marked with the reference number "MS/5004"

SHYAM PRINTING AND MARKING DEVICES LIMITED

Requires:

Marketing Manager

We are a fast growing company engaged in the manufacture of pre-inked stamps — a new concept brought to India for the first time, with excellent potential. A part of the Savera Group of Hotels, Shyam Printing and Marking Devices Ltd. has successfully marketed 'Perma Stamp' for six years, with the support of 15 branch offices, each headed by a Branch Manager.

As a part of our expansion programme, we require a MARKETING MANAGER. The selected candidate would be responsible for all-India marketing of the company's products, meeting set targets and co-ordinating with the branch offices. Such a job involves extensive travelling.

The Marketing Manager would be stationed at the H.O. in Madras, and report directly to the Chairman. His salary will be commensurate with his experience and comparable to the best in the field.

Qualification: MBA with over 8 years experience/Non-MBA with over 12 years experience in marketing consumer durables.

Apply in detail within 10 days of this advertisement to:

Commercial Manager
Shyam Printing and Marking Devices Limited
No.11, Chamiers Road
Madras 600 028

BORN TO WIN

PERMA® STAMP

LINTAS M SPMD VAU / 210

sumac

requires

Systems Manager

We are in the business of executing turnkey engineering projects particularly in Sugar sector. These projects are based on innovative and new concepts which have to be engineered from basics. These projects require a very high degree of objectivity in execution alongwith effective and efficient co-ordination. The projects are in the range of 10 to 20 crores each.

We believe that success lies in availability of accurate information on progress to the operating personnel for timely action and feedback.

We are furnishing a new organisation structure to complete the projects within the standards of quality, cost and time.

The incumbent will form a Core System & HRD Group which will function as a Catalyst in introducing and implementing the appropriate systems.

Persons who are willing to undertake such a task should have an engineering background with minimum 5 to 6 years exposure into design and implementation of micro-processor aided management systems. Post Graduation in Management will be an added qualification.

Salary and perks will be offered commensurate with the ability to perform the task.

Please respond alongwith a brief write-up on your concept to :

SUMAC INTERNATIONAL PVT. LTD.

F-90/32 Okhla Industrial Area
Phase-I, New Delhi-110 020

Ishtihaar

ABC's major specialisations include Corporate Consultancy

CIVIL ENGINEERING PERSONNEL

We have been retained by a **large & progressive Engineering Company** to select the following middle management cadre professionals for their Civil Engineering Department located in Uttar Pradesh.

ENGINEER — ARCHITECTURE

The incumbent should be able to work out **architectural design of industrial structures,** office blocks, residential buildings, landscaping and also prepare perspective and detailed drawings. A Degree in Architecture with a minimum of 4 years experience in a reputed architectural or industrial undertaking will be essential. Age below 35 years. Code EA/CAL/2513.

ENGINEER — CIVIL DESIGN

The incumbent must have aptitude in **the design of RCC Structures,** preparation of working drawings, cost estimates, good knowledge of contract documents and specialisation in Civil Engineering Works. Degree in Civil Engineering from a recognised Institute with a minimum of 4 years experience in Civil Design & Drawing of a reputed industrial undertaking will be necessary. Alternatively, Postgraduate Degree in Structural Engineering with 2 years in Civil Design & Drawing Office will be acceptable. Age below 35 years. Code ECD/CAL/2514.

Attractive salary in the range of Rs. 45,000/- to Rs. 65,000/- p.a. plus perquisites commensurate with qualification & experience are assured for the right condidate. Please write within 15 days to **B P Agrawal, Chairman** and mark the envelope & enclosures with respective job title & code.

ABC CONSULTANTS PRIVATE LIMITED

43/3, Hazra Road, Calcutta 700 019, Phones 47 3688 (5 Lines)

Organised Cost Reduction • Technology Transfer • Project Reports • Operations Research • Industrial Engineering • Materials Management • Computer Software Packages • Data Processing

We are a leading Indian Company specialising in trade with USSR and having an office in Moscow. We have openings in India & USSR strictly for Russian-knowing specialists :

1. **Инженер-строитель**
2. **Инженер-электронщик**
3. **Инженер-программист**
4. **Инженер-механик**
5. **Менеджер/по ветеринарным вопросам/**
6. **Менеджер/по сельскому хозяйству/**

Просьба подать заявление только :

— если Вы прекрасно владеете английским и русским языкам;

— если Вы получили высшее образование в СССР и прожили там не менее трех лет;

— если Вы имеете опыт работы в соответственной области как минимум на два года.

Please apply in English within 10 days mentioning salary drawn and expected to :

Box No. AA/244/BT/7, **Business India,** 59, Regal Building, Connaught Circus, New Delhi-110 001.

J.K. CIRCUIT WORKS LTD.
KANPUR

require

GENERAL MANAGER

ne incumbent will assume over all sponsibility to take up a Rs. 25 crore oject for manufacture of multilayered inted professional grade circuit ards right from the drawing board tage to commercialisation under reign collaboration, for 100% export. ne incumbent will eventually assume tal responsibility for running the unit s a profit centre. The position reports the Director.

he incumbent should possess a degree Electrical/Electronics Engineering ith necessary exposure in Business dministration.

he ideal candidate would be in his mid-O's, with about 15 years experience in roject and production management in n electronic industry, preferably ngaged in the manufacture of printed ircuit board.

he compensation package envisaged ould compare with the best in the ndustry and will not be a limiting factor r the candidate with proven track cord.

lease apply within 15 days hereof longwith passport size non returnable hotograph, with detailed curriculum itae to :

The Secretary
J.K. Central Employment Bureau
JKCM Premises, Kalpi Road
Kanpur-208012

odEnvoys

General Manager

(Super Market)

BANGALORE GOOD TERMS

We have been retained by a professionally managed new company which is setting up a very modern and multilevel one stop supermarket/departmental stores, to select a General Manager for the said project.

This is a key position reporting to the Executive Board and entails project implementation and overall responsibility for the entire gamut of Purchase, Marketing, Inventory and General Administrative functions. He will be involved in developing innovative and effective retail marketing strategies and ensure that the sales targets are achieved.

We are looking for a young and energetic marketing professional with over 8 years experience in consumer and related products of which atleast 3-4 years should be in a comparable position. He should have a good university degree preferably with professional qualifications in marketing. A keen insight into the finer aspects of marketing consumer products coupled with good leadership qualities are essential.

This is a very senior position in the Company requiring active participation in decision making covering various facets of the Company's business. Terms are therefore good.

If you meet these requirements, kindly apply in confidence with complete bio-data (including details of age, qualifications, career accomplishments and current remuneration) and passport size photo, within 15 days marking the envelope BMC/BGL/PGM, to

Philrae Consultants Private Limited
A-13/2, Second Floor
32, Victoria Road, Bangalore 560 047

Shalimar Paints

needs a

BRANCH MANAGER

Bombay **Age : 30-40 years**

COMPANY

With a turnover of around Rs 60 crores, Shalimar Paints Ltd is one of the leading paint manufacturers in the country. The Company is poised for rapid growth and the current sales turnover is targeted to reach Rs 100 crores in the next 3 years. To meet the challenges of a changing environment and to strengthen the sales function, the Company is looking for Sales/Marketing Executives committed to organisational excellence.

CANDIDATES

The incumbent will be assigned to the Bombay Branch and will be responsible for achieving sales and collection targets, demand forecasting, supply follow-up, customer services, product promotion, developing distribution network, accounts and office administration.

Candidates should have 8-12 years of hard-core selling experience of consumer products. Experience in selling paints would be an added advantage. The candidates must have the ability to guide and motivate the sales team, control costs and supervise accounts and administration functions. MBAs would be preferred.

REMUNERATION

Remuneration will be comparable to the best in industry and the compensation package will include perquisites such as HRA, car allowance/car and driver allowance, LTA, medical, PF, gratuity and pension, etc.

Please send your resumé in strict confidence giving particulars of age, education, past experience, current position and responsibilities, emoluments drawn, contact telephone numbers, etc, within 15 days to:

General Manager (Personnel)
Shalimar Paints Limited
P.B. No. 16095
13 Camac Street Calcutta 700 017

AMTREX

We are a fast growing professionally manag organisation marketing AMTREX AIRCONDITIONE on an all India basis. We have ambitious plans to divers into other consumer durables and increase our turnov from present Rs. 10 crores to Rs. 30 crores within nex years.

To strengthen our Marketing/Servicing Teams require the following personnel :

AREA MANAGERS/MARKETING EXECUTIVES

Ahmedabad, Baroda, Bombay, Calcutta, Delhi, Dehra Dun, Hyderabad, Jabalpur, Ludhiana, Mad Nagpur, Nasik, Patna, Ranchi, Raipur, Vizag.

The incumbents will be in total charge of their territor and will be responsible for delivering targetted resu Prospective candidates should be graduates prefera with MBA background. They should have 1 to 5 ye experience in Sales/Marketing of consumer durabl office automation products.

SERVICE MANAGERS/ENGINEER

Bombay, Calcutta, Delhi, Dehra Dun, Madras, Nag Nasik, Raipur, Vizag.

Prospective candidates should be engine (Degree/Diploma) with 1-5 years experience in servic of consumer durables/office automation products

Fresh graduates/candidates graduating before June 1 can apply for our TRAINEE positions.

For all the above positions the remuneration pack will be very attractive and will not be a constraint. Company offers excellent growth opportunities.

Please apply in strict confidence within 10 days with position superscribed on the envelope to -

The General Manager - Marketing
Amtrex Ambience Pvt. Ltd.
'Rachana',
Shahibaug Road,
Ahmedabad - 380 004

PHOENIX ®

फिनिक्स

PHOENIX is an emerging industrial group manufacturing and exporting Shoe-uppers, Garments and Electronics. **PHOENIX** has also diversified into other activities ranging from Chemicals to Civil Construction to Agro Industries. We have approved offices in Moscow, Budapest and Warsaw with others in the pipeline.

PHOENIX wants to strengthen its in-house Projects Division to cope with the many faceted demands placed by the group for its short to medium term requirements.

COMPANY SECRETARY (27—35 YEARS) **Rs. 4500 +PERKS**

Must be qualified Company Secretary having minimum 6—7 years experience in reputed export oriented Limited companies. Job responsibilities apart from Secretarial/Taxation functions would include stocks, share, Board Meetings, Public issues, Annual General Meetings, liaise with All India Financial Institutions, disbursements and be very conversant with statutory compliances/ R.O.C./Company Law matters etc.

Position would be in Delhi (Corporate Office) and ability to set-up the complete department is very essential.

Please apply within 15 days to :

ENGR. PANKAJ BUCKSHEY
MANAGER (PROJECTS)
PHOENIX INTERNATIONAL LIMITED
3rd/4th Floor, Gopala Tower
25 Rajendra Place,
New Delhi : 110 008
Tel : 573 4952/3/4
Tlx : 31 77191, 31 77149 PXHQ IN
Fax : 573 3629

Following personnel are needed for placement in Medium Scale cable factory of Annual turnover Rs. 20 crores situated near Madras. The company is being put under BIFR Rehabilitation programme.

1. MANAGING DIRECTOR :

Graduate in Engineering with 20-25 years experience in various phases of production, marketing, finance of a cable company. The candidate should be able to independently take charge of total operations of the Company and will be responsible directly to the Board of Directors.

2. SALES MANAGER :

A degree from a recognised University with 7-10 years experience in the marketing of cables.

3. FINANCIAL CONTROLLER :

A Chartered Accountant with a minimum of 15 years experience in accounting practices for an Engineering Industry. Should be able to liaise with banks, and institutions independently.

4. SECRETARY :

Should possess ACS qualification and should have atleast 5 years experience.

5. RUBBER TECHNOLOGIST :

A degree or diploma in chemical technology (with specialisation in rubber technology) and should have 5/10 years experience in the operation of rubber mixing mills and in the manufacture of rubber compounds for manufacture of rubber cables.

6. SENIOR TESTING ENGINEER :

Graduate in Engineering with 10 years experience OR Diploma (Electrical)/Science Graduate with 15 years experience in a reputed cable industry. Experience in Testing is a MUST.

7. MAINTENANCE ENGINEER (Electrical) :

Diploma in Electrical Engineering with 5 years experience in the maintenance of HV/MV equipments in cable industry. **Supervisory competency certificate holders need apply.**

8. MAINTENANCE ENGINEER (Mechanical) :

Diploma in Mechanical Engineering with about 7 years experience in the maintenance of rotating equipments preferably in cable industries.

9. SHIFT FOREMAN (Operation) :

Diploma in Electrical Engineering or Science Graduate with 10 years experience in the operation of cable industry with specialised knowledge in PVC Extruders

10. EXTRUDER OPERATOR :

ITI/Pre-University having experience in PVC Extruders in cable industry for a minimum of 10 years.

11. ACCOUNTS OFFICERS :

ACS/AICWA with 5 years experience in Costing, Accounting familiar with ST, Excise, MODVAT.

Candidates fulfiling the above requirements may apply within 15 days giving full particulars of bio-data, salary drawn/expected to :
Box No. AA/282/LO/3, **Business India,** Flat No 5-B-1
JP Towers, 5th Floor, 7/2 Nungambakkam High Road
Madras 600 034

CIL

CHOWGULE INDUSTRIES LIMITED

Challenging opportunities for Marketing Professionals.

The Office Automation Division is a major activity centre for the Rs.200 crores Chowgule Group. It has to its credit some world class collaborations and an existing turnover of Rs.20 crores, with products as well-known as 'Canon' copiers, 'Chi²' computers, EPABXs and 'Scantel' telephone monitors.

The Division has ambitious growth plans for both existing products as well as new launches — FAX Machines and Electronic Cash Registers from world leaders.

We require ambitious, talented and result-oriented personnel, who can work in a highly professional environment as part of a dedicated team. The locations will be Delhi, Bombay, Calcutta, Madras, Bangalore, Hyderabad, Pune and Ahmedabad.

Branch Sales Managers: Real go-getters, having excellent selling record and capable of organising and controlling effective distribution networks, formulating marketing strategies to achieve the Company's growth plans and profitability targets. Age group of 30-35 years. Graduation in a basic discipline (preferably Business/Marketing Management) with 8-10 years similar experience in a reputed Company is desirable.

Sales Executives: Dynamic applicants, possessing excellent communication skills and similar background as above, would be required. However, experience of 3-4 years will suffice.

Sales Trainee Executives: Fresh Graduates with outstanding personality and willing to work hard for building an excellent career. Must have demonstrable leadership potential.

Service Engineers: Applicants must have Degree/Diploma in Electronic Engineering. About 4-6 years of experience in maintaining reputed office automation equipment at component level. Those with lesser experience can apply for the post of Service Technicians.

If you would like to be part of a highly motivated, frontline team, then please apply immediately within 10 days, in complete confidence, superscribing the post applied for, and the location preferred, on the envelope. The salary and perquisite package are no constraint and will be commensurate with candidate's background and calibre.

Address applications to:

General Manager (Marketing)
Chowgule Industries Ltd.
75-77, Maker Chambers VI, Nariman Point,
Bombay 400 021.

CONTOUR ADS-CIL-234A/88

PLANT MANAGER

A large company engaged in the manufacture of jelly filled telephone cables wishes to recruit a Plant Manager to oversee its production facilities. The company which is in technical collaboration with a world renowned US corporation is poised for rapid growth.

Reporting to the company's Chief Executive, the Plant Manager would be overall responsible for management of all aspects of the working of the manufacturing unit. As part of the top management team it is expected that he would play a key role in the formulation and implementation of policies affecting the unit's growth and profitability.

While no functional background is specified it is expected that the person selected would have sound techno-commercial sense, the ability to lead and motivate a team of professionals and a proven track record of success. Some experience as head/deputy head of a large sized independent operation is essential. Preferred age: 40-45 years.

Compensation — which will include housing — will be in line with prevailing industry practice and is not likely to be a constraint.

Please apply in strict confidence within 10 days giving details of age, qualifications & experience to:

A F Ferguson Associates
Hansalaya
Barakhamba Road
New Delhi 110 001

All applications and envelopes should be marked **'Ref MS/4859'**.

ANCO

ENERGY MANAGEMENT ENGINEERS

MADRAS

ANCO-Arjay Systems Pvt. Ltd., an Indo-American consulting engineering firm is expanding its operations. We seek energy management engineers at both junior and senior levels to provide energy related technical services. Our clients include commercial and industrial enterprises, government agencies and utilities, in India and overseas. The job calls for energy related data collection, techno-economic analysis of energy utilisation and equipment options, as well as designing and engineering energy systems at a later date.

Candidates must have a recognised Bachelors degree in mechanical or electrical engineering with a minimum of 2 years experience in a reputed organisation in relevant energy utilisation areas like Heating, Ventilation, Airconditioning, process, combustion etc. Excellent communication skills and ability to interact effectively with various levels of people in client organisations are expected. Preferred age group 25 to 35 years.

We offer a performance-based compensation plan. Send resume and salary expectations to :

THE MANAGING DIRECTOR
ANCO-ARJAY SYSTEMS PVT LTD
ARJAY APEX CENTRE
24 COLLEGE ROAD MADRAS 600 006.

Chhaya/AA/1045

PHOENIX®

PHOENIX is an emerging industrial group manufacturing and exporting Shoe-uppers, Garments and Electronics. **PHOENIX** has also diversified into other activities ranging from Chemicals to Civil Construction to Agro Industries. We have approved offices in Moscow, Budapest and Warsaw with others in the pipeline.

PHOENIX wants to strengthen its in-house Projects Division to cope with the many faceted demands placed by the group for its short to medium term requirements.

We are looking for mature and experienced professionals not only to assess the techno/commercial aspects and guide the implementation of the projects but sometimes also to initiate them.

DEPUTY MANAGER-2 POSTS (PROJECTS) (25—30 YEARS) **Rs. 3000—3500 + PERKS**

Reporting to the Manager (Projects),the candidates we have in mind should have an engineering background (Mechanical/Civil) with 3 to 4 years experience with a wide exposure in establishment of projects from conception stage onwards. Essential requirements — Analytical bent of mind, documentation control/expert in research, communication skills, persistance, work under monetary/time frame work, good in Inter-personal skills, ability to travel at short notice in India/Abroad, can sustain pressure of work,liaise with State Governments/Various Ministries/Institutions in the Capital. Deal with consultants/contractors/suppliers from India/abroad would be the broad parameters.

ARCHITECTURAL ASSISTANT (25—30 YEARS) **Rs. 3000—3500 + PERKS**

Qualified Architect (B. Arch.) from India/Abroad with sufficient exposure to Industrial/Multistorey/-Hotels/Complexes (Inside/Outside). Must have 4—5 years experience minimum, ability to design/present and have an added qualification of explaining to Engineers/Site Staff.the implementation methods/-requirements of construction/land scaping etc.

Write in confidence, superscribing the envelope with the position applied for, to :

ENGR. PANKAJ BUCKSHEY
MANAGER (PROJECTS)
PHOENIX INTERNATIONAL LIMITED
3rd/4th Floor, Gopala Tower
25 Rajendra Place,
New Delhi : 110 008 Tel : 573 4952/3/4

FALMA FALMA FALMA FALMA

FALMA LABORATORIES PRIVATE LIMITED

We are a fast growing, export-oriented Pharmaceutical Manufacturing Unit, with a product mix which is very comprehensive, competitive and innovative. Our formulation unit, located in Bangalore, is equipped and operated strictly according to GMP standards. We are now looking for a

PRODUCTION MANAGER

This is a senior management position. The incumbent should posses dynamism, high motivation and leadership qualities, to manage the unit.

He should be a B.Pharm/M. Pharm with a minimumof ten years experience in a comparable post, and should have an impressive tract record. He should posses approvals from the FDA for manufacture of tablets,capsules, liquid-orals and ointments. Knowledge of modern drug delivery systems will be an added advantage. Fluency in Kannada, though not essential, will be helpfull. Preferred age group — 35 to 40 years.

Remuneration and perquisites will be very attractive and will not be a limiting factor for the right candidate. Those presently drawing less than Rs. 60,000/- per annum need not apply.

If you are convinced that you answer to the above description, write to us immediately giving full details of your qualification, experience and salary drawn as well as salary expected. Let your application be accompanied by a passport size photograph. Your application, which should be sent to the following address, will be treated in strict confidence.

The Managing Director,
P.B. No. 3413,
BANGALORE-560 034.

FALMA FALMA FALMA FALMA

MEHAN AND ASSOCIATES
Management Consultants
All India Executive Selection Service

SIC

SICO WATER TECHNOLOGIES

SICO is a public limited company in private sector (establishe in 1911). It is a fast-growing, progressive, professionally managed All-India company with factories at Ghaziabad (Near Delhi), R & D Centre at Allahabad, Regional Offices a Bombay, Calcutta, Madras, New Delhi and Lucknow, in addition to 10 Branch Offices. They are in the field of highly sophisticated instruments required for Research Industry, Medicine, Oil Exploration, Survey, Education, Pollution Monitoring/Control, and the like. Their foreign *principals are world leaders in their respective fields.*

Now, SICO WATER TECHNOLOGIES, will open new horizons from, Influent to Effluent Treatment, full range of Plant & Equipment, R.O. UV. O_3 Ultra Filteration and Conventional systems are being introduced with several unique features, first time in the country.

We have been helping this company with Consultancy & Training inputs in "Organisation Development/HRD Systems" and equally well in "Planned Diversification"

It is FOR THEM THAT WE NEED:

DESIGN AND DEVELOPMENT ENGINEERS Chemical/ Mechanical. From basic design calculations and Process knowhow to final drawing. Similar experience with good track record, ability to work independently and form the NUCLEUS for growth.

SALES ENGINEERS/EXECUTIVES

To prepare tender-bids, quotations and achieve SELF-SET-SALES TARGETS. Chemical Engineers preferably with formal Management exposures.

PROJECT ENGINEERS

To execute the complete contract through monitoring sub-vendors & contractors with COST-TIME-BOUND programme

COMPUTER PROGRAMMER, SOFTWARE DEVELOPMENT

The entire engineering is through CAD/CAM operations, to develop software and use Plotter----a challenge to accept for the expert.

DRAFTSMAN CAD

Diploma in Mechanical Engineering/Designing and Drafting. Experience on Computer using AUTOCAD or similar Software. Ability to use Plotter efficiently.

ERECTION, COMMISSIONING ENGINEERS, SUPERVISORS

To undertake complete assignments and manage the site independently, trouble-shooting, service and maintenance.

All candidates having experience in Water/Effluent Treatmen Business or Engineering Consultants with appropriate qualifications need only apply.

SALES EXECUTIVES/MANAGERS

Experience of selling projects & capital equipment. These particular positions, needed for all major metro cities.

LOCATION

All positions except the last one (i.e. Sales Executives/ Managers) shall be located at Allahabad (UP) – the last category positions, needed for all Metros (Bombay, Calcutt New Delhi & Madras)

Financial compensation (salary/perks) are quite good. The real reward shall be in work itself. This is an ideal organisatio for those looking for professional/career growth and stimulating (& "enabling") work environment which emphasizes performances excellence and operational autonomy

Please apply, *in strict confidence*, with detailed bio-data marking the envelope with appropriate job title, mentioning preferred regions/locations, within 10 days to:

Professor K K MEHAN
MEHAN AND ASSOCIATES, Management Consultants
Fifth North South Road, Juhu Vile Parle Scheme
BOMBAY-400 049. Phones 620 0956; 620 4940

We maintain a Manpower Data Bank. You are welcome to contact us if looking for a change anywhere in India

We do not divulge candidate's identity to his present employ without consent

ENERAL
ANAGERS
FINANCE)

ombay and Indore

Very Attractive Terms

We have been retained by a fast growing CONSTRUCTION COMPANY having many prestigious projects all over ia with offices in Bombay, Delhi, Baroda and Indore, to select **OUTSTANDING FINANCE PROFESSIONALS.** The npany has a foreign collaborator who is reputed as one of the world's largest dam builders. The company is sently undergoing a major diversification to meet future opportunities.

The incumbent will take overall charge of corporate finance and accounting functions and participate in corporate icy formulation and planning. Apart from the routine functions like funds and cash management, banking, costing d budgetary controls, MIS, Tax planning and computer applications, he will also be required to liaise with banks d financial institutions for managing institutional loans, handle public issues of shares and debentures and manage public fixed deposits schemes of the company.

These are very senior positions reporting to the Chairman/Managing Director of the company. The candidate ould be a Chartered Accountant/Cost Accountant with around 12 years of experience out of which 5 years should ve been at a senior level preferably in construction industry. Candidates with lesser experience can also be nsidered on merits.

There are two posts, one each to be based in Bombay and Indore.

The overall remuneration package is designed to attract the best talent in the industry.

Please apply with a detailed resume within 10 days stating current and expected emoluments and preference of e job location, marking the application and envelope with GM(F)CC to:

RAIJI & HORWATH CONSULTANCY SERVICES PVT. LTD.
Primrose Chambers, 1st Floor, Jeejibhoy Dadabhai Lane,
Off. D.N. Road, Bombay 400 001.

PRATIBHA/RH/273/88

FINANCE CONTROLLER

NAGPUR

ATTRACTIVE COMPENSATION PACKAGE

Our client, a reputed publishing house with an impressive growth record and ambitious plans,requires a Financial Controller.

He will report to the Chief Executive of the company and will be responsible for the accounting and control systems of the company. He will be overall incharge of all aspects of finance, accounting, taxation and management reporting.

Candidates should be chartered accountants with at least 10 years'experience of which at least 3 years in a similar position in a reputed organisation. They should possess leadership qualities, a good track record and should have exposure to computerised systems.

In addition to a good compensation package,the company offers good growth prospects.

Please apply within 7 days to —

N.A. SHAH ASSOCIATES
4, Sailor Building, 373, D.N. Road
Bombay-400 001

Giving full details of age, qualifications, experience and salary drawn. All applications and envelopes should be marked "Ref: NS/P/97"

CLEA

N.A. SHAH ASSOCIATES

FACOR

REQUIRES

MARKETING MANAGER – DELHI

SARANKYO ELECTRONICS LTD., a company associated with FACOR GROUP which has a turnover of over 200 crores is entering the field of Audio and Visual Component Electronic Industry. The Company is setting up a D.C. Micromotors and Magnetic Head Project near Delhi in Technical Collaboration with World Leaders M/s. Sankyo Seiki Mfg. Co. Ltd., of Japan.

SE needs an young and dynamic Executive to head its marketing division to be established in Delhi. Candidate should be a MBA with atleast 10 years marketing experience in Electronic Industry.

Preferred age is around 35 years.

Salary is no limitation.

Apply in strict confidence to : DIRECTOR, **Sarankyo Electronics Ltd.,**
75, Amrit Nagar, 2nd Floor, Behind NDSE Part-I, New Delhi-110 003.

Dodsal

BUSINESS PLANNING EXECUTIVES

Location : Bangalore/Delhi

Dodsal Group comprising four companies (Dodsal Ltd., Indmag, Cedco and Dodsal GmbH) with 10 business units and an international subsidiary, enjoys a position of preeminence in Engineering and Construction of cross-country pipelines, Process/Power Plants, Power Transmission Systems and Infrastructure Projects and Exports. Agency Representation of multinationals is another major activity.

We have vacancies for Business Planning Executives who will report to the operational Vice-presidents in-charge of Business Groups. They shall assist the Vice-president in business planning, performance monitoring, financial control and contract administration.

They shall be professionally qualified with an MBA from one of the IIMs with Finance major. They should possess between 3 to 5 years' experience in business planning or the finance functions.

The position offers excellent opportunities for professional, as well as career growth and remuneration will be no constraint for the right candidate.

Please mail your resume with a passport size photograph within 10 days, superscribing the envelope with the position applied for, to –

Vice President (Personnel & Administration),
Dodsal Limited
Naveen Complex, 6th floor,
14, M.G. Road, BANGALORE – 560 001.

'CLOCK EJTEK ISP 7 O'CLOCK EJTEK

NDIAN SHAVING PRODUCTS LIMITED NEEDS A BRIGHT YOUNG EXECUTIVE IN THE PRODUCT MANAGEMENT AREA.

ISP is a joint venture of **The Gillette Company, U.S.A.,** world leaders in shaving and the **House of Poddar Enterprises. ISP** manufactures and markets the well known **7 O'Clock Ejtek** range of blades.

The Company plans to grow rapidly through aggressive new products within and outside the area of shaving.

To strengthen its product management cell, the Company is looking out for an ambitious and hard working **man** or **woman**

Applicants should

- have at least 2 years' experience in product management, in reputed consumer companies or top flight advertising agencies.
- have an MBA from a well known institution, or a good University degree.

The Company offers a professional work environment and excellent opportunities for personal growth and development.

The compensation package will be in line with top ranking consumer companies and is unlikely to be less than a gross of Rs. 55,000/- per annum.

The position is based in Delhi. Please write within 7 days to:

Senior Vice President - Marketing
Indian Shaving Products Limited, 34, Okhla Industrial Estate, NEW DELHI - 110 020.

We are a leading group of industries dealing in Consumer Durables having an annual turnover of Rs. 50 crores. We are looking for:

EDP MANAGER-1 — DELHI

Candidate should be below 40 years of age and well versed with PC environment and should have successfully led a computerization project team. He should be capable of implementing financial, inventory packages etc. at various Branch Sales Offices of a Manufacturing Company.

SYSTEM SUPPORT EXECUTIVES-2 — DELHI

Familiar with PC packages such as Lotus, Wordstar, dBASE III with atleast 2 years of experience in EDP operations. The job entails travel to Branch Offices for installing packages.

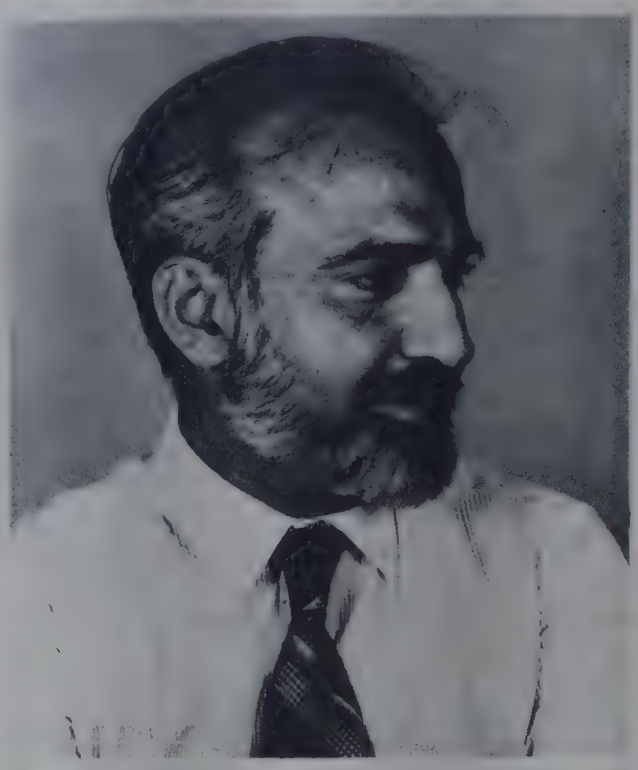
The compensation for the above positions will compare to the best in the corporate sector.

Please apply within 10 days giving full details of experience, salary drawn and expected to:

Box No. AA/282/CF/4, **Business India,** 59, Regal Building, Connaught Circus. New Delhi 110 001.

ga/441

The promise and problems of packaging



Packaging is a nascent industry in India. Even as the necessity of packaging for consumer benefit and higher exports becomes evident, punitive taxes and obsolete laws are acting as brakes. On behalf of Business India S. Lalitha spoke to **M.R. Subramanian,** *director, Indian Institute of Packaging, on the promise and problems of packaging in India.*

As soon as anything is packaged, it attracts taxes. Doesn't that defeat the rationale of packaging?
Why should packaged food attract any excise at all? I see the role of packaging not as value addition but as conservation. Vegetables and fruits worth Rs.3,000 crores go waste in India every year. If someone is willing to preserve them, the government should provide incentives instead of imposing punitive measures in the form of taxes.

Packaging is not anti-consumer. It eliminates the problem of short weight and adulteration.

How do you think we should tackle the problem of sagging exports?
The problem is that our concept of a product itself is ambiguous. There is a functional concept and a value concept. We don't look at either.

When you design an export package you have to have a strong domestic base so that you can shift part of it to export at international prices. Do we also bother about international trends like sugarless preservation or labelling the quantum of energy units per portion? Even if someone is willing to give us this information we are not bothered to act on it.

There is no proper labelling and packaging according to international standards and part of the onus of perishability lies with the packager. Hence even if a product is good it loses out. We have to move with international trends for stepping up exports.

Do we need a change in packaging laws?
Definitely, to keep up with international trends. Drugs and cosmetics are well covered but food laws need to be looked into. The Food Adulteration Act has to be modified to strengthen the legislation to make people responsible.

The Indian packaging industry consumes more than one million tonnes of paper and 1.8 million cubic metres of wood. With the increase in packaging, what happens to the question of environmental safety?
I think we've been reading too many western magazines. We don't have such a danger. Calculate how many tonnes of wood have been lost in our *hastakala*, carving, furniture, wood panelling, burning our dead over millenia and for newsprint? Every industry has been responsible for this. The forest cover was denuded even before the packaging industry began. I feel the answer lies in recycling and reforestation programmes on a large scale and not in stopping packaging.

Many packaging materials like PVC film attract a high customs duty of as much as 240 per cent? What happens to product pricing?
Packaging has been a neglected area. There is virtually no R&D. We have to import. The primary packaging materials attract a tax, secondary packaging like laminated plastic also attracts a tax, the product packaged has its own tax. If you import plastic film you have an additional import duty and the product pricing goes haywire. Like the computer industry, packaging too should be regarded as a thrust area. I don't see any point in expecting to get into exports with a competi edge, if we have such heavy taxatio

We need a modified MODVAT wh we are able to take in all the eleme of excise, sales tax, etc.

With increasing tonnage of waste which is not organic or salvagabl don't we fall into the trap of a wasteful society?
No, we have a wonderful system of pickers unlike the West. Paper, pla glass, cardboard everything is recyc

Will this recycled material be of t same quality?
Yes, in certain cases. For instance i international packaging standards, has to use only a certain grade of made of pine wood, no mishmash bagasse, rags and all. But for so m other uses, we can recycle that woo paper up to another 8 times. Thirt cent of all glass and paper in this country is recycled.

Since packaging is a new indust and we are way behind internati packaging standards, how can th upgraded, especially with capital equipment attracting 85-90 per c duty?
I would suggest a five year tax hol Revenue from duty is anyway non-existent, because there is no mach coming in. It's time the governmen thought hard about doing away wi this duty. If they are interested in foreign exchange rolling in, they m do this or our exports have no wa to stagnate.

Would you say domestic packagi has a bit of a populist tinge?
For some people the consumer protection angle might be just pop We might not go in for a large spectrum of consumer goods; but country I think we might make packaging of a three pronged affai to save on time, avoid short weigh preclude adulteration. I envisage r shops, not supermarkets, having 8 gm packets of sugar. I think this i practical, not populist.

Worldwide, there are consumer protection oriented strategies for packaging. Only if we do that will exports take off in the right direct because the western world and Ja are very conscious of health and quality.

For the gracious people

W D & H O WILLS
GOLD FLAKE
HONEY DEW

Quality that's forever

Every genuine
WILLS GOLD FLAKE
cigarette bears the name
W.D. & H.O. WILLS

STATUTORY WARNING: CIGARETTE SMOKING IS INJURIOUS TO HEALTH

CLARION C-GFK-16

RN 35850/78

REG. No. MH
SOUTH

"Hello Jasras.
Can you change the sleigh to yellow,
remove the telegraph pole and give us
snow in the background
... by the 25th?

And oh yes,
in case we don't see you,
Merry Christmas!"

© Rafeeq Ellias & Associates

As you can see, we have some of the most demanding clients in the business... and we're not complaining.

Because thanks to them, there's never a dull moment at Jasras. Quite literally.

The demands are myriad.

They include the usual: remove the colour cast, enhance the warm tones, improve highlight detail, increase contrast in the shadow.

And the unusual: stretch the picture, posterise it, solarise it, combine pictures, change colours, give it a TV screen look, texturise it.

Jasras deliver both with unmatched precision and speed. By combining up-to-the-minute technology (on our new generation electronic scanners) with good old-fashioned human ingenuity.

Not surprisingly, it's been a colourful, exciting year at Jasras. Working with advertisers, advertising agencies and creative people countrywide.

In the single-minded pursuit of excellence.

In 1989, we have a lo more up our sleeves and look forward to working you.

And oh yes, we'd like take the opportunity to w you all the best in the Ne Year.

The very best.

Jasra Graphics Pvt. Ltd.
Unit 1, Prabhadevi Industrial Es
Veer Savarkar Marg
Bombay 400 025
Tel: 430-6689/4305872

We care for your image.
Because we care for ours.

JASRAS